



Greater Cleveland Regional Transit Authority
Operating and Capital Budget for the Year 2017

IGORTA

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

2017 ADOPTED BUDGET PLAN

PRESIDENT – BOARD OF TRUSTEES
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CEO/GENERAL MANAGER, SECRETARY-TREASURER
JOSEPH A. CALABRESE



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
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Ohio**

For the Fiscal Year Beginning

January 1, 2016

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the Greater Cleveland Regional Transit Authority for its annual budget for the fiscal year beginning January 2016.

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

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

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JOHN JOYCE, CHIEF OF POLICE	34 - TRANSIT POLICE
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RICHARD NEWELL, DIRECTOR	38 - SERVICE QUALITY MANAGEMENT
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DR. FLOUN'SAY CAVER, DIRECTOR	46 - HAYDEN DISTRICT
CATHERINE EATON, DIRECTOR	49 - TRISKETT DISTRICT
MICHAEL LIVELY, MANAGER	58 - INTELLIGENT TRANSPORTATION SYSTEMS

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LORETTA KIRK, DGM, ACTING DIRECTOR	62 – SUPPORT SERVICES
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SCOTT UHAS, DIRECTOR	65 – REVENUE

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JOSEPH SHAFFER, DIRECTOR	80 – ENGINEERING & PROJECT DEVELOPMENT

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SHERYL KING-BENFORD, DGM, DIRECTOR	21 – LEGAL
JUDY LINCOLN, DIRECTOR	22 – RISK MANAGEMENT

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SCOTT FERRARO, DIRECTOR	18 – LABOR & EMPLOYEE RELATIONS
GEORGE FIELDS, DIRECTOR	30 – TRAINING & EMPLOYEE DEVELOPMENT

6 – EXECUTIVE DIVISION

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CEO/GENERAL MANAGER, SECRETARY-TREASURER	
JOSEPH A. CALABRESE	16 – SECRETARY/TREASURER – BOARD OF TRUSTEES
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ACKNOWLEDGEMENTS

OFFICE OF MANAGEMENT & BUDGET

SPECIAL THANKS TO THE FOLLOWING INDIVIDUALS FOR THEIR ASSISTANCE

MICHAEL DAUGHERTY

KAY SUTULA

CAROLYN YOUNG

LARRY FERRELL

NATALIE ULRICH

WESLEY KESHTKARAN

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BUDGET MANAGEMENT ANALYST

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COVER ARTWORK

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TABLE OF CONTENTS

Transmittal Letter & Citizens Summary

Transmittal Letter

Transmittal Letter	1
Citizens' Summary	2
A Strategic Approach to the Budget	5
Mission and Vision Statements	6
Values	7
General Fund	8
Revenues	8
Expenditures	10
Expenditure Growth	11
Employment Analysis	13
Service Levels	13
Policy Compliance	14
Capital Improvement Program	16
Conclusion	17
Fund Statements & Financial Policy Objectives	19

Budget Guide

Organization of the Budget Plan	29
Financial Policies	30
Introduction	30
All Funds	31
General Fund	32
Capital Improvement Funds	34
Supplemental Pension Fund	36
Insurance Fund	36
Bond Retirement Fund	37
Debt Financing	37
Budget Management Process	38
Introduction	38
The Budget Cycle	38
Budget Monitoring and Control	39
Budget Calendar of Events	40
Management Policies	41
Management Policy Initiatives	41
Strategic Plan Values	42
Service Profile	43
GCRTA History	43
Economic Profile	44
Service Profile	46
National Trends Profile	47
Ohio Transit Trends	48
Glossary	49

Fund Budgets

Fund Budget - Appropriated Fund Structure

All Funds	59
All Funds Balance Analysis	59
General Fund	61
General Fund Balance Analysis	61
General Fund Revenues	61
Sales and Use Tax	62
Passenger Fares	63
Investment Income	64
Advertising & Concessions	64
Federal Operating Assistance	65
State Operating Assistance	65
Reimbursed Expenditures & Other Revenue	65
General Fund Expenditures	66
Employment Level and Service Level Chages	67
Bond Retirement Fund	68
Insurance Fund	69
Supplemental Pension Fund	70
Law Enforcement Fund	71
Capital Improvement Fund	72
Balance Analysis	72
Capital Improvement Fund Revenues	73

Performance Management

Strategic Plan	75
Strategic Organizational Improvements	75
Balanced Scorecard	75
Fiscal Responsibility	76
Voice of Customer	78
Continual Process Improvement	81
Learning & Innovation	84
TransitStat Engagement Surveys	89
SWOT Analysis	92
Fuel Hedging	92

TABLE OF CONTENTS

Department Budgets		Department Budgets (continued)	
Department Budget Introduction	95	Division - Human Resources	
Authority-wide Organizational Chart	97	Division Summary	173
Expenditures by Division	98	2016 Accomplishments	173
Staffing by Division	99	2017 Priorities	173
Division - Operations		List of Departments	173
Division Summary	101	Human Resources	174
2016 Accomplishments	101	Labor & Employee Relations	177
2017 Priorities	102	Training & Employee Development	179
List of Departments	104		
Paratransit District	105	Division - Executive	
Rail District	109	Division Summary	183
Asset & Configuration Management	114	2016 Accomplishments	183
Transit Police	116	2017 Priorities	184
Service Management	119	List of Departments	184
Service Quality Management	122	Executive	185
Fleet Management	125	Secretary/Treasurer - Board of Trustees	187
Pass-Thrus	129	Internal Audit	189
Hayden District	130	Marketing & Communications	191
Triskett District	134	Information Technology	194
Intelligent Transportation Systems	138	Office of Management & Budget	197
		Fund Transfers	199
Division - Finance & Administration		Capital Improvement Plan	
Division Summary	141	Introduction	201
2016 Accomplishments	141	Organization of the Capital Improvement Plan	201
2017 Priorities	141	Capital Assets	202
List of Departments	142	Facilities	202
Office of Business Development	143	Rail Systems	204
Accounting	145	Revenue Vehicle Fleets	206
Support Services	148	Capital Improvement Planning Cycle	207
Procurement	150	Budget Calendar of Events	208
Revenue	152	Transportation Improvement Program	208
Division - Engineering & Project Mgt.		Capital Budget Appropriations	209
Division Summary	155	Capital Improvement Financial Policies	209
2016 Accomplishments	155	Capital Improvement Criteria	210
2017 Priorities	156	Priority Areas	210
List of Departments	156	Financial Capacity	211
Project Support	157	Federal Sources	212
Programming & Planning	159	State Sources	214
Engineering & Project Development	161	Local Sources	215
		Debt Management	215
Division - Legal Affairs		Operating Impacts	216
Division Summary	163	Capital Project Categories	217
2016 Accomplishments	163	RTA Capital Fund	218
2017 Priorities	163	Asset Maintenance Projects	219
List of Departments	164	Routine Capital Projects	220
Safety	165	RTA Development Fund	223
Legal	167	RTA Development Fund Projects	225
Risk Management	170	Transit 2025 Long Range Plan	226

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2017 TRANSMITTAL LETTER

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

Date: November 1, 2016

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



Subject: 2017 Transmittal Letter

EXECUTIVE SUMMARY

I am again pleased to report that 2016 was yet another successful year at the GCRTA. Once again the Authority was highly recognized on a national and international level for its best-in-class accomplishments. In 2016 we continued focusing on enhanced communications with our employees and our customers, and continued to deliver on our established mission, vision and values. We also continued our quest for continual improvement of the Authority's operations by expanding our process in obtaining ISO 14001 certifications to the two Bus Districts, by implementing a predictive maintenance program to improve the quality of our bus service, and by focusing on improving the quality of our capital assets.

As the GCRTA continues to effectively manage its financial resources, we continued our efforts throughout the year to invest in capital projects to improve the state-of-good-repair of our capital assets. Some highlights were the delivery of 12 replacement trolley buses, entering into a contract for 43 additional 40-ft CNG buses, replacing four Tower City Station escalators in time for the Republican National Convention, rehabilitating Platform 7 and began reconstruction work on Track 8 at the Tower City Station, which is scheduled for completion later this year, rehabilitated the East 81st & East 83rd Street Track Bridges, and completed rehabilitation work on three more Light Rail Crossings. By year-end, we will dedicate redesigned and ADA accessible stations at Shaker/Warrensville on the Green Line and at Brookpark on the Red Line. With these and other capital improvement projects currently underway, there can be little doubt that RTA is investing in the future of our region and public transportation system.

As we work hard every day, it is gratifying to see our progress through improvements in the dependability of our bus and rail services, in our continuing progress to improve the quality of our capital assets, and in our efforts to communicate with and to meet the needs of our customers. Many individuals and organizations are recognizing the contribution we make to our community and our industry and recently, Cleveland was named the best city in the country for visitors to go car-free, in large part due the public transportation services provided by the GCRTA.

During 2016, the GCRTA:

- Participated in planning for and provided public transportation services during the Republican National Convention.
- Received the from the Ohio State Auditor an Award with Distinction for excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2015.
- Was awarded the 2016 Technology Solutions Award for Telecommunications and Information Technology for the implementation of DriveCam.
- Implemented a pilot program for Mobile Ticketing that has been successfully tested and we will continue to expand this new service for our customers in the upcoming budget year.
- Continued on our journey towards the Baldrige Award for Excellence.

The following pages discuss the General Fund revenue and expenditure assumptions incorporated into the 2017 budgets. The proposed budgets support the daily operating activities of the Authority, will help to improve the quality of its service delivery, and continues the path towards achieving a state of good repair in the capital assets of the Authority. The uncertainty over what may happen in regards to the Authority's Sales & Use Tax base provides reason for concern, but the Authority is working with other State entities and the State Legislature to favorably address the issue.

Over the last ten years the GCRTA has gone through and weathered several economic cycles, addressed many challenges, and responded to increased service demands & opportunities. The first economic cycle (pre-2008) was a slow growth economy where Sales & Use Tax revenue was underperforming at a 1 percent annual growth rate and service opportunities were limited. This was followed by a severe economic downturn or "Great Recession" when Sales & Use Tax collections plummeted by nearly \$19 million in 2009, unemployment escalated throughout the County, and the GCRTA ended the year with a General Fund balance of less than \$2.9 million, an operating reserve of 3.5 days.

In response, a 12 percent service reduction was implemented in 2010, Harvard Garage was closed and 245 positions were eliminated. The fuel hedging Energy Price Risk Management Program was implemented and dramatic fluctuations in diesel costs were managed and an Energy Management program was initiated to reduce electricity costs. Also at that time, both operating and capital revenue was augmented by a one-time infusion of \$46 million from the Federal American Recovery and Reinvestment Act (ARRA). The GCRTA utilized a portion of these funds to support operations through reimbursements for preventive maintenance activities within the Operating Budget, but the largest portion of these funds were used to support State of Good Repair (SOGR) capital improvements including the reconstruction of the East 55th, Puritas, and Woodhill Stations, 20 replacement Paratransit buses, rehabilitation of three light rail crossings, and construction activities on the Stephanie Tubbs Jones Transit Center.

These combined actions reduced annual operating expenses by approximately \$30 million and as Sales & Use Tax revenue recovered in the following years, the operating reserve jumped to the 30-day goal with a balance of about \$20 million and, as a result, from 2011 to 2014 the GCRTA was in a very strong financial position. Union negotiations were settled with an innovative contract that tied pay increases, up to 3 percent, to prior-year revenue increases for Passenger Fares and Sales & Use Tax. All personnel received a 3 percent wage increase in 2012, 2013, 2014 and 2015. The current FOP and ATU contracts, set to expire in 2017, were renewed following the same principle.

As Sales & Use Tax revenue was growing by 5 percent annually, grant-funded preventive maintenance reimbursements to the Operating Budget were significantly reduced resulting in more funds for needed projects within the Capital Budget. During these years capital expenditures increased to \$80-90 million per year as rail stations were reconstructed, track was repaired, 47 articulated buses & 90 new CNG buses were purchased and a CNG fueling station was installed at the Hayden Garage.

The next financial trend began in 2014 as revenue growth slowed and expenditures increased substantially as the 2014 General Fund year-end balance declined by \$11.1 million to \$27.1 million. The decline in fund balance continued in 2015, in part due to the elimination of Federal Operating Assistance grant awards, resulting in an end-of-year fund balance of \$17.1 million. In 2016, due to better than projected revenue from the Sales & Use Tax, which has mostly offset a decrease in passenger fare revenue, a one-time reduction of the budgeted transfers from the General Fund to the Capital Funds, and good control of Operating Budget has improved the end-of-year fund balance to a projected to \$22.0 million, or \$15.3 million better than

budget. Although budget execution continues to be strong, the GCRTA will need to react to a new set of challenges in 2017.

As it currently stands, due to Federal requirements Medicaid Managed Health Care (MMHC) providers will be removed from the Sales & Use Tax base effective July 1, 2017. The problem is that the State only includes MMHC providers in the Sales & Use Tax base, but not all Managed Health Care (MHC) providers. The Federal position is that the State cannot tax only a subgroup (MMHC) of the MHC providers, those funded through Medicaid, and either needs to tax all MHC providers or none.

The problem is certainly not unique to the GCRTA. Under this change, if not mitigated, the State of Ohio will realize a loss of approximately \$500 million annually, Ohio's 88 counties will realize an annual loss of approximately \$200 million and the eight transit agencies, that directly receive revenue from the Sales & Use Tax, will realize a \$38 million annual loss.

It is important to note that this impact was also felt by approximately eight other states which have successfully addressed this loss by applying their sales tax to all MHC providers, and not just the portion that was traditionally paid for by Medicaid. Unless the State of Ohio takes action to correct the problem or develop a revenue-neutral fix by June 30, 2017, the loss of MMHC providers will cost the Authority approximately \$18 - \$20 million, or eight to ten percent, of its Sales & Use Tax revenue on an annual basis.

The revenues projected for 2017 assume the loss of the MMHC providers in July, but as receipts of these revenues lag three months, the impact of the projected loss of \$4.5 million won't be felt until the last three months of the year. In 2018 though, this amount will annualize to an expected loss of \$18 - \$20 million and require some significant steps be taken to achieve a positive sustainable budget.

Operating expenses are budgeted to increase at a faster rate than are projected revenues, primarily due to the assumption that the State will not develop a revenue-neutral fix to the MMHC providers issue and, if this occurs, the GCRTA will see a loss of close to \$20.0 million on an annual basis from its largest revenue source the Sales & Use Tax. The GCRTA is participating in a unified approach involving Ohio Counties and other Transit Agencies who are communicating their concerns to the State Legislature and developments on this subject will be closely monitored through 2016 and throughout 2017.

The 2017 Budget includes one quarter's loss (\$4.5 M) from the assumed loss of revenue from the removal of the MMHC providers and the ending balance decreases to \$8.5 million as budgeted expenditures exceed expected revenue by \$13.4 million. The ending balance of the General Fund then unacceptably declines to a negative \$11.8 million in 2018 and to a negative \$30.1 million in 2019 as the full impact of the loss of Sales & Use Tax revenue is felt.

Alternatively, if a revenue-neutral fix or correction is implemented by the State Legislature, the ending balances of the General Fund Operating Budget in the three years would be approximately \$12.1 million in 2017, \$7.9 million in 2018, and \$6.2 million in 2019. Though each is less than a one-month reserve, through continual improvements in service delivery efficiencies, management and positive execution of the annual budgets, these balances will improve and the Authority will have approached a sustainable General Fund Operating Budget where service delivery, the capital program and revenues are in equilibrium.

Despite the uncertainty over what the State can and will do on this issue, the GCRTA will continue its efforts to effectively allocate available resources that can best meet the needs of its customers and maintain its capital assets in a state of good repair. Effective budgeting and operations requires that contingency planning begin to prepare for the possible loss in revenue, but hopes are that a solution will be found that will

at most minimally impact on the Authority's most important and largest revenue source – the Sales & Use Tax.

The Board of Trustees' first review of the proposed 2017 – 2021 Capital Improvement Plan (CIP) took place on August 2, 2016 and subsequently authorized the 2017 Capital Budget Appropriations on August 16, 2016 allowing the Authority's Capital program to be better aligned with the Federal fiscal calendar. The committee will deliberate issues on the Operating Budget at a meeting on November 1, 2016 and again on December 6, 2016. Public Hearings will be held on December 6, 2016 at 9:00 AM and on December 20, 2016 at 9:00 AM. At the Committee meeting on December 6, 2016, the Finance Committee is expected to make a recommendation to the full Board of Trustees to adopt the proposed 2016 Operating and Other Funds Budgets. Adoption will be considered at the December 20, 2016 Board Meeting.

The Operating Budget includes resources to fund rail, bus, and paratransit services and includes a new mode, Van Pools, added in 2016 with implementation underway at the end of the year. The approved 2017 Capital Budget provides resources for the on-going replacement, rehabilitation, and/or maintenance of equipment and facilities. In preparing the 2017 Operating and Other Funds Budgets, staff developed Fund Balance Analysis statements for each major fund group, which summarize projected financial activity and ending balances. The Finance and Operations Committees will review major revenue and expenditure assumptions and trends, financial policy objectives, service and employment levels, and strategic initiatives. The capital projects included in the 2017 – 2021 Capital Improvement Plan (CIP) were reviewed and approved on August 16, 2016 and if changes are required, a request to amend the approved budget appropriation will be made during the 2017 Budget Year.

The combined 2017 appropriation for operating expenditures totals \$267.5 million, a slight decrease compared to the \$267.7 million appropriated for 2016. Based on Sales & Use Tax Revenue and Passenger Fare in 2016, relative to 2015, a 2.7 percent wage increase for ATU employees was calculated for 2017 based on the current contract, which will expire in the second half of 2017. The Operating Budget includes \$196.5 million for Personnel Services: providing salary, overtime, and fringe benefit resources needed to fund 2,332 positions. This number is a decrease of nearly 30 Full-time Equivalent (FTE) positions from the 2,361.75 FTE positions include in the 2016 budget as a result of annualizing the service adjustments made in the second half of 2016.

The establishment, execution, and management of the annual Operating Budget has an impact on the Capital Budget. A strategic objective has been to maintain grant-funded preventive maintenance reimbursements to the Operating Budget at or below \$20 million. This in turn provides additional funding for the Authority's capital program to maintain and improve its capital assets required for a public transportation entity of this size and to meet the State of Good Repair requirements of the new Transportation Legislation – Fixing America's Surface Transportation Act (FAST Act).

To reach and maintain a SOGR over the next five years, the Authority will need to replace its CAD/AVL Radio System, identify funding for approximately 200 replacement buses for the Authority's paratransit and large bus fleets, install a CNG fueling station at the Triskett Garage, continue its aggressive track reconstruction program, meet the remaining ADA Key Station deadlines, reconstruct various track bridges, improve rail signalization and the overhead catenary system, as well as replace equipment at the end of its useful life.

A looming financial challenge over the next decade will be the need to replace the Authority's aging Heavy Rail and Light Rail fleets at a combined cost estimated at \$250 million. The Authority must continue to focus on state of good repair maintenance, rehabilitation and construction projects and the need to provide

customers with safe and reliable service. That strategy will become increasingly difficult if Operating Reserves are not maintained at the 30 day goal and near impossible without a revenue-neutral fix to the looming Sales & Use Tax issue.

Over the last ten years, RTA has gone through at least three economic cycles with a fourth now underway as revenues have not exceeded expenses for the last three years, in great part due to the reduction and subsequent elimination of Federal Operating Assistance grant awards in 2016. At the same time, RTA is continuing to execute its strategic plan and is continuing its efforts to improve the reliability of service delivery through the implementation of a predictive maintenance program that represents a paradigm shift in bus maintenance from reacting to a problem to identifying potential problems and proactively addressing them before they occur.

STRATEGIC APPROACH TO THE BUDGET

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

GCRTA MISSION

RTA provides safe, reliable, clean and courteous public transportation.

BOARD POLICY GOALS

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

From 2007 to 2011, the business planning efforts were forced to highlight only two of the five policy goals as most critical: **Customer Focus** and **Improve Financial Health**. After 2011, the improved financial status allowed GCRTA to focus on **Preparing for the Future** and **Providing Community Benefits**. In an effort to more effectively transition the strategic planning focus into the 2017 budgeting process, the evaluation of requests and the allocation of funding for 2017 initiatives were linked to the business plan and most directly

to these four policy goals. Based on the current economic conditions, **Expansion** cannot be a priority at this time. Rather **Maintaining and Reorganizing** service to retain the base and attract new customers is objective.

In addition, RTA conducted a strategic planning initiative in the summer of 2014 with SWOT exercises and analyses conducted with ten groups totaling over 120 people, including the Board of Trustees and the Citizens Advisory Board. A two-day planning retreat was held with the Executive Management Team and Board participation. That retreat resulted in a new and updated Strategic Plan with nine Vital Few Objectives and ten Change Initiatives for execution over the next 18 months. A new set of Mission, Vision, and Values was adopted and are now in deployment. This will encourage greater internal communication and ensure that all RTA employees know what RTA stands for and its vision for the upcoming years.



Figure 1

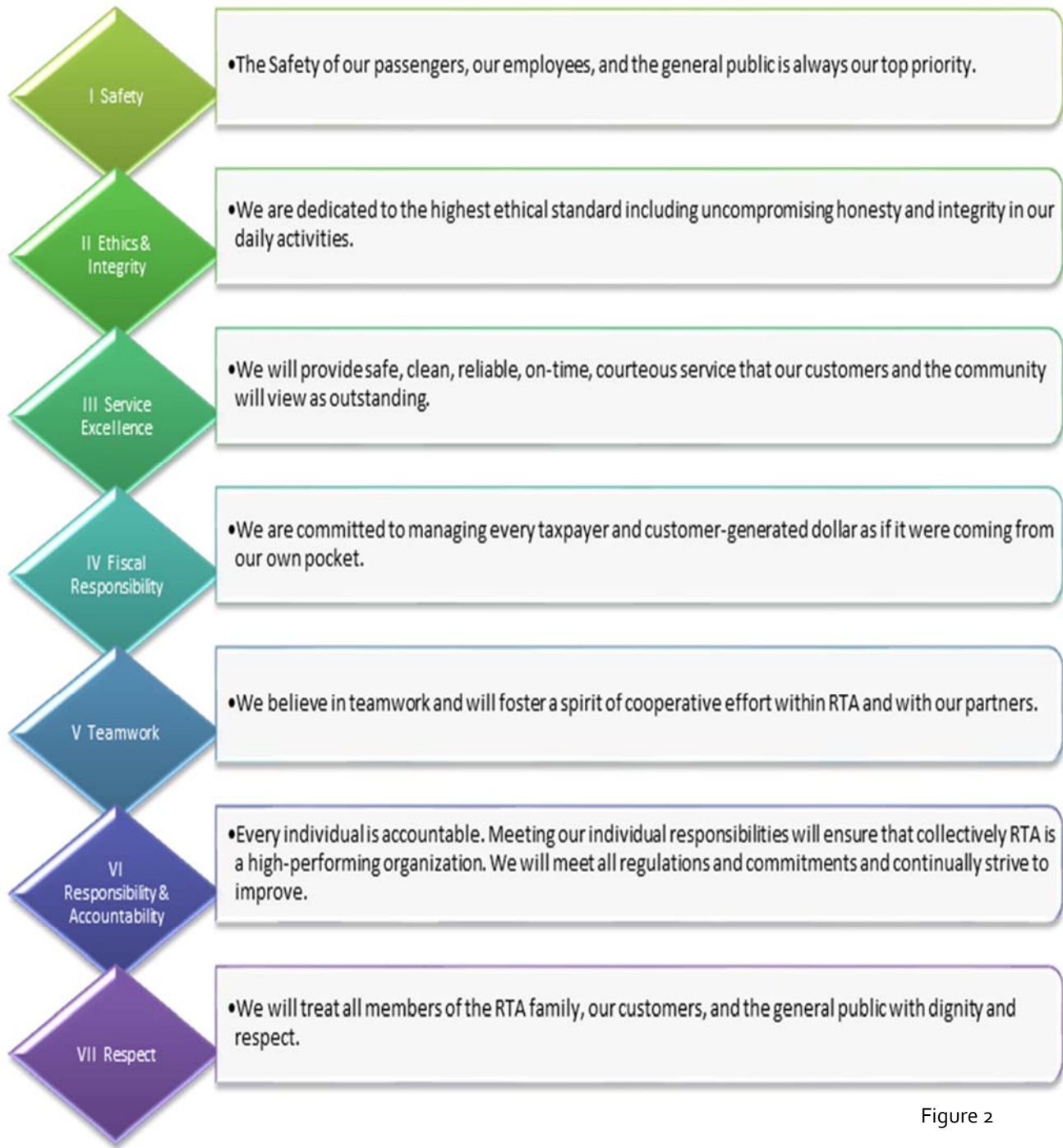


Figure 2

GENERAL FUND

REVENUES

With the continued reduction in ridership and lack of State support, a fare increase and service reduction was implemented in August 2016. The 2017 budget projects \$289.5 million in General Fund revenue and total resources of \$311.5 million. This is a \$3.0 million increase in total resources compared to the 2016 year-end estimate. This increase is a result of a higher beginning balance compared to 2016 and a \$2.5 million increase in Passenger Fare revenue due to the annualized fare increase.

The chart below shows the percentage of each revenue stream for 2017. Sales & Use Tax has remained above 70 percent of total revenue, at 75.0 percent, showing a continued reliance on this revenue stream. Passenger Fares is 16.2 percent of total revenue and has been slowly decreasing. In 2016 it was budgeted at 17.8 percent but is projected to end the year at 15.2 percent of total revenue, as ridership fell. Reimbursed expenditures, which includes grant-funded and preventive maintenance reimbursements to the Operating Budget, is the third largest source of revenue, at 7.6 percent of total revenue for 2017.

The key to any budget is a realistic estimate of revenues to support operations. This is particularly true of a public entity such as a transportation authority, which can only provide the level of service that revenues will support. The General Fund Balance Analysis included as Attachment A, presents the 2017 Operating Budget in summary. The specific assumptions and calculations for the revenues included there are as follows:

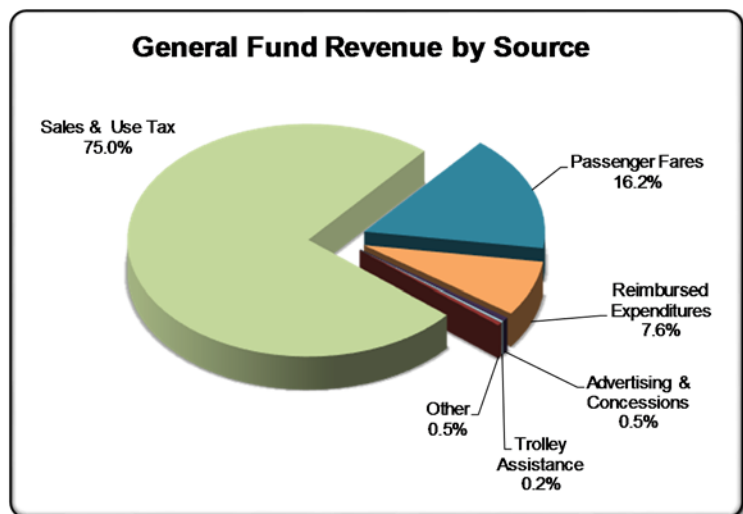


Figure 3

PASSENGER FARES

\$46.9 MILLION

RATIONALE:

Ridership has continued to decline over the past several years. As fuel prices remain low, choice riders are opting to drive to work rather than take public transit. The 2017 Budget includes an annualized increase in base fare from \$2.25 to \$2.50. Costs for Paratransit service continue to rise. Consequently, an annualized fare increase for Paratransit service from \$2.25 to \$2.50 per trip is included, as well as an additional increase from \$2.50 to \$2.75 starting in August 2017. RTA is permitted to charge twice the fixed route rate for Paratransit services. Currently, the Paratransit fare could be \$5.00.

SALES & USE TAX REVENUE

\$217.1 MILLION

RATIONALE:

Over the past several years Sales & Use Tax collections have been fairly steady. The 2016 projection at the end of the third quarter was \$218.4 million, a 6.1 percent increase, mainly due to additional receipts received in June from a 13-month audit of a Medicaid company. The budget for 2017 projects Sales & Use Tax to

increase by 2.8 percent until October. Currently, the Sales & Use Tax base includes receipts from Medicaid services. The Federal Government mandated Ohio Legislatures to comply with new regulations by June 30, 2017, prohibiting the taxing of a subset of Managed Health Care (Medicaid) providers. If the State decides to not address this issue, all 88 Ohio counties, as well as transit authorities that receive Sales & Use Tax receipts, will lose funding as will the State of Ohio. The Authority is cautiously awaiting the State's decision and budgeted for the \$4.5 million reduction in revenue for 2017 and then annualizes this decrease in the 2018 budget year.

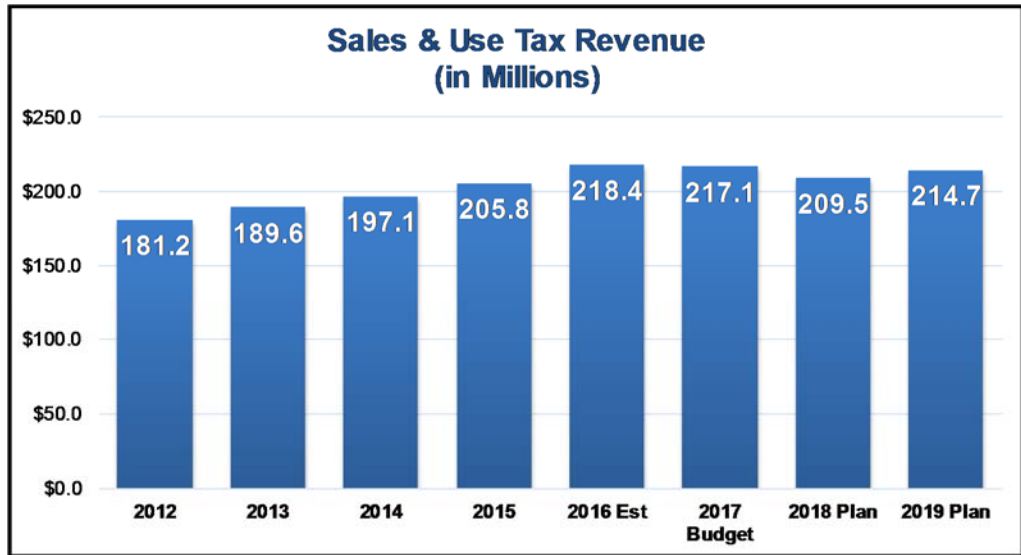


Figure 4

ADVERTISING & CONCESSIONS	\$1.6 MILLION
ADVERTISING CONTRACT	\$1.15 M
CONCESSIONS & NAMING RIGHTS	\$0.40 M
TOTAL	\$1.55 M

RATIONALE:

The Advertising and Concessions Category consists of two subcategories. The first is the current advertising contract. For 2017, the advertising contract is budgeted at \$1.15 million. The second subcategory is the naming rights for the HealthLine and the new Cleveland State Line and concessions that will net the Authority about \$402,000. Advertising revenues for 2016 are projected at \$1.5 million by year end.

INVESTMENT INCOME	\$70 THOUSAND
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RATIONALE:

For 2016, the Investment Income is projected at \$70 thousand by year-end as the Fed has kept interest rates at all-time lows in an attempt to spur the economy. Through the Third Quarter 2016, the Authority has received 0.46 percent interest return on its investments. Income from this source is budgeted at \$70 thousand for 2017 and the out-years as ending balances will be dropping.

OTHER REVENUE	\$1.8 MILLION
OTHER REVENUE	\$1.2M
TROLLEY ASSISTANCE	\$0.6M
TOTAL	\$1.8M

RATIONALE:

These other sources of revenue include contractor and hospitalization claim reimbursements, rent, salvage sales, and 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. For 2017, the revenue projection is \$1.2 million. As funding for the C-Line and Nine-Twelve Trolleys ended, additional funding is being sought from area businesses to sponsor the Trolleys, similar to the B-Line and E-Line Trolleys. RTA is seeking 80 percent funding, or \$640,000, from the community and the remaining 20 percent will be maintained by the Authority.

REIMBURSED EXPENDITURES	\$22.1 MILLION
PREVENTIVE MAINTENANCE REIMBURSEMENTS	\$20.0M
FUEL TAX REIMBURSEMENT	\$ 1.1M
REIMBURSED LABOR & MATERIAL	\$ 1.0M
TOTAL	\$22.1M

RATIONALE:

Reimbursed Expenditures category includes reimbursements for Preventive Maintenance (PM), fuel tax, grant-funded reimbursements for employee’s time spent working on capital projects, as well as other Federal and State reimbursements. For 2017, Reimbursed Expenditures are budgeted at \$22.1 million. Preventive Maintenance at \$20.0 million, \$1.1 million for fuel tax reimbursements, and \$1.0 million for force account labor and other reimbursements. For the out-years, \$22.1 million is budgeted each year for Reimbursed Expenditures. Increasing PM Reimbursement would, in turn, lower available funding for capital projects and increase the difficulty of achieving and maintaining a state of good repair.

EXPENDITURES

Operating Expenditures for the 2017 budget include the appropriation and expenditure changes as described below. As with revenues, expenditures are estimated not only for the 2017 Budget Year, but also for the two consecutive out-years. The General Fund Balance Analysis projections include those out-years to demonstrate the longer-term impacts of various items contained in the 2017 Budget (collective bargaining agreements, service changes, contract changes, as well as requirements of the Capital Improvement Plan, etc.). An annualized 3 percent service reduction was budgeted for 2017.

The chart on page 13 summarizes the budgeted expenditures for 2017 and highlights the various areas of cost increases included in the proposed Operating Budget.

Compensation Issues include the wage and fringe benefit 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). An innovative approach for wage increases was approved by both unions that tied wage increases for the current year to

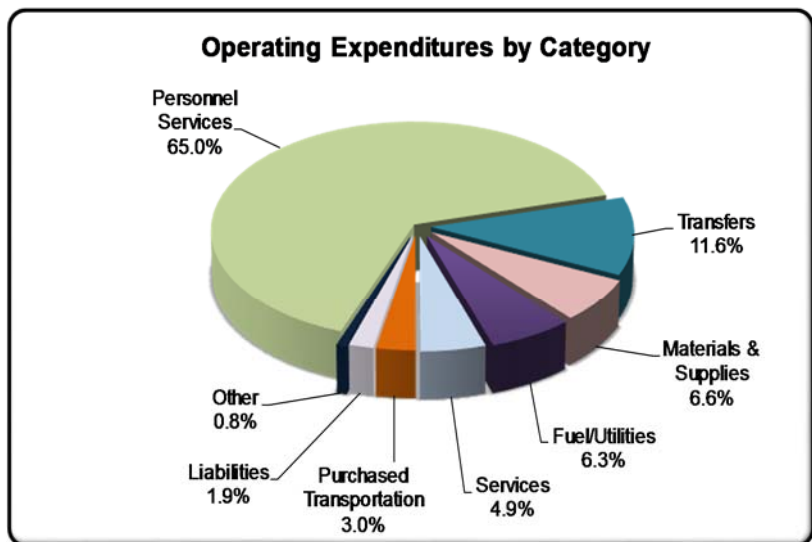


Figure 5

the increases in revenues for Passenger Fares and Sales Tax from the prior year. Both union contracts will end in 2017 and negotiations to continue this innovative approach will be decided.

Health Care and prescription costs for 2017 are projected to increase by nearly 12 percent compared to 2016 levels, from \$24.9 million estimate to a projected cost of \$28.0 million. The employee contribution for health care coverage is 14 percent and non-smoking employees receive a one percent credit and employees who complete an annual physical also receive a one percent credit from this amount. Those employees who complete both received a 2 percent credit on their health care contribution. In the upcoming contract, co-pays and deductibles have been increased due to family size and employee monthly payments decreased. This action makes employees more involved in their own care. It will also help avoid penalty payments in the future under the Affordable Care Act.

Fuel costs have been stabilized through the Energy Price Risk Management Program. The balance of 2016 is hedged at an average price of \$2.44/gal. For 2017, the average cost of fuel is hedged at \$2.17/gal and 2018 at \$1.73/gal. While 2019 is not fully hedged, the average price for the current 10 contracts is \$1.63/gal. The 2017 budget for diesel fuel is \$7.7 million.

Utility Cost Reduction Measures have been implemented, and will continue to result in significant cost savings for the Authority. An electrical supply contract was secured in April 2016 for the period of June 2017 through May 2019. The rate contracted for the supply of electricity will result in 5.3 percent lower electrical supply expenses in 2017, but the lower supply costs will be offset by increases in transmission charges. The 2017 budget for electricity is \$2.8 million.

The Natural Gas supply is contracted through mid-2017 ensuring budget stability. A Request for Proposal (RFP) was issued on July 18th to contract the next two years. Compressed Natural Gas for the CNG buses had an average pre-tax and credit cost of \$0.98/Diesel Gallon Equivalent (DGE) and after tax and credit costs of \$0.42/DGE. Natural Gas and CNG costs are projected at \$2.2 million for 2017 increasing from 2016 due to increased use of CNG buses and expected higher costs for fuel and delivery charges.

Areas of Expenditure Growth 2017 Budget			
2016 Projected Operating Expenses		\$252,148,521	
Compensation Issues		\$ 7,944,521	4.2%
ATU Contractual Increases	\$ 1,696,262		
Union Step Increases	\$ 982,505		
Health Care/Prescription Fringe Benefits	\$ 2,972,024		
Mechanics/Technicians/Maintenance	\$ 1,870,000		
Overtime - Bus Bridges/Special Events	\$ 423,730		
Fuel / Utilities		\$ 987,304	5.4%
Diesel Fuel	\$ (976,658)		
Propulsion Power	\$ 692,837		
Natural Gas & CNG	\$ 374,805		
Other Utilities	\$ 896,320		
Service Opportunities		\$ 3,467,401	15.1%
Purchased Transportation	\$ 331,925		
Tires & Tubes	\$ 261,377		
Maintenance Contracts & Services	\$ 2,740,447		
Training	\$ 133,652		
Other		\$ 2,947,667	13.2%
Liabilities	\$ 1,513,464		
Miscellaneous	\$ 1,434,203		
Expenditure Growth		\$ 15,346,893	6.1%
2017 Budgeted Operating Expenditures		\$267,495,414	

Figure 6

TRANSFER TO THE INSURANCE FUND

The Insurance Fund has a required minimum fund balance of \$5.0 million and is used to account for resources to protect the Authority against future catastrophic or extraordinary losses. The Authority is self-insured in all areas except personal property and equipment. Expenditures in the Insurance Fund are used for extraordinary claims and insurance premiums over \$100,000. With the increase in safety measures, claims have declined significantly and the budgeted transfer of \$1.2 million for 2016 was reduced to \$500,000. For 2017, a transfer of \$2.4 million will be needed to maintain the \$5.0 million level and to cover projected insurance premiums and possible claims payments. In 2018 and 2019, transfers of \$2.3 and \$2.5 million, respectively, are planned, due to higher premiums and projected claim payments. Continued safety actions may allow these amounts to be lowered in the future.

TRANSFER TO THE SUPPLEMENTAL PENSION FUND

The Supplemental Pension Fund was established for payments of benefits relating primarily to certain retired employees of the Authority and predecessor transit systems. Since 1986, the Pension Fund has also 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. The 2017 budget estimates that the Supplemental Pension Fund will need transfers of \$75,000. For the two out-years, 2018 and 2019, an additional \$75,000 for each year is planned in order to maintain the necessary balance within this fund as identified in a bi-annual actuarial study.

TRANSFERS TO CAPITAL

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

As Sales & Use Tax revenue recovered, this measure has fluctuated over the years to 17.1 percent in 2012, falling back to 18.0 percent in 2013 and 18.4 percent in 2014. Between 2011 and 2015, General Fund Transfer to Capital grew from \$31.0 million to \$38.1 million. In 2016 though, the projected transfers for capital totals \$31.4 million and equals 14.4 percent of Sales & Use Tax revenue. Local funds are transferred to the capital program to provide the local match for preventive maintenance expenditures and for other locally funded state of good repair projects that are ineligible to fund with debt service.

Overall, the projected 2016 combined transfer to capital of \$31.4 million is close to \$7.2 million below budget. This amount includes \$9.5 million for payment of 100 percent locally funded capital projects, a decrease of \$6.1 million versus budget due to a planned lowering of the balance of 100 percent local funds used for RTA Development Fund projects, and the \$21.9 million transfer to the Bond Retirement Fund for debt service payments associated with existing debt service is \$1.1 million below the 2016 Budget due to savings from a refinancing of existing debt service earlier this year.

In 2017, the transfer to capital will increase to \$32.6 million, or 15.0 percent of Sales & Use revenue, as additional local funds are transferred to capital to meet the financial needs of the capital improvement

program and debt service payments. In 2018, the transfer to capital will slightly decrease to \$32.5 million, or 15.5 percent of Sales & Use Tax revenue as the impact of the loss of MMHC providers and a decrease in revenue is felt. These transfers will then decrease to \$32.4 million, or 15.1 percent, in 2019. This measure may be impacted if additional debt service is needed in the future. The high level of this measure continues to highlight the difficulty created by increased capital and debt service needs in times of constrained revenue.

EMPLOYMENT LEVEL ANALYSIS

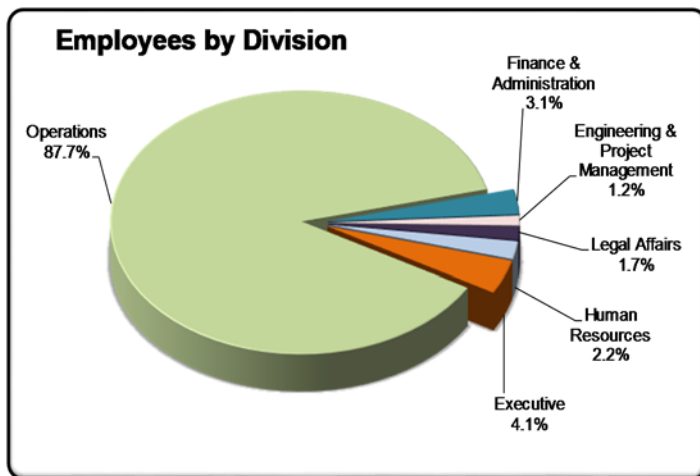


Figure 7

The 2017 Budget reflects staffing of 2,332.0, an overall decrease of 30 positions from the 2016 budget.

The pie chart represents the relative employment levels within each division.

With the 3 percent service reduction annualized in 2017, Operator positions were reduced by 31.0 positions. Safety initiatives have increased over the past several years and the focus will continue in 2017 due to increased State safety oversight for rail. A part-time position was included to accommodate these needs. The Safety Awareness Coordinator audits operators to

ensure they are using safe practices. As Operators continue to think "Safety", preventable incidents decrease. One of the Authority's VFOs (Vital Few Objectives) is to decrease preventable incidents, the need for this position is substantiated. On the administrative side, one Administrative Assistant position has been included for one-half of the year, effective July 1st, for the Information Technology (IT) Department. The position will only be filled after mid-year if the pending issue with the Sales & Use Tax base is resolved by the State.

SERVICE LEVELS

Service hours and miles have increased slowly over the years as funding and needs increased. Since 2015, however, ridership has slowly dropped as gas prices have remained low and choice riders elected to drive rather than take public transit. A plan was proposed in 2015 to decrease service but was postponed until August 2016. A 3 percent service reduction is annualized in 2017 for bus and rail modes. Paratransit service and needs continue to increase and is budgeted in 2017 with a 1.5 percent increase.

Work on the rail tracks and stations has demanded the increase need for bus bridges while the rail lines are down. Many of these bus bridges are factored into the 2017 budgeted service levels. The projected bus service hours and miles are shown on the chart below. These updated service levels are compared to the budgeted service levels for 2016, which has accounted for bus bridges during rail work.

A new pilot program for a van pool service was budgeted for 2016 and was set to begin toward the end of the year. The 2017 budget includes funding for the new contract where the vendor will set up and provide the van pool service for our customers.

2017 Budget Service Levels By Mode										
Compared to 2016 Budgeted Service Levels by Mode										
Service Mode	Service Hours					Service Miles				
	2016 Budget	2016 Estimate	2017 Budget	Variance	Percent Variance	2016 Budget	2016 Estimate	2017 Budget	Variance	Percent Variance
Rail										
Heavy Rail(Red)	148,088	141,280	147,000	(1,088)	-0.7%	2,758,293	2,669,992	2,700,000	(58,293)	-2.1%
Light Rail(Blue/Green)	61,985	57,886	59,000	(2,985)	-4.8%	895,025	769,027	830,000	(65,025)	-7.3%
Total Rail	210,073	199,166	206,000	(4,073)	-1.9%	3,653,318	3,439,019	3,530,000	(123,318)	-3.4%
Bus										
RTA	1,376,803	1,341,757	1,340,000	(36,803)	-2.7%	16,566,033	16,087,653	16,000,000	(566,033)	-3.4%
Total Bus	1,376,803	1,341,757	1,340,000	(36,803)	-2.7%	16,566,033	16,087,653	16,000,000	(566,033)	-3.4%
Paratransit										
In-House	189,041	170,165	194,712	5,671	3.0%	2,633,475	2,288,668	2,229,065	(404,410)	-15.4%
Contract	205,312	214,759	208,392	3,080	1.5%	2,885,414	3,066,272	3,372,899	487,485	16.9%
Total Paratransit	394,353	384,924	403,104	8,751	2.2%	5,518,889	5,354,940	5,601,964	83,075	1.5%
Grand Totals	1,981,229		1,949,104	(32,125)	-1.6%	25,738,240		25,131,964	(606,276)	-2.4%
Van Pool	29,000	-	12,000	(17,000)	-58.6%	640,000	-	300,000	(340,000)	-53.1%
	29,000		12,000	(17,000)	-58.6%	640,000		300,000	(340,000)	-53.1%

Figure 8

POLICY COMPLIANCE

The discussion in this section focuses on the financial status of GCRTA as it relates to the Authority's basic adopted financial policy objectives. These objectives represent trends or indicators that should be analyzed as they relate to long-range financial implications for the organization. These financial policy objectives were amended in August 2011. The financial policies or trends, as outlined in Attachment B, are applied to the following areas:

OPERATING EFFICIENCY

An **OPERATING RATIO** of at least 25 percent is the policy goal. This ratio will not meet the objective for 2017, at 18.2 percent, as ridership has decreased over the past several years. RTA has not increased fares for seven years. The 2017 Budget includes a fare increase and a 3 percent service reduction. Base fare were increased from \$2.25 to \$2.50 in 2016, and an additional Paratransit fare increase is budgeted from \$2.50 to \$2.75 in August 2017. RTA will need to control expenses throughout the year in order to end the year with a ratio above 20 percent.

The **COST PER HOUR OF SERVICE** is to be maintained at or below the level of inflation (under 2 percent for 2017 per the Cleveland Fed). For 2017, operating costs are increasing by 6.3 percent, compared to the 2016 estimate. Service hours are scheduled to decrease by 1.6 percent. At a budgeted rate of 12.4 percent, this measure will not be met.

The goal that is most easily understood and tracked is the **ONE-MONTH OPERATING RESERVE**. This objective requests the Authority should have a year-end balance equal to one month's operating costs (1.0). The Operating Reserve objective is projected to be met in 2016. For 2017, a one-month operating reserve is equal to \$22.3 million. With a budgeted ending balance of \$8.5 million, 0.4-months reserve, the Authority will

not meet this measure. For the two out-years, this policy goal is also not projected to be met at -0.5-month and -1.3-month, respectively.

CAPITAL EFFICIENCY

The goal for the **DEBT SERVICE COVERAGE** ratio is to be above 1.5. Due to the impact of the recent recession, this measure had declined to a low of 1.14 at the end of 2009. The ratio improved to 2.02 in 2010 as revenue from the Sales & Use Tax recovered and again increased in 2011, to 2.82 at the end of the year as Tax receipts continued to grow, the Authority stretched the use of its 2008 borrowing for four years, and pre-paid a State Infrastructure Bank loan in 2011. Between 2014 and 2016, the debt service coverage continued to meet the Board Policy goal, though slowly declining in each year from 2.38 in 2014, to 1.80 in 2015, to a projected 2.10 at the end of 2016. At a projected 1.48 in 2017, it will be close to, but is not expected to meet the goal due to the projected decline in Sales & Use Tax revenue.

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

The financial contributions to the capital programs support 100 percent locally funded capital projects, provide the local match for projects funded by grants, and funds the Authority’s debt service requirements. The added contribution of 18.4 percent in 2014 was due to transfers of additional local funds needed for multi-year bus replacement program and to meet the financial needs of the Authority’s capital programs. The contribution to capital held steady at 18.5 percent in 2015 before declining to 14.4 percent in 2016. This decline in contribution will continue at 15.0 percent in 2017, but increase to 15.5 percent in 2018 and 15.1 percent in 2019 as the decreases in Sales & Use Tax revenue also impacts this measure.

The projected ratio of 96.3 percent in 2016 for **CAPITAL MAINTENANCE OUTLAY TO CAPITAL EXPANSION** is above the Board Policy goal of between 75 percent and 90 percent due to a large number of State of Good Repair (SOGR) capital maintenance projects including the bus improvement program, reconstruction of heavy and light rail stations, and track infrastructure projects. It will remain above the 90.0 percent maximum in 2017, at 94.1 percent, as the focus of the Authority’s capital program remains on the maintenance, rehabilitation, and the replacement and/or upgrade of existing capital assets, rather than on expansion projects. This measure is expected to remain above the maximum of 90 percent, at 92.5 percent in 2018 and 2019, due to the focus of the 2017-21 Capital Improvement Plan on state of good repair projects throughout the Authority.

In 2017, only one of the six objectives will be met due to constrained revenue. The major factors include elimination of \$5.0 million grant funds that help subsidize operation, the increase in operating expenses over the past years, and the growing demand in capital projects to maintain a state of good repair.

The **OPERATING RATIO** will be a projected 18.2 percent, below the goal of 25 percent, due to the increase in the operating budget and decrease in passenger fare revenue. The Operating Budget Growth per Year is programmed to increase by 12.5 percent, above the rate of inflation, but with execution is expected to be reduced and the **SALES & USE TAX CONTRIBUTION TO CAPITAL** is expected to be at 14.4 percent in 2017 with the focus of capital projects on maintenance, rehabilitation, and replacement of current assets. In 2018, only one out of the six financial policy goals will be achieved, Growth per Year, the cost of delivering a unit of service and in 2019 none of the Board Goals will be met as the full impact of decreasing revenue from the Sales & Use Tax is felt.

The Authority has been able to improve internal processes over the past five years and reduce costs to enable shifts of financial resources to address many SOGR capital projects. The GCRTA must continue to maintain a balance between operating and capital funds to stay successful and develop plans to address the significant challenges it will face in the upcoming years.

END OF YEAR RESERVE FUNDS

RTA has made a decision to reduce grant funded preventive maintenance reimbursements to the Operating Budget and redirect those funds to increase Capital expenditures. Transit is a capital-intensive business and the Authority addressed some of the capital needs to ensure a state of good repair. Operating costs are rising and are budgeted at \$267.5 million for 2017 with a budgeted ending balance for of \$8.5 million. If the GCRTA is to remain financially sustainable in the future, a 30-day operating reserve must be met while maintaining PM reimbursement under \$20.0 million is going to become increasingly difficult.

A transfer to the Rolling Stock Reserve Fund is budgeted to reserve a percentage of the year-end balance for future purchases of revenue vehicles. This Fund would reserve 10 percent of the balances over \$5 million and 5 percent if the balances is under \$5 million. This fund will help to create the local match needed for revenue vehicle purchases. The 2016 estimate for the transfer is \$2.4 million. The budgeted transfer for 2017 is \$0.4 million.

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) for 2017-2021 was approved by the Board in August 2016. It provides for the purchase, maintenance, and improvement of the Authority's capital assets through a programmed allocation of available financial resources. The capital assets of the Authority are varied and include such items as buses, rail cars, rail right-of-way infrastructure, facilities, equipment, non-revenue vehicles, and other capital assets needed to support the on-going operations of the Authority. The life cycle of these capital assets extends over a period of years and effective capital improvement planning provides the framework for scheduling improvements based on the availability of resources, the condition of assets, and the priorities among submitted capital projects. The capital-intensive nature of public transportation makes long-term financial planning, as well as effective implementation and completion of programmed capital projects on a timely basis, indispensable.

As in previous years, additional resources are needed to meet the needs of maintaining the Authority's capital assets in a SOGR. In recent budget years, due to the improved financial conditions of the Authority additional funding was supplied to the capital program by strategically reducing grant funded Preventive Maintenance (PM) reimbursements to the Operating Budget and directing more resources towards capital asset

improvements. After the 2008 Recession, the upturn in the balance of the General Fund triggered a reduction in actual PM reimbursements from \$21.6 million in 2011 to a low of \$9.6 million in 2013. This recent trend was reversed in the current year as growth of the General Fund balance slowed and projected PM reimbursements have grown to a projected \$21.2 million in 2016. For 2017, Preventive Maintenance reimbursements are budgeted at \$20.0 million and are expected to remain at this amount in the following two years.

The allocation of capital funds and budget authority in recent years have targeted a significant number of SOGR projects throughout the Authority. Financial resources were allocated through a capital review process that prioritized both budgeted, unfunded capital projects as well as consideration of new capital projects. It continues to maintain the focus of the Authority’s capital program on achieving and maintaining a State of Good Repair throughout the system as it continues to reflect existing and future financial and operational constraints facing the Authority. The Authority should replace 30-35 buses per year over the next five years at an annual cost of \$17.5 million of which, 43 40-Ft CNG buses are currently on order and 2017 and early 2018, while at the same time it need to invest in the reconstruction of rail stations to meet ADA key station standards, and its rail track, bridges, rail signals & electrical system, and overhead catenary.

The Authority’s capital projects are grouped in the proposed 2017 – 21 Capital Improvement Plan shown on the following page.

2017 - 2021 CAPITAL IMPROVEMENT PLAN						
Combined Budget Authority						
PROJECT CATEGORY	2017 Budget	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2017-2021
Bus Garages	\$0	\$2,400,000	\$5,450,000	\$0	\$0	\$7,850,000
Bus Improvement Program	\$12,844,595	\$21,958,227	\$20,000,000	\$20,000,000	\$24,000,000	\$98,802,822
Equipment & Vehicles	\$2,634,600	\$8,060,176	\$7,100,825	\$4,850,000	\$4,290,000	\$26,935,601
Facilities Improvements	\$5,532,000	\$8,768,724	\$12,812,061	\$7,236,890	\$7,932,890	\$42,282,565
Other Projects	\$2,271,450	\$2,272,250	\$2,273,750	\$2,273,750	\$2,275,250	\$11,366,450
Prev. Maint./Oper. Reimb.	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$100,000,000
Rail Projects	\$20,492,642	\$24,968,485	\$25,208,719	\$13,316,000	\$11,175,000	\$95,160,846
Transit Centers	\$320,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,520,000
TOTALS	\$64,095,287	\$88,727,862	\$93,145,355	\$67,976,640	\$69,973,140	\$383,918,284

Figure 9

CONCLUSION

GCRTA has managed well over the past few years. As the growth in revenues and resources slow, increasing operating costs are making it difficult to end with a 30-day balance. The 2017 budget annualizes the fare increase and the 3 percent service reduction implemented in August 2016, but difficult decisions may lie ahead in 2017 through 2019 in order to mitigate a potential yet significant decrease in revenues due to Medicaid services possibly being removed from the Sales & Use Tax base. As in the past, the GCRTA will take the necessary actions as the budgeted operating reserve falls.

Additional funding from the state would be helpful. In 2015, the state conducted a study in the indicating that funding for public transportation was inadequate. Despite that, no additional funding was budgeted for public transportation nor was included in the State's latest budget. The GCRTA must manage within its current resources and control its expenses accordingly. Along with that, the GCRTA must continue to improve its operational efficiencies and effectiveness to provide quality service and meet its commitments to its customers while at the same time it must maintain the necessary funds sustain operations and keep its infrastructure in a state of good repair. The proposed 2017 General Fund and the Other Fund Budgets achieve that goal, but at the same time indicate that significant financial issues may lay ahead in the upcoming year.

ATTACHMENT A

General Fund Balance Analysis

	Assumptions: Includes removal of MMHC providers from Sales & Use Tax					
Passenger Fare Annual Growth =	0.8%	-1.4%	-8.4%	5.7%	3.5%	4.2%
Sales & Use Tax Annual Growth =	3.9%	4.4%	6.1%	-0.6%	-3.5%	2.5%
Personnel & Fringe Cost Growth =	7.2%	2.9%	1.0%	4.2%	1.4%	2.0%
Non-Personnel Cost Growth =	7.9%	-2.5%	-2.3%	11.6%	-1.5%	1.8%
Operating Expenses Growth =	7.4%	1.5%	0.2%	6.1%	0.6%	2.0%
Capital Contribution =	36,355,543	38,125,229	31,354,360	32,560,814	32,503,891	32,386,271
	18.4%	18.5%	14.4%	15.0%	15.5%	15.1%
	2014	2015	2016	2017	2018	2019
	Actual	Actual	Estimate	Budget	Plan	Plan
Beginning Balance	38,394,322	27,116,140	17,143,130	21,970,199	8,521,488	-11,797,127
Revenue						
Passenger Fares	49,085,267	48,419,211	44,346,663	46,872,000	48,500,000	50,550,000
Advertising & Concessions	1,488,870	1,442,677	1,450,000	1,552,000	1,677,000	1,727,000
Sales & Use Tax	197,118,146	205,843,321	218,360,330	217,100,000	209,500,000	214,700,000
Federal Operating Assistance - Various	7,232,534	4,579,048	0	0	0	0
Trolley Assistance	0	0	640,000	640,000	640,000	640,000
Investment Income	169,211	153,534	70,000	70,000	70,000	70,000
Other Revenue	1,470,683	1,254,771	1,640,000	1,200,000	1,200,000	1,200,000
Reimbursed Expenditures	17,570,406	19,720,588	24,864,091	22,075,000	22,075,000	22,075,000
Total Revenue	274,135,117	281,413,150	291,371,084	289,509,000	283,662,000	290,962,000
Total Resources	312,529,439	308,529,290	308,514,214	311,479,199	292,183,488	279,164,873
Operating Expenditures						
Salaries and Overtime	132,536,216	138,437,922	136,587,109	143,299,426	145,723,494	149,449,004
Fringe Benefits	48,769,442	48,170,869	51,975,651	53,207,855	53,469,093	53,731,630
Diesel Fuel	14,335,896	10,804,133	8,718,658	7,742,000	6,528,000	7,009,000
Natural Gas	957,626	1,119,725	1,165,167	2,245,000	2,269,000	2,501,000
Other Expenditures	51,458,576	53,128,282	53,701,937	61,001,133	61,112,137	61,676,468
Total Operating Expenditures	248,057,756	251,660,931	252,148,522	267,495,414	269,101,724	274,367,102
Transfer to the Insurance Fund	900,000	1,500,000	500,000	2,400,000	2,300,000	2,450,000
Transfer to the Pension Fund	100,000	100,000	100,000	75,000	75,000	75,000
Transfers to Capital						
Bond Retirement Fund	20,480,914	22,615,956	21,882,300	19,284,420	19,026,390	18,073,085
Capital Improvement Fund	15,874,629	15,509,273	9,472,060	13,276,394	13,477,501	14,313,186
Total Transfers to Capital	36,355,543	38,125,229	31,354,360	32,560,814	32,503,891	32,386,271
Transfers to Rolling Stock Reserve Fund	0	0	2,441,133	426,483	0	0
Total Expenditures	285,413,299	291,386,160	286,544,015	302,957,711	303,980,615	309,278,373
Ending Balance	27,116,140	17,143,130	21,970,199	8,521,488	-11,797,127	-30,113,500
Reserved Funds	6,900,000	0	0	0	0	0
Available Ending Balance	20,216,140	17,143,130	21,970,198	8,521,488	-11,797,128	-30,113,501

ATTACHMENT B

2017 Budget

Financial Policy Objectives

Reduced Sales & Use Tax Base		Goal	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Operating Efficiency	Operating Ratio	> 25%	20.6%	19.9%	18.2%	18.2%	18.7%	19.1%
	Cost/Hour of Service		\$123.8	\$139.8	\$133.6	\$150.1	\$144.0	\$155.5
	Growth per Year	≤ Rate of Inflation	-4.1%	12.9%	-4.4%	12.3%	-4.0%	8.0%
	Operating Reserve (Months)	≥ 1 month	1.3	0.8	1.0	0.4	-0.5	-1.3
Capital Efficiency	Debt Service Coverage	> 1.5	2.38	1.80	2.10	1.48	0.38	-0.66
	Sales Tax Contribution to Capital	10% - 15%	18.4%	18.5%	14.4%	15.0%	15.5%	15.1%
	Capital Maintenance to Expansion	75% - 90%	95.7%	98.9%	96.3%	94.1%	92.5%	92.5%

ATTACHMENT C
Capital Improvement Fund Balance Analysis

	2014	2015	2016	2017	2018	2019
	Actual	Actual	Estimate	Budget	Plan	Plan
Beginning Balance	40,656,567	25,434,449	44,613,977	25,393,695	34,072,747	11,437,906
Revenue						
Transfer from General Fund	15,874,629	15,509,273	9,472,060	13,276,394	13,477,501	14,313,186
Investment Income	67,238	207,421	73,000	73,000	63,000	72,000
Federal Capital Grants	58,199,720	75,819,587	61,250,000	59,345,000	62,790,000	71,285,500
State Capital Grants	2,046,063	534,487	1,384,658	1,384,658	1,384,658	1,384,658
Debt Service Proceeds	0	30,000,000	0	30,000,000	0	25,000,000
Other Revenue	72,916	9,000	0	0	0	0
Total Revenue	76,260,565	122,079,768	72,179,718	104,079,052	77,715,159	112,055,344
Total Resources	116,917,132	147,514,216	116,793,695	129,472,747	111,787,906	123,493,250
Expenditures						
Capital Outlay	91,482,683	102,900,240	91,400,000	95,400,000	100,350,000	103,400,000
Other Expenditures	0	0	0	0	0	0
Total Expenditures	91,482,683	102,900,240	91,400,000	95,400,000	100,350,000	103,400,000
Available Ending Balance	25,434,449	44,613,977	25,393,695	34,072,747	11,437,906	20,093,250

ATTACHMENT D
RTA Development Fund Balance Analysis

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	38,924,890	23,911,529	42,499,967	23,021,880	32,041,453	9,347,692
Revenue						
Debt Service Proceeds	0	30,000,000	0	30,000,000	0	25,000,000
Transfer from RTA Capital Fund	11,734,255	11,649,255	5,334,255	9,536,915	9,688,581	10,560,555
Investment Income	54,038	185,574	53,000	53,000	43,000	52,000
Federal Capital Grants	58,199,720	75,819,587	61,250,000	59,345,000	62,790,000	71,285,500
State Capital Grants	2,046,063	534,487	1,384,658	1,384,658	1,384,658	1,384,658
Other Revenue	0	9,000	0	0	0	0
Total Revenue	72,034,076	118,197,903	68,021,913	100,319,573	73,906,239	108,282,713
Total Resources	110,958,966	142,109,432	110,521,880	123,341,453	105,947,692	117,630,405
Expenditures						
Capital Outlay	87,047,437	99,609,466	87,500,000	91,300,000	96,600,000	99,700,000
Other Expenditures	0	0	0	0	0	0
Total Expenditures	87,047,437	99,609,466	87,500,000	91,300,000	96,600,000	99,700,000
Ending Balance	23,911,529	42,499,967	23,021,880	32,041,453	9,347,692	17,930,405

ATTACHMENT E
RTA Capital Fund Balance Analysis

	2014	2015	2016	2017	2018	2019
	Actual	Actual	Estimate	Budget	Plan	Plan
Beginning Balance	1,731,677	1,522,919	2,114,010	2,371,815	2,031,294	2,090,214
Revenue						
Transfer from General Fund	15,874,629	15,509,273	9,472,060	13,276,394	13,477,501	14,313,186
Investment Income	13,200	21,847	20,000	20,000	20,000	20,000
Other Revenue	72,916	0	0	0	0	0
Total Revenue	15,960,744	15,531,120	9,492,060	13,296,394	13,497,501	14,333,186
Total Resources	17,692,421	17,054,039	11,606,070	15,668,209	15,528,795	16,423,400
Expenditures						
Asset Maintenance	1,627,995	1,415,840	1,650,000	1,900,000	2,000,000	1,900,000
Routine Capital	2,807,251	1,874,934	2,250,000	2,200,000	1,750,000	1,800,000
Transfer to RTA Development Fund	11,734,255	11,649,255	5,334,255	9,536,915	9,688,581	10,560,555
Total Expenditures	16,169,502	14,940,029	9,234,255	13,636,915	13,438,581	14,260,555
Ending Balance	1,522,919	2,114,010	2,371,815	2,031,294	2,090,214	2,162,845

ATTACHMENT F
Bond Retirement Fund Balance Analysis

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	1,710,131	1,775,685	2,273,404	2,089,034	2,250,000	2,150,000
Revenue						
Transfer from General Fund	20,480,914	22,615,956	21,882,300	19,284,420	19,026,390	18,073,085
Investment Income	263	1,419	2,500	2,500	2,500	2,500
Other Revenue	-445,748	0	0	0	0	0
Total Revenue	20,035,429	22,617,375	21,884,800	19,286,920	19,028,890	18,075,585
Reconciling Journal Entry	37,349	0	0	0	0	0
Total Resources	21,782,909	24,393,060	24,158,204	21,375,954	21,278,890	20,225,585
Expenditures						
Debt Service						
Principal	14,475,000	16,320,000	16,430,000	12,622,453	12,992,751	11,579,204
Interest	5,532,225	5,799,656	5,637,670	6,502,001	6,134,639	6,694,881
Other Expenditures	0	0	1,500	1,500	1,500	1,500
Total Expenditures	20,007,225	22,119,656	22,069,170	19,125,954	19,128,890	18,275,585
Ending Balance	1,775,685	2,273,404	2,089,034	2,250,000	2,150,000	1,950,000

ATTACHMENT G
Insurance Fund Balance Analysis

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	6,384,153	6,162,818	6,588,693	5,417,827	5,170,447	5,034,267
Revenue						
Investment Income	28,978	10,400	7,000	10,000	10,000	10,000
Transfer from General Fund	900,000	1,500,000	500,000	2,400,000	2,300,000	2,450,000
Total Revenue	928,978	1,510,400	507,000	2,410,000	2,310,000	2,460,000
Total Resources	7,313,131	7,673,218	7,095,693	7,827,827	7,480,447	7,494,267
Expenditures						
Claims and Premium Outlay	1,150,313	1,084,525	1,677,866	2,657,380	2,446,180	2,459,180
Other Expenditures	0	0	0	0	0	0
Total Expenditures	1,150,313	1,084,525	1,677,866	2,657,380	2,446,180	2,459,180
Ending Balance	6,162,818	6,588,693	5,417,827	5,170,447	5,034,267	5,035,087

ATTACHMENT H
Supplemental Pension Fund Balance Analysis

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	1,228,490	1,227,680	1,268,518	1,304,518	1,322,018	1,341,018
Revenue						
Investment Income	3,859	8,875	6,500	13,000	13,000	13,000
Transfer from General Fund	100,000	100,000	100,000	75,000	75,000	75,000
Total Revenue	103,859	108,875	106,500	88,000	88,000	88,000
Total Resources	1,332,349	1,336,555	1,375,018	1,392,518	1,410,018	1,429,018
Expenditures						
Benefit Payments	74,676	68,037	70,500	70,500	69,000	67,500
Other Expenditures	0	0	0	0	0	0
Total Expenditures	74,676	68,037	70,500	70,500	69,000	67,500
Reconciling Journal Entry	29,993	0	0	0	0	0
Ending Balance	1,227,680	1,268,518	1,304,518	1,322,018	1,341,018	1,361,518

ATTACHMENT I
Law Enforcement Fund Balance Analysis

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	406,607	296,216	257,133	262,193	284,826	339,886
Revenue						
Law Enforcement Revenue	0	9,040	0	0	0	0
Investment Income	60	60	60	60	60	60
Other Revenue	81,335	0	55,000	55,000	55,000	55,000
Total Revenue	81,395	9,100	55,060	55,060	55,060	55,060
Total Resources	488,002	305,316	312,193	317,253	339,886	394,946
Expenditures						
Capital & Related Items	191,786	48,183	50,000	32,427	0	0
Total Expenditures	191,786	48,183	50,000	32,427	0	0
Reconciling Journal Entry	0	0	0	0	0	0
Ending Balance	296,216	257,133	262,193	284,826	339,886	394,946

ATTACHMENT J
All Funds Balance Analysis

	2014	2015	2016	2017	2018	2019
	Actual	Actual	Estimate	Budget	Plan	Plan
Beginning Balance	88,780,269	62,012,987	72,144,855	56,437,466	51,621,525	8,505,949
Revenue						
Passenger Fares	49,085,267	48,419,211	44,346,663	46,872,000	48,500,000	50,550,000
Sales & Use Tax	197,118,146	205,843,321	218,360,330	217,100,000	209,500,000	214,700,000
Federal	58,199,720	75,819,587	61,250,000	59,345,000	62,790,000	71,285,500
State	6,103,878	3,659,487	1,384,658	1,384,658	1,384,658	1,384,658
Investment Income	269,609	381,709	159,060	168,560	158,560	167,560
Other Revenue	23,450,530	23,890,124	28,649,091	25,522,000	25,647,000	25,697,000
Debt Service Proceeds	0	30,000,000	0	30,000,000	0	25,000,000
Total Revenue	334,227,151	388,013,439	354,149,802	380,392,218	347,980,218	388,784,718
Total Resources	423,007,420	450,026,426	426,294,657	436,829,684	399,601,743	397,290,667
Expenditures						
Personnel Services	181,305,658	186,608,791	188,562,760	196,507,281	199,192,587	203,180,634
Diesel Fuel	14,335,896	10,804,133	8,718,658	7,742,000	6,528,000	7,009,000
Natural Gas	957,626	1,119,725	1,165,167	2,245,000	2,269,000	2,501,000
Other Expenditures	52,905,344	54,329,027	57,942,936	64,189,423	63,628,817	64,204,648
Capital Outlay	91,482,683	102,900,240	91,400,000	95,400,000	100,350,000	103,400,000
Debt Service	20,007,225	22,119,656	22,067,670	19,124,454	19,127,390	18,274,085
Total Expenditures	360,994,432	377,881,571	369,857,191	385,208,158	391,095,794	398,569,367
Available Ending Balance	62,012,987	72,144,855	56,437,466	51,621,525	8,505,949	-1,278,700

2017 BUDGET GUIDE

ORGANIZATION OF THE ADOPTED BUDGET PLAN

The purpose of this section is to describe the contents of the 2017 Operating and Capital Budgets (Adopted Budget Plan) for the Greater Cleveland Regional Transit Authority. This section is an aid for those who wish to analyze the book in detail. The Tables of Contents in the beginning of the book and on the tabs in the beginning of each section provide further direction to the reader.

TRANSMITTAL LETTER

The Transmittal Letter is the CEO/General Manager's Executive Letter and an overview of the Authority's operations and finances for the upcoming fiscal year. It includes the Citizens' Summary which explains the revenues, expenditures, staffing, and service indicators. The Transmittal Letter also includes attachments of the Fund Statements and Financial Objectives.

BUDGET GUIDE

In addition to providing an outline of the Adopted Budget Plan, the Budget Guide explains the Authority's Financial and Budgetary policies, including the rationale for their adoption and the manner in which they are implemented and monitored. The Budget Guide also contains a description of the Budget Process, a Budget Calendar, a Profile of the Service Area, and a Glossary of terms used in the Adopted Budget Plan.

FUND BUDGETS

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

PERFORMANCE MANAGEMENT

This section highlights improvements and efficiencies made in the Authority through the 2016-2021 Strategic Plan and TransitStat, GCRTA's performance management program. GCRTA continues to improve itself as a model transit authority through the balanced scorecard within these strategies. Each of the Departments have a direct or indirect link to the Strategic Plan.

DEPARTMENT BUDGETS

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

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan itemizes capital projects approved for 2017 and those planned for 2018 through 2021. This section discusses funding sources, debt limits, capital improvement planning cycle, and the criteria used to establish priorities.

INTRODUCTION

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

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

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

- | | |
|---|---------------------|
| • Operating Ratio | ≥ 25% |
| • Operating Reserve | ≥ 1 month |
| • Growth in Cost per Service Hour | ≤ rate of inflation |
| • Debt Service Coverage | ≥ 1.5 |
| • Sales & Use Tax Revenue allocated annually to Capital Improvement | 10 – 15% |
| • Capital Maintenance Outlay to Capital Expansion | 75 – 90% |

In addition to the elimination of two policy objectives, RTA established Reserve Funding for Rolling Stock Replacement, hospitalization, absences, 27th pay period, and fuel costs. In December 2012, an Operating Reserve for replacement of rolling stock was added. Starting in 2016, funds for the Reserve Fund are transferred at the end of the year based on the available ending balance. If the available ending balance is above \$5 million, before the Reserve transfer, 10 percent of the available ending balance will be transferred into the Reserve. If the available ending balance is less than \$5 million, only 5 percent will be transferred. As such, the new policies authorize:

- Operating Reserves

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

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.*

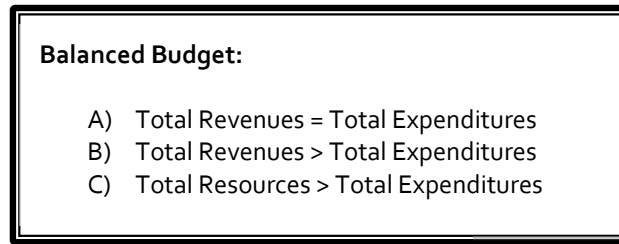


Figure 10

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

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

In the General Fund, for 2017, estimated resources total \$311.5 million: current revenues of \$289.5 million plus an estimated beginning balance of \$22.0 million. Total estimated expenditures for 2017 equal \$303.0 million and are within the estimate of total resources available. The ending balance, \$8.5 million, is under the one-month reserve recommended by the Trustees for the General Fund (see page 25). The Board policy goal is considerably more restrictive and more determinate than the legal demand for balanced appropriations.

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

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

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

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

Monthly reports summarizing investment transactions and earnings are provided to the Board of Trustees. The Authority was able to achieve a favorable return on its 2016 investments and at the same time meet its outstanding financial commitments with an investment yield of 0.46 percent.

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

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

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

The operating expenditures budgeted in 2017 General Fund, which exclude transfers to other funds, are \$267.5 million, which represents a decrease of 157,991 under the 2016 budget. The largest Operating Budget appropriation, \$196.5 million, is for Personnel Services, which includes salaries, overtime, and fringe benefits, and accounts for 73.5 percent of the total operating appropriation. The 2017 appropriation for personnel costs is 2.0 percent higher than the 2016 budget. This increase is due to wage increases for ATU and FOP personnel. The Operating Expenditures include labor and fringe benefits for personnel; diesel fuel and natural gas fuel. Inventory, other utilities, cost of materials and services, and liability costs are included in the other expenditures.

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.

GENERAL FUND

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

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

IMPLEMENTATION: Sales & Use Tax is the largest revenue stream for the Authority. In 2009, the State added Medicaid Managed Health Care to the Sales & Use Tax base. Due to Federal requirements of taxing a subset of Managed Health Care Providers, Medicaid Managed Health Care (MMHC) providers will be removed from the tax base effective July 1, 2017. Under this change, if not mitigated, the State of Ohio will realize a loss of approximately \$500 million annually, Ohio's 88 counties will lose over \$200 million annually, and the 8 transit agencies receiving Sales & Use Tax revenue will lose approximately \$38 million, of which, RTA will lose approximately \$18 million annually.

The Sales & Use Tax revenue lags by 3 months. If the State of Ohio does not create a revenue-neutral fix and Medicaid Managed Health Care is removed from the tax base on July 1, 2017, the effect of this will be experienced starting

October 2017. The Authority is cautiously awaiting the State's decision and budgeted a \$4.5 million loss in Sales & Use Tax revenue for 2017, which is annualized in 2018.

Passenger Fares are the second largest source of revenue. Ridership has slowly been decreasing over the past year. Weather was a major factor in the first quarters of 2014 and 2015 with record low temperatures and snowfall. Monthly collections have been very inconsistent over the past several as ridership has declined. The 2017 Budget includes the annualization of the \$0.25 fare increase implemented in August 2016 and an additional \$0.25 fare increase for Paratransit riders, effective August 2017.

Reimbursed Expenditures, the third largest revenue stream for the Authority, consists of reimbursements for Preventive Maintenance, Fuel Tax, and grant-funded labor and material costs. The goal is to keep reimbursed expenditures under \$25 million, with a stretch goal of \$20 million, enabling more funds to be available for capital projects and maintaining a state of good repair on all assets.

Because of the inconsistency in the Passenger Fare revenue collections and the awaited decision on the Sales & Use Tax base, and the fact that Northeast Ohio has not fully recovered from the recessions in 2001 and 2009, the 2017 through 2019 projections for the top three revenue streams are very conservative.

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

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

IMPLEMENTATION: This policy was met in 2010, the first time since 1990, at 1.2 months, and continued to be met through 2014. The beginning balance for 2015 was \$11 million less than 2014 with an increase of \$7 million in revenues and \$6 million in expenses. The year ended with a reserve of 0.8 months. The control in expenditures over the past year has projected this financial policy to be achieved again in 2016. This policy goal is not expected to be reached for 2017 through 2019, at 0.4 months, -0.5 months, and -1.3 months, respectively, as the Medicaid Managed Health Care will be removed from the Sales & Use Tax revenue stream beginning July 1, 2017, which will be realized in October 2017 and annualized in 2018. Additional sources of revenues must be identified and operating expenses must be held under tight control to reach the 1.0 month operating reserve for 2017 and the outlying years.

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

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

IMPLEMENTATION: Service hours for 2017 are budgeted to decrease by 1.6 percent as a 3 percent service reduction is annualized in 2017 for bus and rail. For 2018 and 2019, service hours are budgeted at the same service level as 2017. This policy goal is expected to be met in 2017, at 0.1 percent. For 2017, the growth per year is projected at 12.3 percent and the policy goal is not expected to be met, as inflation is expected to remain around 2.5 percent per year for the next decade. The growth per year for 2018 projected at -4.0 percent, which will meet the policy goal. For 2019, the growth is projected at 8.0 percent, which will not meet the policy goal.

POLICY STATEMENT: *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 portion of Operating Expenses.*

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

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

In 2014 and 2015, operating expenses have increased at a greater rate than operating revenues. For 2016, operating revenues are projected to decrease by 8.3 percent and operating expenses are projected to increase slightly, just under 0.2 percent. The Operating Ratio for 2016 is expected to fall to 18.2 percent, from 19.9 percent in 2015. The Operating Ratio for 2017 is expected to remain at 18.2 percent, but still below the goal of 25 percent. A \$.25 fare increase was implemented in the third quarter of 2016 and annualized in 2017. For 2017, operating revenues are projected to increase by 5.7 percent. Operating expenses are budgeted to increase by 6.1 percent.

In 2018 and 2019, with the annualization of the budgeted fare increase, Operating Revenues are planned to increase by 3.6 percent and 4.8 percent, respectively. Operating Expenses are budgeted to increase by 0.6 percent and 2.0 percent, respectively. The Operating Ratios for 2018 and 2019 are planned at 18.7 percent and 19.1 percent, respectively. These ratios are above the budgeted ratio for 2017 but still less than the policy of 25 percent.

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

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

IMPLEMENTATION: The debt service coverage measure has traditionally been met and the minimum significantly exceeded since the Authority has used debt sparingly. The goal of the debt service coverage is to be above 1.5. After declining to a low of 1.14 at the end of FY 2009, the Debt Service Coverage ratio improved 2010 through 2014 as revenue from the Sales & Use Tax recovered. This ratio again was maintained in 2015 at a rate of 1.8. The estimate for 2016 is projected at 2.1. The debt coverage is projected fall to 1.48 in 2017 as another debt issuance of \$30 million is expected and the Sales & Use Tax is expected to fall by \$4.5 million in the Fourth Quarter due to the Medicaid Managed Health Care being removed from the tax base. The debt service coverage is expected to further decline in 2018 and 2019, at 0.38 and -0.66, respectively, as projected total resources fall within those years.

CAPITAL IMPROVEMENT FUNDS

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

RATIONALE: Capital assets such as facilities, equipment, and vehicles, are essential to the provision of transportation services. Although expensive to sustain, a regular capital investment program lowers operating and capital costs over the long term. The Federal Government funds a substantial portion of capital projects, but the

Authority must have adequate local matching funds on hand in order to qualify for FTA grants. State and Federal assistance has shrunk in recent years, leaving the Authority to absorb an increasing share of capital expenditures through 100 percent local funds.

IMPLEMENTATION: The Authority has combined debt financing and direct allocations of Sales & Use Tax receipts to fulfill its financial commitment to the capital program. In 1995, the definition of contribution to capital was officially broadened from the Transfer to the RTA Capital Fund to also 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, but growth in Authority-wide capital needs progressively increased this ratio between 2003 and 2011, from 11.4 percent to 18.4 percent.

In 2015, the Sales Tax Contribution to Capital increased slightly to 18.5 percent. The contribution is expected to decrease to 14.4 percent in 2016, within the goal. It is expected to remain just at the goal of 15 percent for 2017 and just over 15 percent for 2018 and 2019, depending upon how future debt service issuances are structured.

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

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

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

POLICY STATEMENT: *The percent of capital maintenance to capital expansion outlay will be a minimum of 75 percent and a maximum of 90 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. Between 2010 and 2015, the capital maintenance to expansion ratio has ranged from a low of 84.1 percent and a high of 98.9 percent as the focus of the Authority's capital program has been focused on achieving a State of Good Repair through the maintenance, rehabilitation, and replacement or upgrade of existing capital assets rather than on expansion activities. This measure is expected to remain above 95 percent in 2016 and remain above the 90 percent maximum goal for 2017 through 2019, ranging from 94.1 percent in 2017, to 92.5 percent in 2018 and 2019, as the focus of the Authority's capital programs continue to focus on state of good repair (SGR) projects throughout the Authority.

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

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

IMPLEMENTATION: The limited availability of funding at the Federal, State, and Local levels meant the Authority can only focus on the most essential and realistic capital projects during the 2017-2021 CIP development process and continue its focus on SGR projects. The Authority will continue to aggressively pursue and explore any and all non-traditional funding opportunities under the Fixing America's Surface Transportation (FAST) Act and will continue to focus on improving our internal capability to plan, finance, and implement its Capital Improvement Plan.

SUPPLEMENTAL PENSION FUND

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

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

IMPLEMENTATION: The Supplemental Pension Fund contains assets held in trust for the payment of pension benefits to certain retired employees of the Authority. Provisions of the plan are delineated in the agreement between RTA and the Amalgamated Transit Union (ATU). Because of low levels of investment income earned over the last few years and increasing expenditures, the fund has required transfers from the General Fund to keep the recommended balance. The transfers from 2014 through 2016 were held at \$100,000 per year. In 2017, 2018, and 2019, \$75,000 transfers will be needed each year to ensure that the Fund remains at the recommended level to meet all obligations.

INSURANCE FUND

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

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

IMPLEMENTATION: The General and Insurance Funds provide for the payment of the insurance purchased on the open market. Since the hiring of a Risk Manager in 1998, the Insurance Fund was restructured to include a mix of self- and purchased-insurance. This was a major change from the Authority's previous self-insurance position. In 2014 and 2015, \$0.9 million and \$1.5 million was transferred, respectively, from the General Fund for the payment of ordinary and routine losses in the form of personal injury and property damage claims. For 2016, a transfer of \$500,000 is projected to cover claims outlay and insurance premiums for catastrophic or extraordinary losses. For 2017, 2018, and 2019, about \$2.4 million is budgeted each year for claims outlay and insurance premiums for catastrophic and extraordinary losses.

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

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

IMPLEMENTATION: Ordinary and routine losses are paid through the Risk Management Department's General Fund Budget, whereas claims and insurance premiums for catastrophic and extraordinary losses are budgeted in the Insurance Fund. Since 2004, the Risk Manager requires a minimum \$5 million fund balance. The transfer to the Insurance Fund in 2016 was dropped to \$0.5 million to reduce the ending balance back toward \$5 million. For 2017, the transfer is budgeted at \$2.4 million and is planned at \$2.3 million for 2018 and \$2.5 million for 2019 in order to maintain the minimum balance of \$5.0 million.

BOND RETIREMENT FUND

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

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

IMPLEMENTATION: Historically, the Authority has used debt capacity sparingly due to the benefits of Federal and State grant funding. Reductions in these sources of capital support over the years in combination with an aggressive long-range Capital Improvement Program (CIP), has resulted in more frequent use of debt sales as a revenue source for the Authority's capital needs. The outstanding debt for the Authority totaled \$120.0 million in general obligation (GO) and revenue (RB) bonds at the end of 2016, which will require principal and interest payments of \$16.9 million in 2017. For 2017, a \$30 million debt issuance is budgeted. Principal and interest payments are expected to continue to increase in future years due to the on-going needs of the Capital Improvement Plan and additional anticipated debt service requirements.

DEBT FINANCING

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

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

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

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

IMPACT: The 2008-2010 recession has negatively affected the property valuation for Cuyahoga County. A triennial adjustment was made on the total assessed valuation leading to a decline from \$31.7 billion in 2008 to \$29.8 billion in 2010 to \$27.73 billion at the end of 2014. Based on the 2017 valuation, the annual debt service capacity of one-tenth of one percent would be \$27.62 million and apply to all debt issued by the Authority.

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

IMPACT: The ten-mill limit provision pertains to all unvoted debt regardless of the source of payment and historically has been the most restrictive to the Authority. At the beginning of 2017, the overwhelming majority of political subdivisions in Cuyahoga County have reached the 10-mil limit, leaving 0.00 mills for additional debt issuances. The fact that the 10-mil limit has been exceeded is another factor to be considered as the Authority is budgeted to issue additional debt in FY 2017, resulting in revenue bonds being issued instead of general obligation bonds. This will also affect future debt issuances in the same manner. The Authority currently holds a "AAA:" rating with S & P and an "Aa1" rating with Moody's.

BUDGET MANAGEMENT PROCESS

INTRODUCTION

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

- The Board of Trustees (BOT) developed a set of financial policies, starting on page 38, to guide the development of the budget plan and articulate the Authority's operating guidelines.
- The Authority's performance is measured against the standards established by the BOT.
- A formal budget document is produced, providing clear, timely, and accurate budget information to officials and the public.
- The expenditures are tracked against appropriations and available resources.
- Performance indicators are used to assess the containment of costs and the effectiveness of service delivery.
- The Citizen's Advisory Board (CAB) meets monthly to provide the pulse of the community in matters of fare changes, Long Range Plan updates, capital projects, and service changes.

THE BUDGET CYCLE

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

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

- A budget basis (or starting point) is selected, usually based on the mid-year estimate or the original appropriation level.

- The Office of Management and Budget (OMB) staff adjusts the budget basis for any nonrecurring costs, contracts, or binding commitments, or inflation. The product is called the Base Budget.
- After receiving the Base Budget, Departments submit their requests for adjustments.
- Negotiations between OMB and the Departments refine the Base Budget.
- When completed, the Base Budget includes commitments, recurring costs, and any approved new projects and initiatives.
- The finalized CEO/General Manager's Recommended Budget:
 - Is the sum of the refined Base Budgets and Adjustments
 - Is limited to estimated available resources
 - Satisfies the Authority's financial policies to the best extent possible
 - Supports the Authority's mission and strategic direction as embodied in the Board Policy Goals and outlined in the Strategic Planning Process
- The CEO/General Manager's Recommended Budget is presented to the Executive Management Team (EMT) in October
- The CEO/General Manager's Recommended Budget is presented to the Board of Trustees (BOT) in November and December and is made available to the public.
- At least one budget hearing in November and/or December is scheduled for the BOT and the general public, which includes public discussion of the budget.
- The review process culminates in the formal adoption of a budget resolution at the December Board Meeting. It is the Trustees' practice to finalize appropriations before the new fiscal year begins.

BUDGET MONITORING AND CONTROL

The Office of Management and Budget monitors revenues and expenses monthly, as well as projects year-end estimates for the Authority's top two revenues (Passenger Fares and Sales and Use Tax) and the top 3 expenditures (Personnel, Fringe Benefits, and Fuel/Utilities). Quarterly financial reports allow the CEO/General Manager Secretary—Treasurer and the Board of Trustees (BOT) to monitor actual performance throughout the year. This report is used to determine if adjustments are needed to realign the budget. Interdepartmental transfers are the main method to adjust the Operating Budget. The CEO/General Manager Secretary-Treasurer has the authority to transfer appropriations within and between departments, which are reported monthly to the Board of Trustees (BOT). In rare occasions, an increase to the overall budget appropriation may be needed. Any increase to the Authority's total budget requires BOT approval.

The CEO/General Manager Secretary-Treasurer also has the authority to upgrade or reclassify staff positions. Positions may be reallocated between departments and divisions, providing the overall staffing level remain at the level approved by the BOT for the budgeted year. This allows the CEO/General Manager Secretary-Treasurer flexibility in making staff decisions. If an increase in budgeted positions is needed during the year, approval by the BOT would be needed.

2017 OPERATING BUDGET CALENDAR

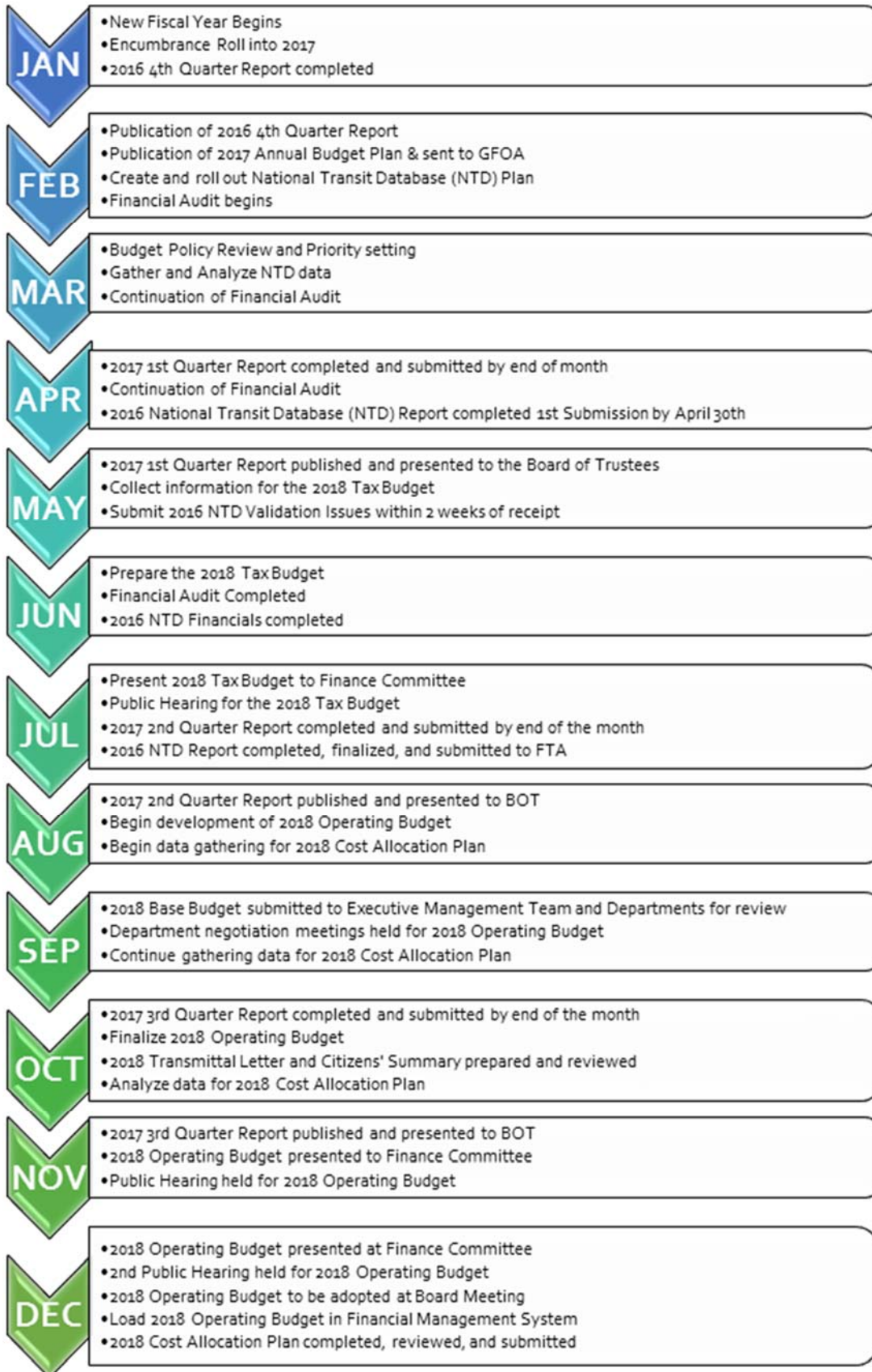


Figure 11

MANAGEMENT POLICIES

The Authority continues to operate under the Quality Management System (QMS) through the TransitStat program. The Board of Trustees (BOT), Executive Management Team (EMT) and key stakeholders in RTA created a new strategic plan for short-term and long-term of the RTA. This includes a new Mission Statement and ten Priority Policy Initiatives essential for growth and progress in RTA. These are reviewed annually and modified if necessary. Budget decisions are made with the overall strategic planning process in mind. These policies are discussed in further detail in the **Performance Management Section**.

MISSION:

To provide safe, reliable, clean, and courteous public transportation

VITAL FEW OBJECTIVES (VFOS)

- Increase Revenue
- Reduce Expenses
- Expand Advocacy
- Enhance Customer Experience
- Increase Service Efficiency
- Achieve State of Good Repair
- Advance & Improve Technology
- Achieve a Safety Culture
- Improve Employee Development

CHANGE MANAGEMENT INITIATIVES & ACTION PLANS

- **Implement Fare Changes & Define Medicaid Reimbursement Strategy**
- **Improve Specification Writing and Funds Owed processes**
- **Engage newly elected leaders and reintroduce the RTA's Speaker's Bureau**
- **Maximize ridership growth and experience**
- **Implement Predictive Maintenance Program with Triskett Garage and Electronic Repair with a 3-Year Budget Program**
- **Implement Priorities for State of Good Repair (SOGR)**
- **Continue implementing IT Strategic Priorities**
- **Improve Safety for Customer and Employees using DriveCam and implementing Safety Drills**
- **Improve Most Crucial Communication Issues**
- **Establish Leadership & Management Goals for Executive Management Team**
- **Continue Implementing Succession Plan and Deploying Annual Employee Satisfaction & Engagement Survey**

VALUES:

- **Safety:** The safety of our passengers, employees, and the general public is our top priority.
- **Ethics & Integrity:** We are dedicated to high ethical standards, including uncompromising honesty and integrity in our daily activities.
- **Service Excellence:** We will provide safe, clean, reliable, on-time, courteous service that our customers will view as outstanding.
- **Fiscal Responsibility:** We are committed to manage every taxpayer and customer-generated dollar as if it were coming from our own pocket.
- **Teamwork:** We believe in teamwork and will foster a spirit of cooperative effort within RTA and with our partners.
- **Responsibility & Accountability:** Every individual is accountable. Meeting our individual responsibilities will ensure that collectively RTA is a high-performing organization. We will meet all regulations and commitments and continually strive to improve.
- **Respect:** We will treat all members of the RTA family, customers, and the general public with dignity and respect.

TRANSIT SERVICE PROFILE

GCRTA HISTORY

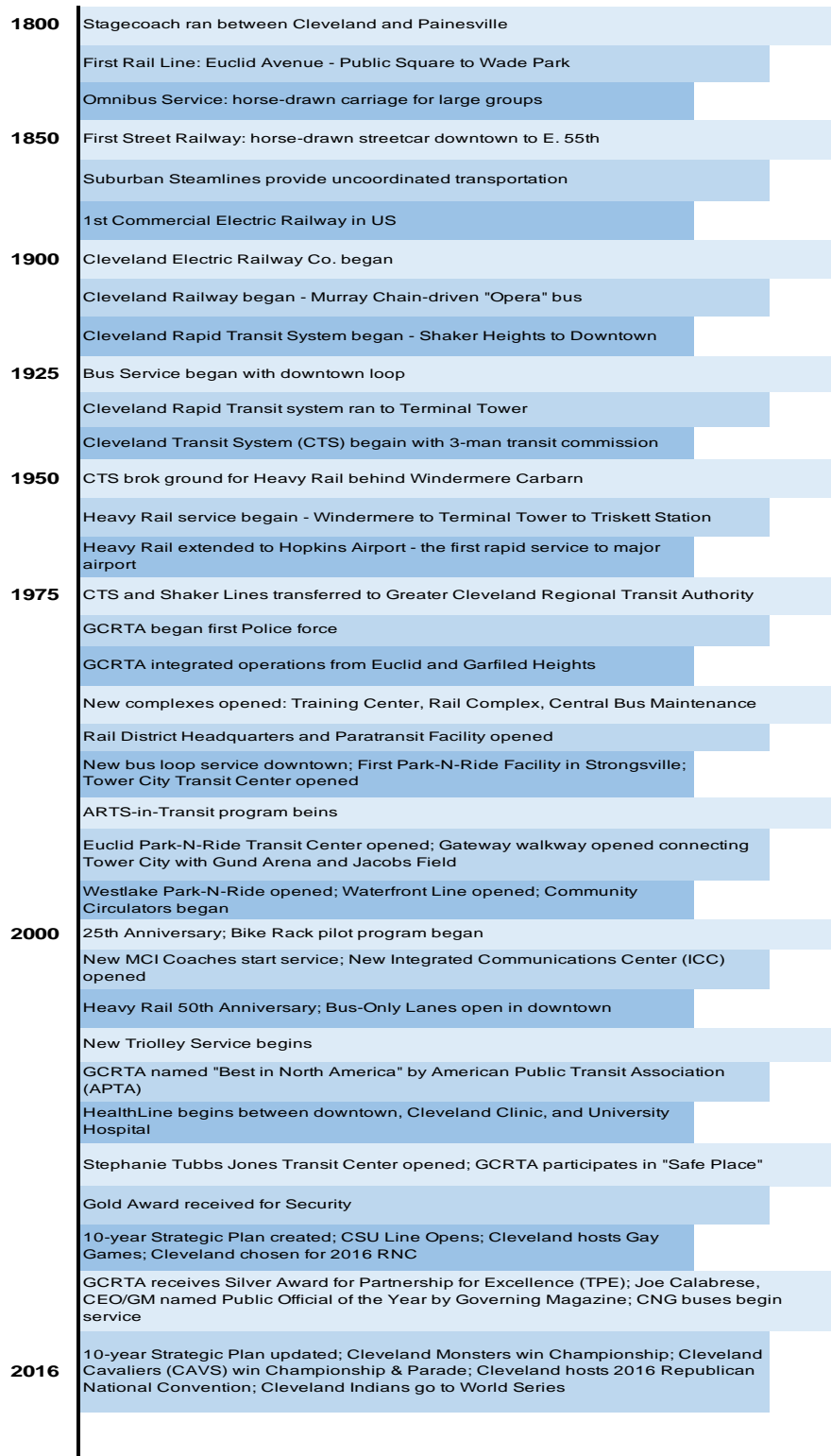


Figure 12

(U.S. Census Bureau)

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

			percent Change prior year
Population	2015 Census (estimate)	1,255,921	-0.4 percent
	percent Change from 2010 Census	2 percent	0
	Projected 2020 Population		
	Land Area (square miles) (2015)	1,209,550	0
	percent Female (2015)	458.3	0
	Persons per Square Mile (2015)	52.7 percent	0
		2,747	0
	percent White (2015)	65.7 percent	-0.2
	percent Black (2015)	31.2 percent	0.1
	percent Hispanic/Latino (2015)	5.3 percent	0.2
	percent Asian (2015)	2.8 percent	0.1
	percent American Indian/Alaskan Native (2015)	0.3 percent	0.0
Housing	Persons per household, 2015	2.45	-0.01 percent
	# Housing Units (2014)	619,303	-560
	Home Ownership rate (2009-2013)	60.9 percent	-0.7 percent
	Median value of owner-occupied housing units (2009-2013)	\$125,700	-\$9,200
	Median Household Income (2015)	\$44,190	-\$13
	percent Under Poverty Level (2015)	14.5 percent	0 percent
	Cost of Living Index 2013 (U.S. Avg.: 100)	95.9	-7.6
Largest Cities (2015) (# of Residents)	City of Cleveland	388,072	-1,788
	Parma	79,937	-119
	Lakewood	50,656	-297
	Euclid	47,676	-242
	Cleveland Heights	44,962	-243
	Strongsville	44,668	-9
	Westlake	32,428	-14
	North Olmsted	32,004	-143
	North Royalton	30,311	-30
	Garfield Heights	28,097	-147
Land Use/Land Cover (2014)	Urban (Residential, Commercial, Industrial, Transportation, etc.)	66.85 percent	0
	Cropland	0.99 percent	0
	Pasture	0.03 percent	0
	Forest	30.95 percent	0
	Open Water	0.65 percent	0
	Wetlands	0.37 percent	0
	Bare/Mines	0.17 percent	0

State Parks, Forests, Nature Preserves, and Wildlife Areas	Areas, Facilities	1	0
	Acreage	13.5	0
Education	Public Schools	366	0
	Non-Public Schools	131	0
	4-Year Public Universities	1	0
	2-Year Public Colleges	3	2
	Private Universities & Colleges	5	0
	Public Libraries Branch Libraries	9 63	0 0
Means of Transportation to Work	Drive Alone	458,685	-10,153
	Carpool	38,940	-5,006
	Public Transportation	29,205	149
	Walk	17,179	17,099
	Other	6,872	107
	Work from Home	21,760	19,961
Travel time to Work (16 yrs old and older) (2014)	Less than 15 minutes	23.9 percent	0.7
	15 to 29 minutes	42.7 percent	0.6
	30 to 44 minutes	23.3 percent	-0.6
	45 to 59 minutes	5.6 percent	0.2
	60 minutes or more	4.5 percent	0.0
Major Employers Type of Employment (Non-Government)	Cleveland Clinic	Health Care	
	University Hospital Health System	Health Care	
	Progressive Corp.	Insurance	
	MetroHealth	Health Care	
	KeyCorp	Finance	
	Swagelok	Manufacturer	
	Giant Eagle, Inc.	Grocer	
	Sherwin Williams	Manufacturer	
	Lincoln Electric	Manufacturer	
	Nestle USA	Manufacturer	
American Greetings	Manufacturer		

Sources:

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

U.S. Census Bureau, 2011-2015 American Community Survey

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

Ohio Department of Job and Family Services-- 2016 Cuyahoga County Profile Statistical and Demographic Data

TRENDS OF NORTH EAST OHIO COMPARED TO THE STATE AND NATIONAL AVERAGES

The Population in Cleveland has been steadily decreasing since the 1980s and Cuyahoga County has been decreasing since 2000. The economic crisis in 2008 and 2009 hit Cuyahoga County, City of Cleveland, and North East Ohio hard. The unemployment rate was already higher than the national average at this point in time. Unemployment remains high in the City of Cleveland. Unemployment in Ohio and Cuyahoga County are also higher than the national average.

Unemployment Rates - History				
Year	National Avg.	Ohio	Cuyahoga County	City of Cleveland
2005	5.1	5.9	6.0	7.8
2006	4.6	5.4	5.7	7.3
2007	4.6	5.6	6.3	8.0
2008	5.8	6.6	7.0	8.8
2009	9.3	10.1	9.2	11.1
2010	9.6	10.1	9.5	11.4
2011	8.9	8.6	8.0	10.3
2012	8.1	6.6	7.2	8.7
2013	7.3	7.5	7.1	9.3
2014	6.2	6.8	7.1	8.0
2015	5.3	4.9	5.3	4.9
2016 est.	4.9	4.9	5.3	5.2

Figure 13

County Population Changes				
	2015 Est.	2010	Diff.	%
Ashtabula	98,632	101,497	-2,865	-2.8%
Cuyahoga	1,255,921	1,280,109	-24,188	-1.9%
Geauga	94,102	93,410	692	0.7%
Lake	229,245	230,038	-793	-0.3%
Lorain	305,147	301,356	3791	1.3%
Medina	176,395	172,333	4062	2.4%
Portage	162,275	161,421	854	0.5%
Summit	541,968	541786	182	0.0%

Figure 14

Population - Census - Cities						
Year	Cleveland	Akron	Cincinnati	Columbus	Dayton	Toledo
1900	381,768		325,902	125,560	85,333	131,822
1920	796,841	208,435	401,247	237,031	152,559	243,164
1940	878,336	244,791	455,610	306,087	210,718	282,349
2010	431,363	207,216	333,013	769,360	141,527	316,238
2012	390,928	198,549	296,550	809,798	141,359	284,012
2014	389,521	197,859	298,165	835,957	141,003	281,031
2015 Est.	396,697	199,092	298,550	850,106	140,599	279,789

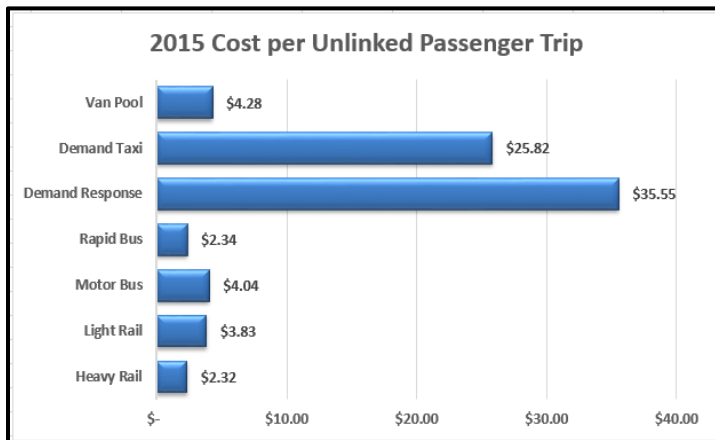
Figure 15

Source: United States Census Bureau. U.S

NATIONAL TRANSIT TRENDS

A total of 866 Agencies are included in the National Transit Database (NTD) for 2015. The National Transit Database was established by Congress to be the Nation’s primary source of information and statistics on the transit system of the United States. Recipients of grants from the Federal Transit Administration (FTA) are required by statute to submit data to the NTD. The NTD is used to help meet the needs of individual public transportation systems, the US Government, State, and Local governments, and the public for information on which to base public transportation service planning. (www.ntdprogram.gov/ntdprogram/)

The Unlinked Passenger Trips are part of service consumed; the goal of transit service is to transport passengers from one place to another. Operating cost per passenger unit is slightly different than passenger miles traveled. Vanpool (VP) service, for example, may carry fewer people, but it carries them a consistently longer distance per trip. The opposite is true of trolleybuses, which carry many people in dense urban settings, but not very far. From this perspective Demand Response is the most expensive mode followed by Demand Taxi and Van Pool.



Cost per Unlinked Passenger Trip (by mode):

Figure 16

Total Unlinked Passenger Trips (by year):

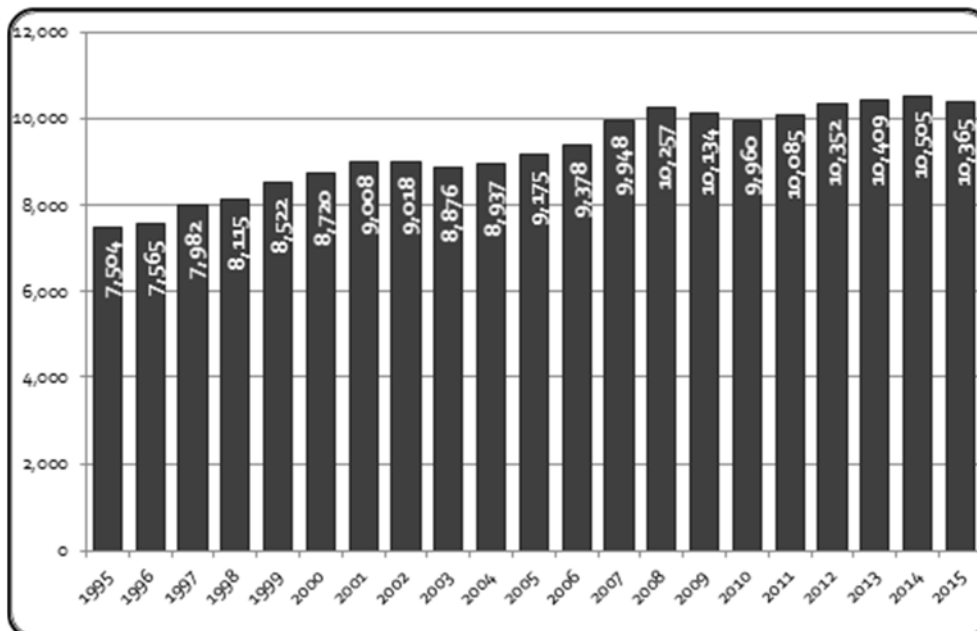


Figure 17

Source: National Transit Summaries and Trends for the 2015 National Transit Database Report Year

32 Agencies reported data in the National Transit Database in 2015

The Nine Largest Agencies in Ohio – data listed below

Agency	Sq. Mi	Pop	Mode	Unlinked Passenger Trips	Annual Passenger Miles	Vehicle Revenue Miles	Vehicles in Max Service	Vehicles Available for Max Service	Spare Ratio (%)
Akron (Metro)	420	541,824	Bus	4,946,568	19,291,615	3,900,456	111	139	25.2
			DR	268,843	1,846,489	1,593,690	91	121	33.0
			Commuter Bus	106,287	3,284,268	272,257	7	8	14.3
Canton (SARTA)	581	375,087	Bus	2,542,598	16,184,514	2,247,849	33	35	6.1
			DR	152,069	1,221,319	1,189,185	30	38	26.7
Cincinnati (SORTA)	262	845,303	Bus	15,964,372	97,051,405	9,558,810	298	357	19.8
			DR/PT	210,381	2,259,492	1,431,799	48	56	16.7
Cleveland (GCRTA)	458	1,412,140	Bus	32,810,537	143,016,054	13,416,573	350	375	7.1
			RB	4,461,433	10,538,255	600,242	16	21	31.3
			HR	6,438,252	43,869,205	2,528,661	20	40	100.0
			LR	2,608,770	15,113,234	844,272	14	34	142.9
			DR	357,677	2,936,439	2,534,482	73	80	9.6
			DR/PT	344,871	3,053,183	2,777,455	74	79	6.8
Columbus (COTA)	337	1,081,405	Bus	18,920,014	71,677,603	11,443,670	284	341	20.1
			DR/PT	282,515	2,975,485	3,495,999	77	78	1.3
Dayton (GDRTA)	274	559,062	Bus	7,821,464	37,925,993	5,648,454	96	111	37.8
			DR	211,860	1,902,661	1,881,496	56	77	37.5
			TB	2,315,532	6,355,010	897,787	26	39	50
Lake County (Laketran)	227	229,230	Bus	327,708	1,578,626	532,979	10	16	60
			DR	246,902	2,433,535	2,127,909	64	75	17.19
Toledo (TARTA)	140	366,314	Bus	2,764,640	13,243,688	3,015,497	100	120	20
			DR	304,096	2,862,011	2,065,173	62	81	30.65
			DR/PT	18,785	103,416	169,308	15	143	853.3
Youngstown (WRTA)	216	238,823	Bus	1,501,210	5,059,078	1,105,887	35	45	18.6
			DR	46,371	324,597	391,277	17	22	29.4

DR	Demand Response
DR-Taxi	Demand Response - Taxi
HR	Heavy Rail
LR	Light Rail
RB	Bus Rapid Transit
TB	Trolley Bus

Figure 18

Data Source: 2015 National Transit Database

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.

Advocacy – Public support for a cause or policy, specifically for public transportation.

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

American Bus Benchmarking Group (ABBG) – A consortium of mid-sized bus agencies in North America, est. in 2011 to benchmark performance and share best practices.

American Recovery and Reinvestment Act (ARRA) – An economic stimulus package enacted by the 111th U.S. Congress in February 2009 in response to the Great Recession. The primary objective for ARRA was to save and create jobs; the secondary objectives were to provide temporary relief programs for those impacted by the recession and invest in infrastructure, education, health, and renewable energy.

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

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

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

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

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

Asset Management – A systematic approach to procuring, operating, maintaining, upgrading or replacing transit assets in a manner that reduces risk and costs while improving operational performance.

Average Cost per [Paratransit] Trip – Average cost to provide Paratransit Services to the ADA community using RTA vehicles and operators or contracted vehicles and operators.

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.

Balanced Scorecard – Tool to measure progress and metrics in performance management.

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

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

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

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

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

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

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

Capital Expenditures – Funds in the Capital Improvement Program are used to account for the acquisition, construction, replacement, repair and renovation of capital facilities, assets, and equipment. Under Routine Capital Fund, local fund are used for the purchase of vehicles and equipment, where each unit has a value of at least \$5,000 and a useful life of greater than a year. Asset Maintenance expenditures are locally funded projects that maintain, repair, or rehabilitate an existing capital asset of the Authority. These projects are of smaller duration, scope, and expense than those indicated in the RTA Development Fund. The duration of these projects is often less than one year with a cost generally not exceeding \$150,000 and a useful life of less than five years. The RTA Development Fund includes both a majority of the larger rehabilitation projects and Authority's Long Range projects. These projects are greater than \$150,000 and have a useful life of more than five years. The RTA Development Fund is primarily, but not exclusively, supported through Federal grant awards.

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.

Continual Process Improvement – Measuring efficiency of resources used for process investments.

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.

Cost per Hour of Service – Rate of cost for each hour of revenue service.

Customer Engagement – Customer’s investment or commitment or loyalty to RTA’s brand and services.

Customer Satisfaction – A measure of how transit services meet or surpass customers’ expectations.

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

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

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

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

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

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

Displaced Emissions / Displacement – Reduced emissions of private vehicles on a regional or national level through increased use of public transit services.

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.

DriveCam – System installed on revenue fleets to monitor driver behaviors, coach unsafe behavior, and reduce accidents and incidents.

Employee Engagement – The emotional and intellectual commitment of an employee, or segment of employees, committed to accomplishing RTA’s strategic objectives, mission, and vision.

Employee Injury Rates – Metric monitoring rate of employee injuries or accidents; 1 occurrence per 200,000 hours worked.

Employee Satisfaction – When employees are happy with their workplace and benefits provided by the organization; including incentives, recognition, and events.

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.

FAST (Fixing America’s Surface Transportation) Act – The new Federal Transportation Act that will replace the MAP-21 Act with approval expected in December, 2015. This act is will continue many of the programs changes included in the MAP-21 legislation including Federal formula calculations, the 2010 Census data in the determination of those formula grants, and incorporation of operating statistics relative to all Transit Agencies as well as provide an increase in Federal funding for needed State of Good Repair projects.

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 Vision – Objectives identified to achieve financial stability and fiscal responsibility.

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

Fiscal Responsibility – Commitment to managing financial resources as if they were from our own pocket.

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.

Functional Testing – Quality assurance testing process of customers used to determine physical ability to use fixed route services.

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

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

Fund Type – See Fund.

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

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

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

Greenhouse Gas Emissions – Atmospheric gases contributing to the greenhouse effect; includes carbon dioxide, methane, nitrous oxide, and water vapor.

Growth Strategy – Objectives focused on improving Advocacy, Service Usage, and Passenger Satisfaction.

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.

Information Technology (IT) Environment – Applications and systems needed to support business operations; impact of systems on efficiencies of an operating environment.

Innovation, Learning, & Growth – Efficiency measures of people investments; mainly Employee Satisfaction and Employee Engagement indicators.

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.

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).

Management Development Program (MDP) Succession planning program to integrate external talent throughout the organization.

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

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

Material Issues – Topics of highest importance in consensus identified by internal and external stakeholders.

Materiality Assessment – Defining the social, economic, and environmental topics that matter most to RTA and RTA’s stakeholders.

Miles Between Service Interruptions (MBSI) – Measured by miles; total service delivered before a vehicle breakdown that causes a service interruption.

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.

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.

On-Time Performance – Schedule adherence; ability to deliver service as scheduled.

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

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

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

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

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

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

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

People Investments – Resources allocated to developing and supporting workforce capabilities.

Performance Management – Culture of continual improvement of transit services, operational processes, and administrative processes; fostered by collecting, sharing, and analysis of data and reported through various mechanisms like TransitStat, Executive Safety Committee, Quarterly Management Meetings, and other forums.

Preventive Maintenance – Regularly performance maintenance on vehicles, equipment, or facilities to reduce probability of failure.

Predictive Maintenance – Defining the condition of assets in order to predict maintenance; cost savings through time-based maintenance best practices.

Preventable Collision Rates – Metric monitoring rate of collisions defined as preventable; 1 occurrence per 100,000 miles.

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

Process Investments – Committing resources to improving priority, value-creation processes.

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

Public Transit Management Academy (PTMA) – RTA program in partnership with Cleveland State University (CSU), which provides leadership development across all workforce segments.

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

Reimbursed Expenditures – Operating fund reimbursements related to: capital grants for force account labor, project expenses, administration, and overhead costs; fuel tax refunds on diesel and gasoline purchases; and Federal and State operating assistance.

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.

Ridership – Number of people using a transit service, generally aggregated over a given period of time across several modes or services.

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 Capacity – The comparison of scheduled miles to actual, delivered miles optimized by available operators and vehicles.

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

Standard Operating Procedure (SOP) – Methods followed routinely for performance of defined operations or situations.

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.

State of Good Repair (SOGR) – A Federal initiative to identify and maintain the nation’s assets for bus and rail systems. This is essential for delivering safe and reliable transit service to millions of daily riders and one of the FTA’s highest priorities.

Strategic Plan – Process outlining RTA’s Vital Few Objectives (VFOs) and prioritized Changed Initiatives (CIs).

Strategy Map – Tool aligning and prioritizing key objectives for implementing the Strategic Plan.

Succession Planning – Program in place to develop future leaders for RTA.

Sustainability – Ability to continue a defined behavior or process indefinitely; maintain availability of natural and human capital for the foreseeable future.

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.

Tons CO₂e – Measure of greenhouse gas impact on climate change as referenced through concentration levels of CO₂.

TransitStat – The Greater Cleveland Regional Transit Authority's performance monitoring program. It is characterized with frequently scheduled performance monitoring forums, embracing the use of data, statistics, and metrics as a means to exceed customers' expectations, as well as achieve operational excellence. It is a critical link to achieving high-level performance directed towards the Authority's Mission, Vision, and Values.

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.

Unlinked Passenger Trip – A one-way ride on a transit vehicle, not including transfers, and despite fare type.

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.

Vehicle Reliability – Minimize the impact of vehicle defects on On-Time Performance through improved maintenance practices for vehicles and equipment.

Voice of Customer – Process for collecting customer-focused information.

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FUND BUDGETS

The Authority maintains its financial 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, fund budgets are prepared on a modified accrual basis of accounting. The revenues are budgeted on a cash basis – when they are received as opposed to when they are earned. The expenditures are adjusted monthly on the accrual basis, or when the liabilities were incurred. The Authority uses the following appropriated funds to account for its operations:

ALL FUNDS (Summary of all Funds) (See figure 2)

- **GENERAL FUND** (Enterprise Fund - Operating Budget and transfers to other funds)
 - ❖ **CAPITAL IMPROVEMENT FUNDS** (Summary of RTA Capital and RTA Development Funds)
 - **RTA CAPITAL FUND** (Funding set aside for Short-Term and locally-funded Capital projects)
 - **RTA DEVELOPMENT FUND** (Funding set aside for Long-Term and grant-funded Capital projects)
 - ❖ **BOND RETIREMENT FUND** (Funding set aside to pay off debt)
 - ❖ **SUPPLEMENTAL PENSION FUND** (Funding set aside for employees hired before GCRTA)
 - ❖ **INSURANCE FUND** (Funding set aside for self-insurance purposes)
 - ❖ **LAW ENFORCEMENT FUND** (Funding set aside for law enforcement purposes)

A fund balance is the difference between total resources (beginning cash 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 end of year balance). These fund balances are shown net of reserves for encumbrances. All other funds are reflected in cash balances.

HOW TO CALCULATE FUND BALANCE	
Beginning Balance + Current Revenues =	Total Resources
- (Less) Total Current Expenditures	
<hr/>	
= (Equals) Available Ending Balance	(Also called Fund Balance)

Figure 19

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

ALL FUNDS

BALANCE ANALYSIS

Figure 2 presents the combined fund balances of all the Authority's appropriated Funds (General, Capital Improvement, Bond Retirement, Insurance, Supplemental Pension, and Law Enforcement). The ending balance shows cyclical patterns, primarily increasing as a result of debt issuances, and decreasing as those funds are consumed.

The Sales & Use Tax revenue, the largest source of revenue for RTA, receipts dropped \$19 million, 10.9%, in 2009 due to the great recession. This was the most dramatic decline in Sales Tax in the history of the Authority. In late 2009, Medicaid Managed Health Care was added to the Sales & Use Tax base. By the end of 2015, Sales & Use Tax rose 4.4% compared to receipts in 2014. Sales & Use Tax is projected to increase by 6.1% at the end of the 3rd Quarter, 2016.

2017 Budget - All Funds Summary

(In Thousands)	ALL FUNDS	GENERAL FUND	RTA CAPITAL FUND	DEVELOPMENT FUND	BOND RETIREMENT FUND	SUPPLEMENTAL PENSION FUND	INSURANCE FUND	LAW ENFORCEMENT FUND
Beginning Balance	\$56,438	\$21,970	\$2,372	\$23,022	\$2,089	\$1,305	\$5,418	\$262
Revenues								
Passenger Fares	\$46,872	\$46,872						
Sales & Use Tax	\$217,100	\$217,100						
Federal	\$59,345			\$59,345				
State	\$1,385			\$1,385				
Investment Income	\$169	\$70	\$20	\$53	\$3	\$13	\$10	\$0
Other Revenue								
Advertising & Concessions	\$3,447	\$1,552						
Trolley Assistance		\$640						
Other Revenue		\$1,200						\$55
Debt Service Proceeds	\$52,075	\$22,075		\$30,000				
Transfer from General Fund			\$13,276		\$19,284	\$75	\$2,400	
Transfer from RTA Capital Fund				\$9,537				
Total Revenues	\$380,393	\$289,509	\$13,296	\$100,320	\$19,287	\$88	\$2,410	\$55
Total Resources	\$436,830	\$311,479	\$15,668	\$123,342	\$21,376	\$1,393	\$7,828	\$317
Expenditures								
Personnel Services								
Salaries & Overtime	\$196,508	\$143,300						
Fringe Benefits		\$53,208						
Diesel Fuel	\$7,742	\$7,742						
Natural Gas	\$2,245	\$2,245						
Other Expenditures		\$61,001			\$2			\$32
Claims and Premium Outlay	\$64,189						\$2,657	
Benefit Payments						\$71		
Rolling Stock Reserve		\$426						
Capital Outlay				\$91,300				
Asset Maintenance	\$95,400		\$1,900					
Routine Capital			\$2,200					
Debt Service								
Principal	\$19,124				\$12,622			
Interest					\$6,502			
Transfer to Other Funds								
Insurance Fund		\$2,400						
Supplemental Pension Fund		\$75						
Bond Retirement Fund		\$19,284						
RTA Capital Fund		\$13,276						
RTA Development Fund			\$9,537					
Total Expenditures	\$385,208	\$302,957	\$13,637	\$91,300	\$19,126	\$71	\$2,657	\$32
Available Ending Balance	\$51,622	\$8,522	\$2,031	\$32,042	\$2,250	\$1,322	\$5,171	\$285

Figure 20

RTA has been diligent in creating a sustainable budget, however, as levels of Federal and State funding are questionable, keeping a sustainable budget remains difficult. Funding for Sales and Use Tax in 2017 and 2018 is expected to decrease as Medicaid Managed Health Care will be removed from the tax base due to Federal regulations. This will impact revenues for 2017 in the Fourth Quarter and then annualized in 2018. The Authority has improved financially over the last six years, however challenges still remain as total expenditures continue to exceed total revenues. (Figure 21)

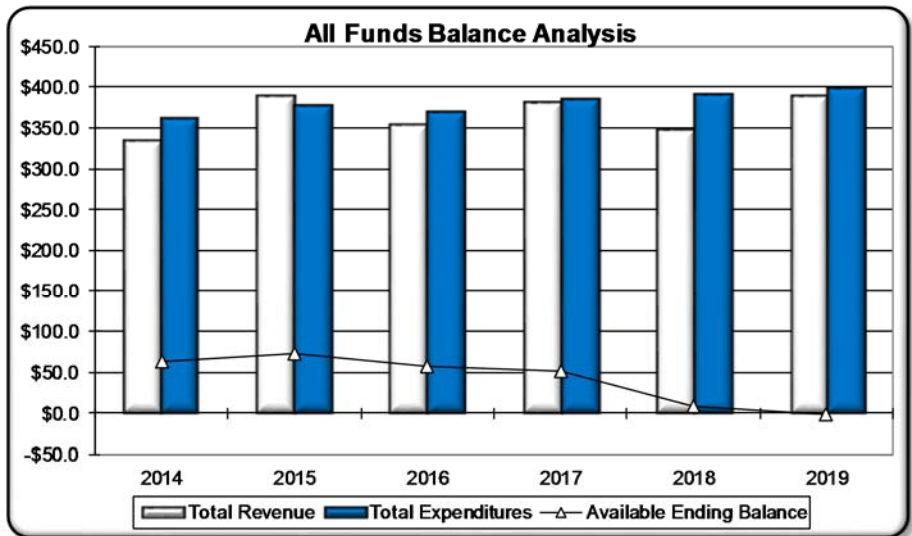


Figure 21

GENERAL FUND

BALANCE ANALYSIS

The General Fund is the Enterprise Fund and 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. The combination of dramatic sales tax reduction, increasing personnel costs, and volatile fuel/utility costs had created a discouraging outlook in the past, when the ending balance dropped to an all-time low of \$2.8 million in 2009 due to the Great Recession.

In 2010, hard decisions had to be made, including a 12% service reduction and closing Harvard Garage on weekends, both implemented in April, and in September, Harvard Garage was closed altogether. A combination of a 5.6% recovery in Sales Tax (due to Medicaid Managed Health Care being added to the tax base), additional one-time grant funding, an increase in reimbursed expenditures, and continuous monitoring of operating expenses, the ending balance grew to \$20.4 million. To help alleviate the stress of another recession, a reserve of \$4.6 million was subtracted from the ending balance.

Meeting the one-month reserve policy had been a challenge before 2009, which was last met between 1994 and 1996. In 2010, this goal was finally met at 1.2 months reserve, with the help of a 5.6% increase in Sales & Use Tax revenue. From 2010 through 2014, the one-month reserve was met each year. In 2015, revenues decreased by \$4 million and operating expenses for personnel services (salaries, overtime, and fringe benefits) increased by \$4 million (particularly in hospitalization and prescription costs in the last 3 weeks of the year), dropping the operating reserve to 0.8 months.

In 2016, the Authority has aggressively executed the budget and controlled costs. These actions have increased accountability within the Departments. The Authority is projected to maintain expenses in 2016 to 2015 levels. Sales and Use Tax is projected to end the year 6.1 percent over 2015 levels and is the highest received, projected at \$218.4 million. Reimbursed Expenditures were reduced below \$25 million to increase the amount of funding for Capital Projects. Excellent budget execution increased the 2016 projected ending balance to \$5 million above the 2015 level. RTA is beginning to meet its goal of a sustainable General Fund balance, however, good budget execution is only half of the equation. In order to maintain a sustainable budget, the Authority needs to hone in on budget development. The work and results of the past six years must be continued in 2017 and beyond.

REVENUES

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

Sales and Use Tax and Passenger Fare Revenue are the two largest sources of revenue in the General Fund. In 2008, Sales & Use Tax and Passenger Fare Revenue represented just over 55.7%, or \$221.7 million, of total Authority revenue. In 2009, with the Great Recession, these revenues dropped significantly to \$204.3 million, primarily due to the sharp drop in Sales & Use Tax revenue. Medicaid Managed Health Care was added to the tax base in late 2009 and Sales & Use Tax revenue increased to \$163.2 million in 2010. From 2011 through 2014, Sales & Use Tax continued to increase with the help of the added Medicaid Managed Health Care. These revenues for 2015 totaled \$254.3 million, or 90.3 percent of total revenue, as Sales & Use Tax increased above the \$200 million threshold. For 2016, the projection is \$262.7 million, or 90.2 percent of total revenue, as Passenger Fare Revenue is dropping due to a decrease in total ridership.

In 2016, Passenger Fares were projected to increase by 2.7 percent due to the budgeting of a \$0.25 fare increase, starting in the Third Quarter, a slight service decrease, and the Republican National Convention (RNC) being held in Cleveland. In June Passenger Fare Revenue increased slightly due to the Cleveland Cavaliers winning the 2016 NBA Championship and again in September and October when the Cleveland Indians played in the World Series. These events helped ridership increase for a moment, but could not help sustain ridership throughout the year.

Federal and State assistance for Paratransit, Trolleys, and Access to Jobs were discontinued in 2015. Total revenue for 2017 is expected to decrease by 0.6 percent from 2016 receipts, mainly due to Medicaid Managed Health Care being removed from the Sales and Use Tax base due to a Federal mandate. This reduction in Sales and Use Tax revenue will be significant in 2018, where the reduction is annualized. The Authority must continue to control expenses in order to maintain a healthy ending balance, which will become more difficult in the future unless additional sources of revenue are found.

SALES & USE TAX

The Authority’s main 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 5.25 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).

Beginning in 1989, Board policy required that a minimum of 10 percent of annual Sales and Use Tax revenues be dedicated to capital improvements. The presentation of Sales Tax revenue (as reported in Figure 4) indicates total receipts received, not the approximately 90 percent that is actually used to fund operations.

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

In the past, even in slower economic growth periods, sales tax has performed relatively well. Sales tax receipts from 1995 to 2000 showed increases of 7.6%, 3.2%, 4.8%, 5.2%, 4.8%, and 6.3%, respectively. In 2001, the recession hit and Sales & Use Tax receipts decreased by 1.6%. Between 2001 and 2008, Sales & Use Tax receipts fluctuated up and down as the economy tried to rebound from the recession. In 2009, the Great Recession hit and Sales & Use Tax receipts plummeted 10.9%. (Figure 22)

In late 2009, Medicaid Managed Health Care was added to the tax base. These added receipts helped to steadily increase the total Sales & Use Tax receipts collected each year. In 2014, the State was ordered by Federal mandate to remove Medicaid Managed Health Care from the Sales & Use Tax base as it was unlawful to tax a portion of Managed Health Care. The Federal Government gave the State until the next budget cycle, beginning July 2017, to either remove the Medicaid portion of Managed

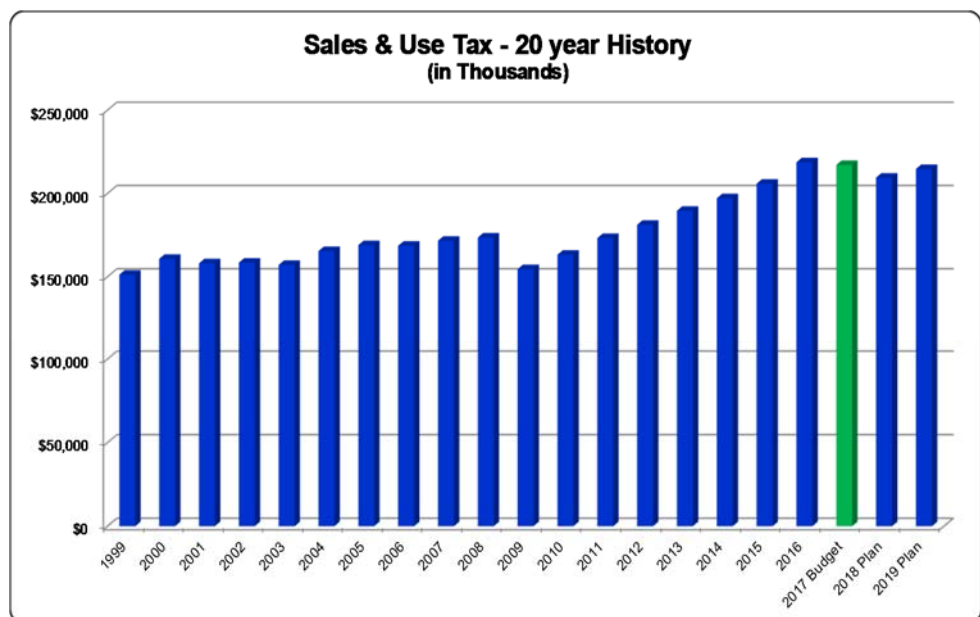


Figure 22

Health Care or identify a solution where all Managed Health Care would be taxed. For 2017, the budget estimates a reduction of \$4.5 million from the total receipts as the State has not identified a revenue neutral solution. For 2018, this reduction is annualized and a 3.5 percent reduction in Sales & Use Tax is budgeted. In 2019, the receipts are expected to rebound, without the Medicaid Managed Health Care, by 2.5 percent, ending at \$214.7 million.

PASSENGER FARES

Passenger Fares are the second largest source of revenue for the Authority. Passenger fares consist of cash farebox revenue from Authority trains and buses, fares for Paratransit, receipts collected through the RTA CLE Mobile Ticketing App, and sales of passes and tickets from various vendors within Cuyahoga County.

A brief history of Passenger Fare increases is below and refers to figure 5, a chart of Passenger Fares from the last 20 years. In 1993, cash fares were increased by \$0.25 for a total of \$1.25. With the recession in 2001, unemployment increased from a low of 4.1 percent in 1999 to 6.7 percent in 2002. The population in Cuyahoga County decreased as jobs decreased. In 2003, Brooklyn Garage was closed and service was consolidated to the other three Districts. By 2005, unemployment levels rose to 7.5 percent as many manufacturing jobs were eliminated, which made the economy in northeast Ohio difficult to recover. During the period between 2003 and 2005, passenger fare revenue lagged behind ridership due to the recession, 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, which helped boost fare revenue.

From 2005 through the beginning of 2008, jobs in the health care and financial industries helped to bring life back into the area and unemployment levels dropped slightly in 2008 to 6.3 percent. The next hurdle was a 60 percent increase in Diesel Fuel prices, from \$12.1 million in 2007 to \$19.3 million in 2008. In 2009, a firm fixed price contract was created, which slightly lowered fuel prices to \$17.4 million by year-end. In order to offset the significant increase in fuel prices, the Authority added a \$0.50 fuel surcharge. The Federal and State governments provided operating assistance and the fuel surcharge was implemented into two \$0.25 phases, the first beginning October 2008 and the second \$0.25 implemented in September 2009. With the Great recession of 2009, the fuel surcharge was permanently added as part of the fare in 2010.

In 2009, the Great Recession greatly affected North East Ohio as the region was still recovering from the recession of 2001. Unemployment rose to 11 percent and Passenger Fare revenue dropped 8.6 percent from budgeted levels. RTA adjusted service levels in 2010 and implemented a 12 percent service reduction in April and minor service changes throughout the remainder of the year. As the price of diesel fuel and gasoline remained high, the fare increases took effect, and some service was restored, passenger fares increased in 2011 and 2012 by 1.8 percent and 2.5 percent, respectively.

Passenger Fares ended 2014 at \$49.1 million, or a 0.8 percent increase from 2013. This was mainly due to 2013 payments from Cleveland Metropolitan School District (CMSD) being received in 2014. For 2015,

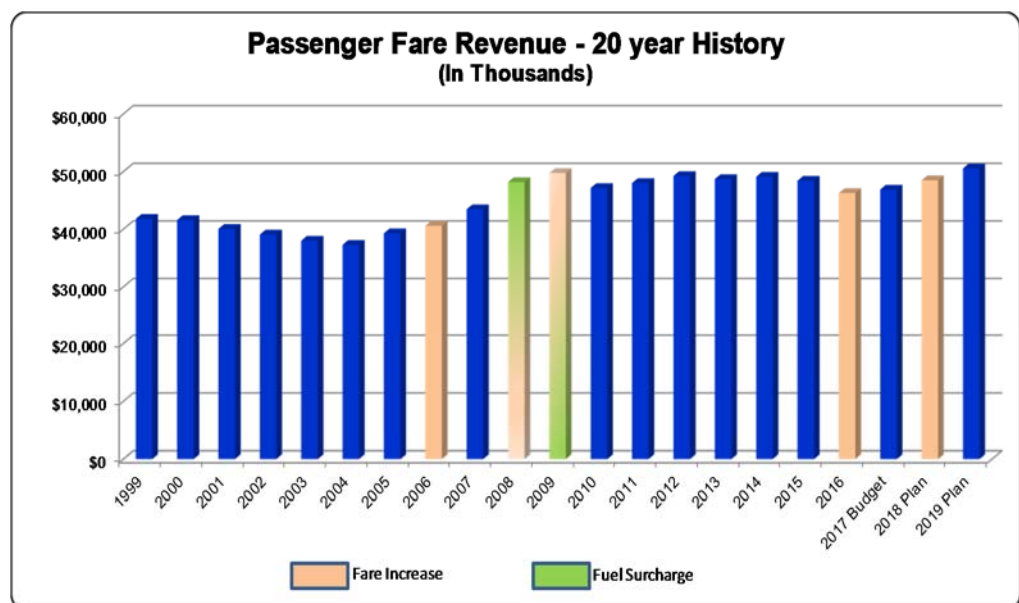


Figure 23

Passenger Fares decreased by 1.4 percent, compared to 2014 receipts, due to an audit of the CMSD contract, which resulted in an additional \$1.1 million, but was not received until January 2016. In 2016, a \$0.25 increase in cash fares was budgeted for mid-year, but not executed until the Third Quarter. Ridership increased slightly in June as the Cleveland Cavaliers won the NBA Championship and subsequent parade, which provided for the Authority's heaviest ridership in history and enabled a trial run for the Republican National Convention in July. Effects from the 2016 fare increase are annualized in 2017 and a second \$0.25 fare increase is planned for August 2018, which is then annualized in 2019.

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).

Under the criteria developed by the Governmental Accounting Standards Board (GASB), much of the Authority's deposits and investments are included in risk category 2 or 3. Such deposits and investments are either secured by a pool of investments (not in the Authority's name) held by a Federal Reserve Bank or other banks for the pledging financial institution, or are held in the Authority's name at the trust department of the counter party to the investment transaction. Because the Authority's deposits and investments are generally held by large, financially sound, national banks, the security supporting the Authority's deposits and investments is adequate.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities the face value of which is at least 110% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement.

Investment income steadily increased from 2005 to 2008 as ending balances increased. For 2009 and 2010 investment income dropped 76.0 percent and 63.9 percent, respectively, as a result of significantly lower balances and Federal Reserve actions lowering short-term rates. In 2012 through 2015, Investment Income ended the year above \$150,000, as ending balances remained high. For 2016, investment income dropped to \$70,000 and is budgeted to remain at this level from 2017 through 2019. Interest earned on General Fund investments varies depending upon the timing of revenue receipts, expenditures, and the transfers made to other funds (shifting interest earnings from the General Fund to other funds).

ADVERTISING & CONCESSIONS

Another source of local income is the Authority's contract to place advertisements upon buses and trains. A 3-year contract was signed in late 2011 guaranteeing \$725,000 with a potential to increase this to \$1 million. In addition, the Authority would receive \$125,000 (net) from the HealthLine naming rights contract and entered into a new contract in 2014 with Cleveland State University for the naming rights of the West Shore Express, now called the Cleveland State Line. The Authority received over \$1.4 million from 2013 and 2014 for Advertising and Naming Rights and collected \$1.5 million in 2015. For 2016, Advertising and Concessions remains at \$1.5 million. In 2017, the Authority will begin a new advertising contract and will begin to advertise on buses and trains through canned "commercials" on the overhead speakers. This is a new venture for the Authority. The Advertising and Concessions budget for 2017 is \$1.6 million. For 2018 and 2019, receipts from this revenue source are planned to increase slightly each year to \$1.68 million and \$1.7 million, respectively.

FEDERAL OPERATING ASSISTANCE

This category includes grant reimbursements related to the capital program (project force account labor, administration, and overhead costs), fuel tax refunds on diesel and gasoline purchases in Ohio, and Federal and State (capitalized) operating assistance. An emphasis on capital financing urges maximum use of capital grants to recover a portion of our engineering and construction costs.

Federal Operating grant dollars are drawn down on cash flow requirements in the General Fund. The amount and timing of revenue received from this source in any year fluctuates, based on the Authority's ability to draw down these funds and the amount of the grant. In 1996, Federal Operating Assistance declined from 1995 levels by nearly 47 percent. This is a result of Congressional action that substantially reduced operating assistance to transit agencies through 1998 and led to total elimination by the end of 1999.

Although Federal Operating Assistance was eliminated, some flexibility was given to use increases in capital grant awards for traditional maintenance type expenditures. A new authorization, TEA-21, was approved in mid-1998 and although it was generous in its support of the capital program and provided some flexibility in capitalizing operating expenses, it was certain in its elimination of Federal Operating Assistance, which at one time was nearly 14.3 percent of the Authority's resources.

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 state of good repair in favor of maintaining service levels. Further explanations of revenues from this source are presented under Reimbursed Expenditures and Other Revenue.

STATE OPERATING ASSISTANCE

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

In 2007, \$2.2 million was awarded and received from the state for elderly and handicapped fare assistance. The 2008 award for elderly and handicapped fare assistance was reduced and delayed until 2009 when the combined amount received for the two years was \$2.76 million. In 2010, the amount received for elderly and handicapped fare assistance was further reduced to \$619,057. In 2011, the State halted all funding in this category.

REIMBURSED EXPENDITURES AND OTHER REVENUE

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

In 2011, revenue from these sources decreased to \$38.4 million, or 14.6 percent, as revenue from the Sales & Use Tax improved and the State Funding Fuel Initiative expired. These revenues were decreased in 2012 to \$21.9 million, or 8.6 percent of total revenue, as the grant reimbursements for the HealthLine and Trolley Operations expired and as the Sales & Use Tax continued to improve. Additionally, in 2013, the Authority reduced preventive maintenance, to \$12.2 million to increase the funding for additional Capital Projects such as the S-Curve and Airport Tunnel. Reimbursements for the three

new Trolley lines (C-line, L-Line, and Nine-Twelve Line) were received through a CMAQ grant from 2013 through 2015. Operating Assistance for Paratransit Operations from NOACA was received through 2015, but future funding has been eliminated. The Access to Jobs program ended in 2014 with the new MAP21 program but receipts continued through March of 2015. This program has been discontinued as funding was eliminated. Starting in 2016, a total of \$5.1 million of assistance has been eliminated from the budget.

For 2017 and the two out-years (2018 and 2019), \$22.1 million has been budgeted each year. This includes \$20 million for Preventive Maintenance reimbursements and \$2.1 million for fuel tax reimbursements, reimbursed labor, and other reimbursements. Other Revenues of \$1.2 million includes contractor and hospitalization reimbursements, rent, salvage sales, and claims receipts, among other miscellaneous receipts. The amounts received from these sources have fluctuated over the years due to one-time receipts settlements and miscellaneous reimbursements.

EXPENDITURES

Due to the great recession in 2008 and 2009, the Authority had to implement some drastic changes in 2010 and 2011 in order to improve the financial outlook. The 2012 budget was approved providing stability to the fares, service levels, and staffing. A 4.3 percent service increase was budgeted to alleviate overcrowding on the rail lines and some bus routes. As a result, a net increase of 50 positions was included in the budget. Fuel costs have been controlled and stabilized through the fuel-hedging program and electricity costs were reduced through reconciliation and monitoring of all accounts. Figure 6 represents the General Fund Expenditures from 2014 through 2019, and the ending balances for each year.

Personnel services include salaries, overtime, and fringe benefits and are budgeted at \$196.5 million, an increase of \$7.9 million, or 4.2 percent, from 2016 projections. This includes the budgeted positions, wage increases for FOP and ATU, and increases in health care and prescription benefit costs.

In 2014, a total of 46 positions were added to the Budget. Additional operators were added to address overcrowding and increase efficiencies in the service plan. A new ITS (Intelligent Transportation Systems) Department was created, eliminating the current IT (Information Technology) Department. These changes created six new positions, eliminated the IT Director position, and moved four positions from other departments into ITS. An additional 8 positions were added to the 2014 budget to address efficiencies in Transit Police and Fleet Management.

After much deliberation, it was decided that the IT Department would remain, the ITS Department would be created under the Operations Division, and three select positions would be transferred from Operations Division into Information Technology.

The funding for Job Access/Reverse Commute (JARC) program, which

provides vanpool service for Welfare to Work initiatives, was eliminated in the Transportation Bill, MAP21, and no alternative funding was created. The grant funds ran out in the first quarter of 2015. For 2016, 17.25 positions were added to the Operating Budget, totaling 2,361.75 positions. This includes 12 operator positions to alleviate shortages due to long-term absences. Seven positions will be moving from Service Management into the new Intelligent Transportation Systems

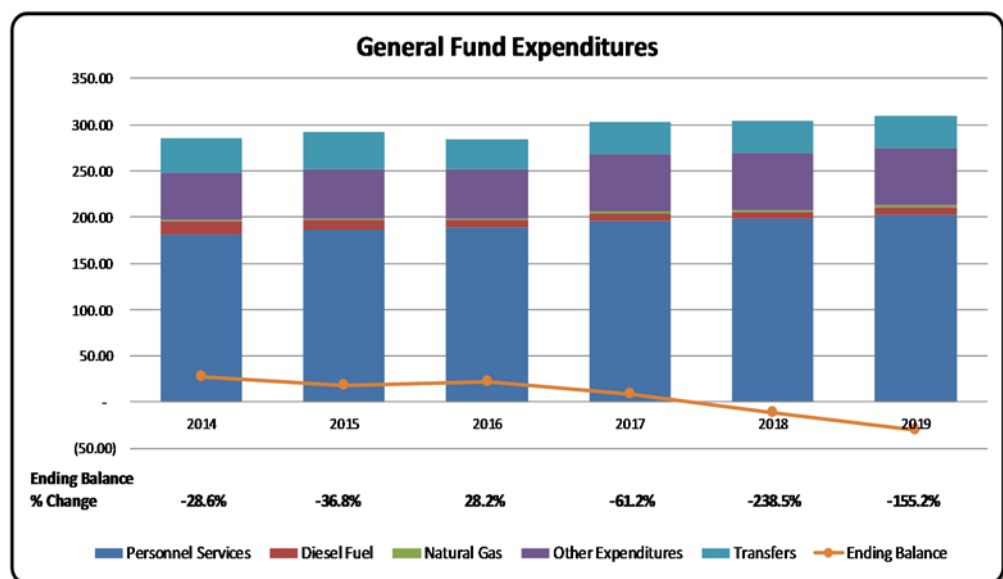


Figure 24

Department (ITS). A Management Development Program (MDP) analyst position is eliminated, reducing the number of MDP positions to 4. A Return to Work Coordinator part-time position will be increased from 20 hours to 30 hours per week to assist the EEO Manager. Two training instructors were added. An operating instructor was added to assist with the increased training needs for Operators and a Power & Way Trainer was added to bring contracted training in-house, reducing the amount of outside training. A Material Handler/Stock Clerk was added due to increased needs to the predictive maintenance program. Lastly, a Construction Engineer was added which will bring expertise in-house, thus reducing the need for outside contracted engineering services.

The FOP and ATU will be negotiating new contracts in 2017. A total of 30 positions are eliminated from the budget in 2017. A 3 percent service reduction is annualized in 2017 and 31 operator positions were removed. On the Administrative side, a part-time position was created to accommodate additional safety audits. An Administrative Assistant position was budgeted for half year pending the State decision regarding the Sales and Use Tax base. This position will only be filled if the State authorizes a revenue neutral fix.

In 2017, diesel fuel costs are expected to decrease to \$7.7 million as additional new CNG (compressed natural gas) buses

are received and used. The natural gas cost per diesel gallon equivalent is significantly lower than the cost of a gallon of diesel fuel. ADA purchased transportation continues to rise as more customers are riding Paratransit. The bus districts and central bus maintenance continue to implement predictive maintenance. Parts on the buses will be repaired or replaced per manufacture suggested maintenance standards rather than when the part fails. This requires an increase in inventory needs.

Transfers to other funds within the Authority place additional financial pressures on the General Fund. The transfer for bond retirement has grown to cover increases in debt service payments. The estimated transfer to Bond Retirement Fund for 2016 is \$21.9 million. Three bond issuances will be completed in 2016, reducing the 2017 transfer to \$19.3 million. A loan will be paid off in 2017, which will decrease the transfers to \$19.0 million in 2018 and \$18.1 million in 2019.

The added contribution of 18.4 percent in 2014 was due to transfers of additional local funds needed for the multi-year bus replacement program and to meet the financial needs of the Authority's capital programs. The contribution to capital held steady at 18.5 percent in 2015 before declining in to 14.4 percent in 2016. The decline in contribution will continue at 15.0 percent in 2017, but increase to 15.5 percent in 2018 and 15.1 percent in 2019 as the decreases in Sales & Use Tax revenue also impacts this measure. To maintain the proper balance in the Insurance and Pension Funds, transfers of \$2.4 million and \$70,000, respectively, are budgeted in 2017. In 2018 and 2019, the Insurance Fund transfer needed is \$2.3 million for 2018 and \$2.5 million for 2019. The Pension Fund is projected to need transfers of \$70,000 in both years.

Employment Level and Service Level Changes				
FY	2014	2015	2016	2017
Positions	2,348.50	2,344.50	2,361.75	2,332.00
Net Increase (Decrease)	46	(4)	17	(30)
	New ITS Department created adding 4 positions; 8 positions added between Transit Police and Fleet Management; 34 Operations positions added to address overcrowding and address operating efficiencies	Slight service reduction for bus (2.6% reduction) and 4.7% service increase in Rail - 11 fewer operators needed; 5 temporary positions added for HRV Interior Overhaul; 2 administrative positions added.	12 Operator positions added to alleviate challenges with long-term absences; 2 Assistant Transportation Managers added; 2 Training Instructors; 1 Material Handler; 1 Administrative position increased by 0.25	31 Operator positions removed due to 3% service reduction; added 1 part-time Safety Awareness Coordinator; added 1 Administrative Assistant position (budgeted half year and dependent upon State's decision of the Sales & Use Tax base)
Service Increase (Decrease)	5.5% Service Hours; 3.4% Service Miles	(0.7%) Service Hours; (2.3%) Service Miles	(0.8%) Service Hours; (0.8%) Service Miles	(1.6%) Service Hours; (2.4%) Service Miles
	Route enhancements; alleviate overcrowding on a few routes; increase frequency of rail	2.6% Decrease in Bus Operations due to route efficiencies; 4.7% Increase in Rail Operations	Trolley L-Line discontinued; Service efficiencies in bus and Rail Operations	3% Service Reduction annualized (began September 2016); New Van Pool service implemented

Figure 25

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 2016, the Authority has six General Obligation (G.O.) Bond Issues outstanding and outstanding debt of \$160.3 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.

In Figures 26 and 27, each year's ending balance represents at least 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. In 2014, there was a refinancing issue of \$29.7 million and in 2015 new debt was issued for \$30.0 million.

Long-term debt for the Authority includes both debt and refunding debt sales from 2004 through 2015. These include a combined \$42.39 million issuance of revenue bonds in FY 2012 for \$25.0 million of new debt and a \$17.4 million refunding issuance, a

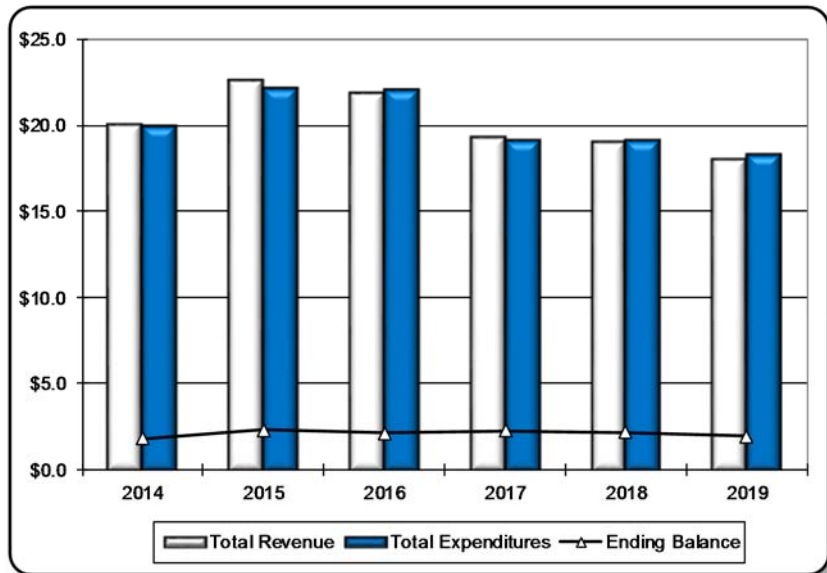


Figure 26

\$35.0 million issuance and \$27.4 million refunding issuance in 2008, a 2006 debt sale of \$38.5 million, and \$67.2 million of debt issued in 2004. Required transfers from the General Fund to make these payments are reduced by interest earned in the Bond Retirement Fund. In 2015, a transfer of \$22.6 million was required from the General Fund to cover the current overall debt service of the Authority. In 2016, a transfer of \$21.9 million was needed. For 2017, a transfer of \$19.3 million will be needed as three debt issuances will be completed and a new debt issuance of \$30 million is budgeted. A transfer of \$19.0 million will be needed in 2018 as another debt issuance will be completed. For 2019, a new debt issuance of \$25 million is planned and a transfer of \$18.1 million will be needed to cover the debt service requirement.

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	\$1.7	\$1.8	\$2.3	\$2.1	\$2.2	\$2.2
Revenue	(\$0.4)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fund Transfers	\$20.5	\$22.6	\$21.9	\$19.3	\$19.0	\$18.1
Total Revenue	\$20.1	\$22.6	\$21.9	\$19.3	\$19.0	\$18.1
Total Resources	\$21.8	\$24.4	\$24.2	\$21.4	\$21.3	\$20.2
Total Expenditures	\$20.0	\$22.1	\$22.1	\$19.1	\$19.1	\$18.3
Ending Balance	\$1.8	\$2.3	\$2.1	\$2.2	\$2.2	\$1.9

Figure 27

INSURANCE FUND

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

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.

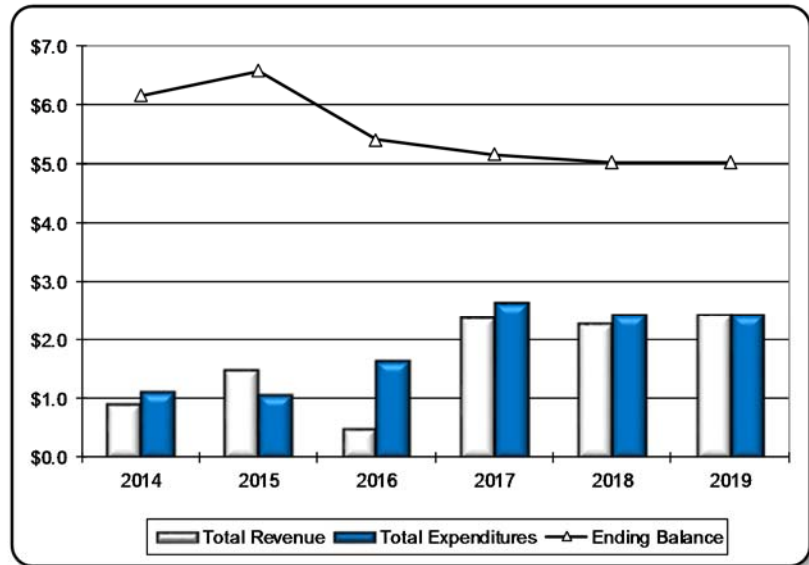


Figure 28

In 2014 and 2015, transfers of \$0.9 million and \$1.5 million were made from the General Fund to the Insurance Fund. Lower claims and premium payments helped to increase the ending balance to over \$6.0 million. In 2016, a transfer of \$0.5 million was needed to cover insurance premiums and claims and bring the ending balance back toward \$5.0 million. For 2017, a transfer of \$2.4 million is needed to cover costs and maintain the required ending balance. Transfers of \$2.3 million and \$2.5 million will be needed in 2018 and 2019, respectively, to maintain the required minimum balance.

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	\$6.4	\$6.2	\$6.6	\$5.4	\$5.2	\$5.0
Investment Income	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Transfers	\$0.9	\$1.5	\$0.5	\$2.4	\$2.3	\$2.5
Total Revenue	\$0.9	\$1.5	\$0.5	\$2.4	\$2.3	\$2.5
Total Resources	\$7.3	\$7.7	\$7.1	\$7.8	\$7.5	\$7.5
Total Expenditures	\$1.2	\$1.1	\$1.7	\$2.7	\$2.5	\$2.5
Ending Balance	\$6.2	\$6.6	\$5.4	\$5.2	\$5.0	\$5.0

Figure 29

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 \$75,000 will be made from the General Fund to support this effort in 2017, 2018, and 2019, but these amounts may change with the results of the next actuarial study.

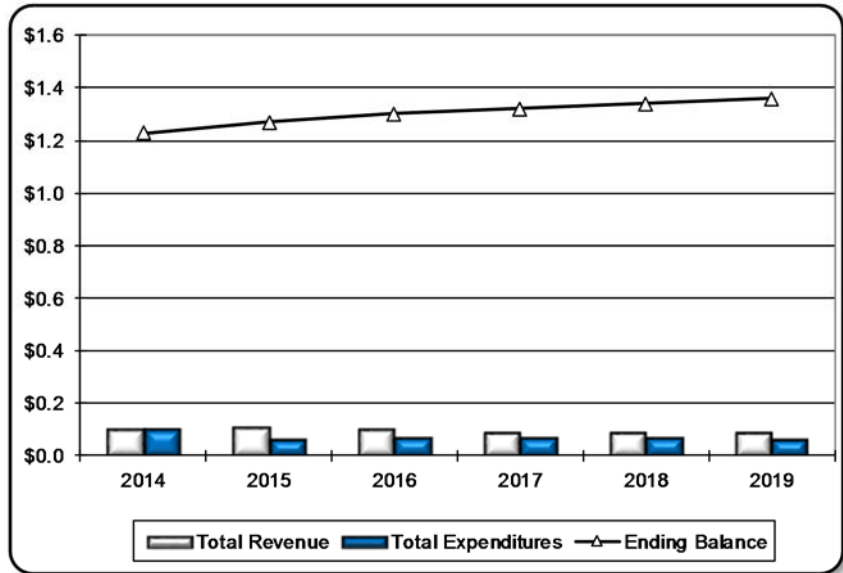


Figure 30

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 2015, total payments of \$68,037 were made. For 2016, payments of \$70,500 are projected. For 2017 through 2019, payments are budgeted at \$70,500, \$69,000, and \$67,500, respectively. The ending balance in the fund is projected to be stable over the next three years.

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	\$1.2	\$1.2	\$1.3	\$1.3	\$1.3	\$1.3
Total Revenue	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Total Resources	\$1.3	\$1.3	\$1.4	\$1.4	\$1.4	\$1.4
Total Expenditures	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Ending Balance	\$1.2	\$1.3	\$1.3	\$1.3	\$1.3	\$1.4

Figure 31

LAW ENFORCEMENT FUND

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

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 and disbursement of funds. Expenditures within this fund have varied over the years, depending upon the levels of revenue obtained through the Task Force. These expenditures funded security items, protective equipment, and technical training equipment. The expenditures projected in 2017 are from a special training fund, which is not part of the NOLETF. The only other activities expected in this fund in FY 2017 are investment earnings of \$60 and other revenue of \$55,000.

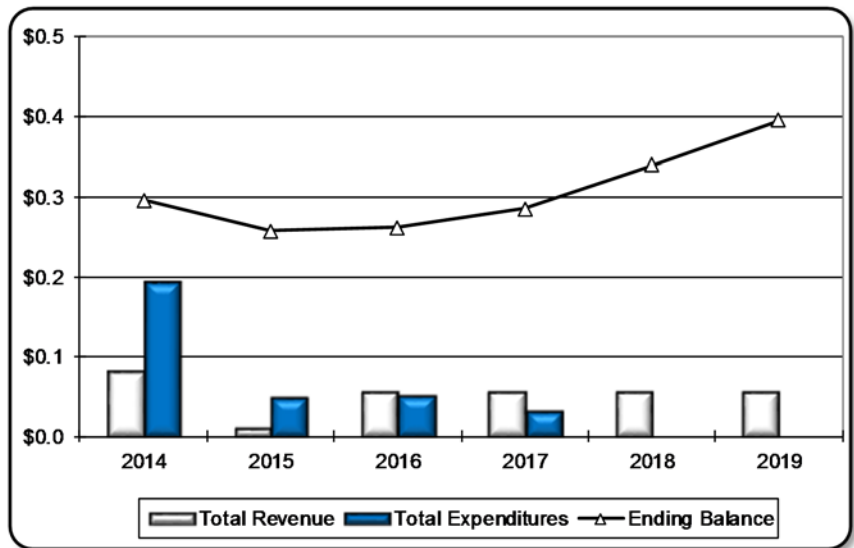


Figure 32

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	\$0.4	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3
Total Revenue	\$0.1	\$0.0	\$0.1	\$0.1	\$0.1	\$0.1
Total Resources	\$0.5	\$0.3	\$0.3	\$0.3	\$0.3	\$0.4
Total Expenditures	\$0.2	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0
Ending Balance	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.4

Figure 33

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 percent locally-funded items.

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

Generally, projects in the RTA Development Fund are greater than \$150,000, have a useful life of greater than five years, and are predominantly, although not exclusively, supported through grant awards. Projects from the Authority's Long Range Plan are included in this area and it includes those capital projects where grant funding already has been approved or will be submitted for approval in future years.

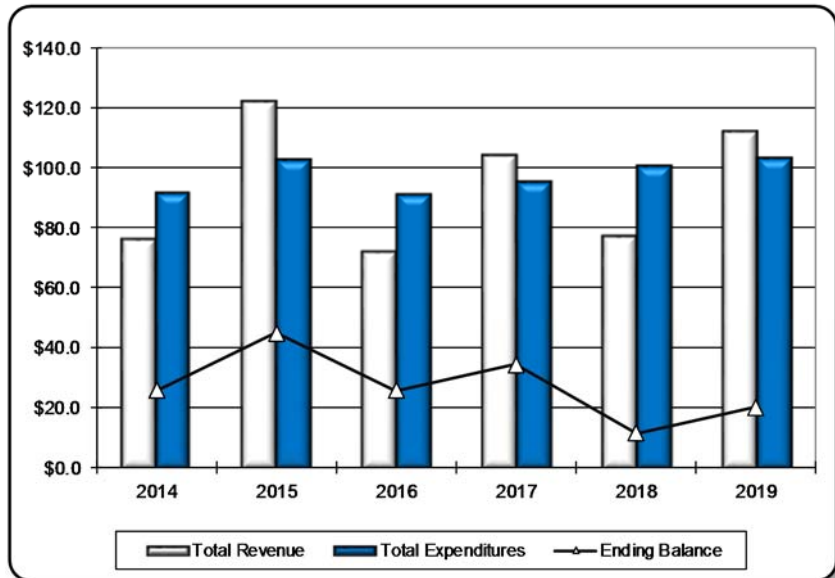


Figure 34

Capital projects included in the RTA Capital Fund are generally less than \$150,000, have a useful life of less than 5 years, are routine in nature, and in many cases relate directly to daily operations. Unlike the RTA Development Fund, where the majority of projects are funded with grant awards, the RTA Capital Fund is financed entirely through local dollars in the form of Sales & Use Tax revenue contributions.

Detailed discussions of the fund balances in these funds are presented in the Capital Improvement Plan (CIP) section. The Figures 16 and 17 provide a consolidated look at all Capital Improvement Funds. The fund balance normally alternates years of increases and decreases as planned activities are balanced with cash infusions. Overall, the balance has been generally decreasing since 1990 with periodic increases a direct result of cash infusion from debt sales or from other irregular one-time revenue, such as a \$15.0 million "Sale to Lease" transaction in 2002 or a \$25.0 million Capital Lease transaction in 2007.

The fund balance decreased in 2014, from \$40.7 million to \$25.4 million as balances were drawn for capital activities then increased in 2015 due to a new debt sale. The balance decrease to \$25.4 million in 2016 as programmed construction

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	\$40.7	\$25.4	\$44.6	\$25.4	\$34.1	\$11.4
Total Revenue	\$76.3	\$122.1	\$72.2	\$104.1	\$77.7	\$112.1
Total Resources	\$116.9	\$147.5	\$116.8	\$129.5	\$111.8	\$123.5
Total Expenditures	\$91.5	\$102.9	\$91.4	\$95.4	\$100.4	\$103.4
Ending Balance	\$25.4	\$44.6	\$25.4	\$34.1	\$11.4	\$20.1

activities occur before increasing in 2017 as a result of planned debt service.

Figure 35

The high level of capital activity by the Authority, begun in the 1990s which included 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 has continued in following CIP's. Capital funds set aside for these large projects were drawn against, as part of a planned drawdown of the fund balance.

Beginning with the 2008 Budget Year, the capital budget process was more directly focused on the need to balance the Authority's ambitious capital program with available grant funds and to minimize, wherever possible, the use of local funds. This step has resulted in the development of a CIP with projects closely scheduled with expected Federal Fiscal Year (FFY) grant award funds and anticipated revenue streams, with few new projects being added, and some projects deferred into future years of the CIP. At the same time, the Authority has committed its financial resources to complete its ADA Key Station program and is now in an on-going multi-year bus replacement program.

In 2017, the Capital Budget appropriation request totals \$64.1 million for the acquisition of buses, preventive maintenance and operating expense reimbursements, equipment, services, and construction projects to improve, replace or upgrade the Authority's facilities and infrastructure. The Authority's infrastructure needs though continue to exceed the amount of available grant funds especially now with the negative impact of the current MAP-21 legislation. The FAST (Fixing America's Surface Transportation) Act is expected to increase the formula funding apportionments for the Authority, but not enough to end the on-going deferral of some requested projects due to lack of grant funds or the use of local funds for their completion.

Proceeds from debt sales, as well as from sales tax contributions, are used to fulfill the Local Match requirement on grant-funded projects as well as for 100 percent locally-funded projects. In 2017, the Transfer to Capital from the General Fund is budgeted at \$13.3 million. It will slightly increase to \$13.5 million in 2018 and to 14.3 million in 2019. The Authority has redoubled its efforts to securing additional non-traditional federal and state resources as the upcoming impact of the new FAST legislation is being analyzed and has becoming more creative with the use of debt and other financing as it strives to address the backlog of needed SGR projects.

REVENUES

The Authority receives various capital grants from the Federal Transit Administration (FTA). Funds are requested from FTA, as needed, to meet obligations, via wire transfer. The timing of the receipt of federal capital revenue is directly related to costs invoiced by contractors/vendors, since these funds must be disbursed within three days after receipt. FTA grants normally cover 80 percent of project costs with the remaining 20 percent share being absorbed by the Authority's local match revenue, which consists of interest income, transfers from other funds and sales of bonds and notes. In some cases FTA grants, such as the American Recovery & Reinvestment Act of 2009 (ARRA) and from the Transportation Investment Generating Economic Recovery (TIGER) program are awarded with a 100 percent Federal share. State capital assistance has in the past been 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 funded with Sales & Use Tax proceeds as part of the Authority's goal of a minimum of 10 and maximum 15 percent contribution to capital requirement as described under General Fund Revenue. Interest earned on the investment of those Sales & Use Tax proceeds is the only other income credited to the RTA Capital Fund. The Authority's local contribution to its capital program is captured by Transfers within the Operating Budget to the RTA Capital Fund and the Transfer to the Bond Retirement Fund.

Transfers of General Fund revenue to the RTA Capital Fund have grown significantly in recent years to meet the financial needs of an aggressive capital program – from a low of \$6.8 million in FY 2007 to a high of \$15.5 million in 2015. Increases in this transfer in recent years has been to align the local funding component of the Authority's five-year bus replacement schedule along with the large number of state of good repair capital projects into the correct capital fund.

The FY 2016 Capital Transfer from the General Fund will decrease to \$9.5 million to meet the needs of the capital program in the upcoming year. This amount, when combined with an expected \$21.9 million transfer to the Bond Retirement Fund will produce a total contribution of Sales & Use Tax revenue to capital of \$31.4 million, or 14.4 percent of all Sales & Use Tax Revenue, just below the Authority's maximum target goal of 15%.

Transfers to Capital and Bond Retirement Funds to meet current debt needs of the Authority are expected to slightly increase in FY 2017 to \$32.6 million, 15 percent of the Sales & Use Tax receipts. The transfer is planned at \$32.5 million in 2018 and \$32.4 million in 2019 as some of the Authority's debt is retired, though this amount will, in part, depend upon future debt service needs of the Authority and how the new debt service payments are structured. When combined with the Transfer to Capital in those years, 15.5 percent and 15.1 percent of all Sales & Use Tax revenue will be directed towards the Authority's capital program, which is above the maximum goal of 15.0 percent in the out-years. The increase in contribution to capital is due to the removal of the Medicaid Managed Health Care from the tax base and subsequent reduction in Sales Tax receipts for those years.

This continues to highlight the on-going problem of meeting the daily operating needs of the Authority while, at the same time, maintaining or improving the Authority's assets in a state of good repair as well. Meeting the financial needs of both areas in the future will significantly challenge the overall financial stability of the Authority, particularly in light of the current economic situation and the slow future growth projected in revenue from the Sales & Use Tax.

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PERFORMANCE MANAGEMENT

STRATEGIC PLAN



Figure 36

The Strategic Plan identifies and prioritizes GCRTA's goals and objectives as can be accomplished on a five year timeline to meet RTA's ten year vision. Management and implementation of the Strategic Plan assures GCRTA experiences success by seizing opportunities, leveraging advantages, and swiftly mitigating challenges within and beyond GCRTA's boundaries of control.

STRATEGIC ORGANIZATIONAL IMPROVEMENTS

GCRTA refines its long-term strategic direction through a visionary process of developing strategic objectives. As a result, four (4) Balanced Scorecard categories, nine (9) Vital Few Objectives (VFOs), and ten (10) Change Initiatives (CIs) were identified and outlined for implementation, visualized through a Strategy Map to create the GCRTA Leadership System. GCRTA is committed to its Mission, Vision, and Values (MVV), which is supported via programs like Together Everyone Achieves More (TEAM), TransitStat, Problem Identification & Corrective Action (PICA), and The Partnership for Excellence (TPE) using the Criteria for Performance Excellence. TEAM and PICA have been

in place, mainly with the Operations Division, for over ten years, TransitStat deployed more than eight years, and TPE in place for the last four years. GCRTA's Leadership System consists of a Balanced Score Card (BSC) and Strategy Map. These are tools supporting Steps 2 through 4 in the Strategic Planning Process. The BSC is evidence of Planning and Aligning objectives throughout the organization to attain the MVV. The Strategy Map measures progress and success as the strategic plan is implemented and CIs are accomplished. The BSC defines four priority areas of strategic management for GCRTA. Figure X outlines these four strategic areas and they're defined purpose. These definitions serve as the basis of development of Vital Few Objectives.

The Strategy Map, outlined in Figure X, visualizes the alignment of the Balanced Scorecard and the Mission, Vision & Values of GCRTA. Included are the Scorecard Measures, Change Initiatives and Action Plans that are monitored and reported monthly and quarterly. These are linked with the Vital Few Objectives, categorized by relevance to BSC Area and relevance to GCRTA's Vision Statements. In addition, the

Balanced Scorecard	Strategic Plan Performance	2016-18
Area of Focus	Initiatives	Performance Rate
Fiscal Responsibility	1. Incr Rev/Decr Exp	⇒ 2.33
	2. Enhance Fisc Resp	⇒ 2.67
Voice of Customer	3. Expand Advocacy	🏆 3.50
	4. Enhance Customer Experience	⇒ 2.82
	5. Increase Service Efficiency	⇒ 2.75
Continual Process Improvement	6. Achieve State of Good Repair	❖ 2.00
	7. Advance & Improve Technology	↑ 4.00
Learning & Innovation	8. Achieve Safety Sulture	🏆 3.50
	9. Improve Employee Development	⇒ 2.80
Overall Performance Rating		2.93

Figure 37

TEAM Goals have been integrated into the Leadership System through the Scorecard Measures. The integration takes into

account the applicable Vital Few Objective and the Balanced Scorecard area of focus. This alignment ensures correlation between metrics or progress firmly connected to GCRTA's 10-Year Vision of success.

FISCAL RESPONSIBILITY

GCRTA's Financial Vision encompasses growth in operating revenue and capital funding, as well as maintaining operating expenses. Another focus is on improvement of internal financial controls and systems.

This category includes the following Vital Few Objectives (VFOs):

- Increase Revenue / Decrease Expenses
- Enhance Fiscal Responsibility

INCREASE REVENUE / DECREASE EXPENSES & ENHANCE FISCAL RESPONSIBILITY

General Fund Revenue performance is made successful through management of Passenger Fares, Sales & Use Tax, and Reimbursed Expenditures. Sales & Use Tax and Passenger Fare Revenue account for over 90.2 percent of the Authority's General Fund revenue, of which, Sales & Use Tax provide for nearly 75 percent of total revenues in 2017, and are vital to establishing the operating levels of the Authority. Passenger Fares account for 16.2 percent of total revenues in 2017 and are the core implication of changes in our services.

Scorecard Metric	Performance Target
Operating Revenue	≥ 1%
Capital Revenue	≥\$30 M
Total Expenses	≤2.5%
Total Overtime	≤7% of Salaries & Wages

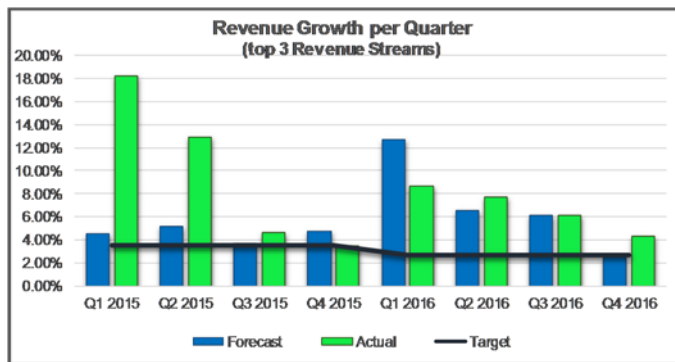


Figure 39

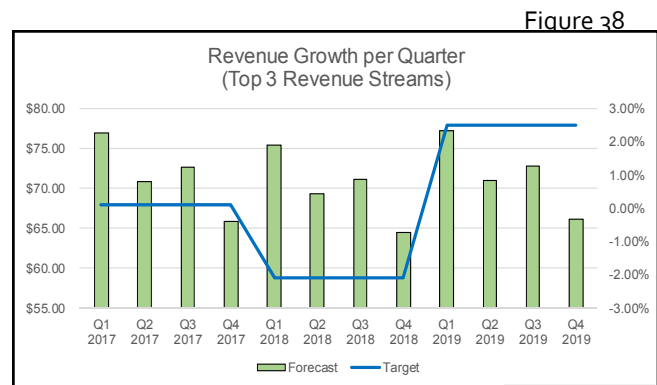


Figure 38

Figure 40

The growth rate is determined by the performance of the Sales & Use Tax and System-wide Ridership. These critical factors are volatile and require short and mid-term strategies to

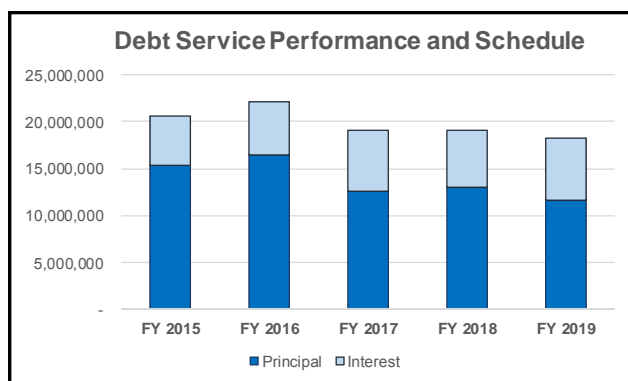


Figure 41

grow and sustain RTA's key revenue sources. For 2017, the growth rate is projected at 0.1 percent, mainly due to Sales & Use Tax projections. The FTA mandated that Medicaid Managed Health Care be removed from the Sales & Use Tax base. This will lower Sales & Use Tax receipts by about \$4.5 million in the 4th Quarter 2017. Passenger Fare revenue is projected to grow slightly as the fare increase executed in the 3rd Quarter 2016 is annualized in 2017.

The growth rate for 2018 is projected at -2.1 percent as the first three quarters of 2018 will see a reduction due to the removal of the Medicaid Managed Health Care from the tax base. For 2019, a slower growth rate, at 2.5 percent is planned.

One category of performance indicators is Capital Efficiency performance, which includes metrics for Debt Service and funds allocated to capital maintenance or expansion. To support infrastructural investments driven by operational needs and ability to provide quality service, it is crucial to balance debts, assure creditors and identify and prioritize the impact of organizational expenses. Key capital efficiency performance indicators are outlined focusing on Debt Service and Investments in Maintenance vs. Expansion from Operating Revenue sources.

A financial policy goal is to contribute between 10 to 15 percent of Sales & Use Tax revenue to Capital. This indicator includes both direct contributions of Capital and the amount set-aside in the General Fund for debt service. The financial contributions to the capital programs support 100 percent locally-funded capital projects, provide the local match for projects funded by grants, and funds the Authority's debt service requirements. The contribution to capital held steady at 18.5 percent in 2015 and is projected to decline to 14.4 percent in 2016. This decline is projected to remain steady, near the 15 percent maximum, for 2017 through 2019.

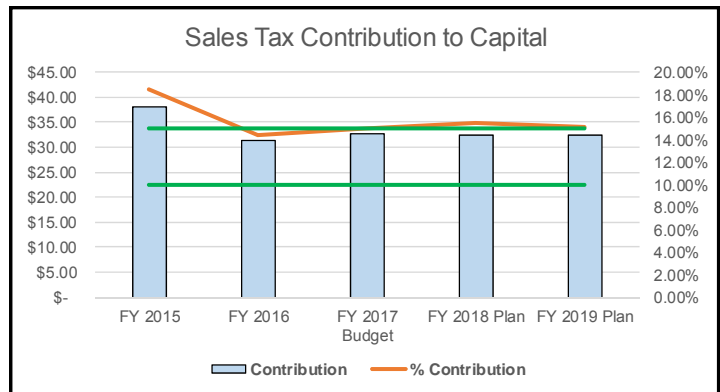


Figure 42

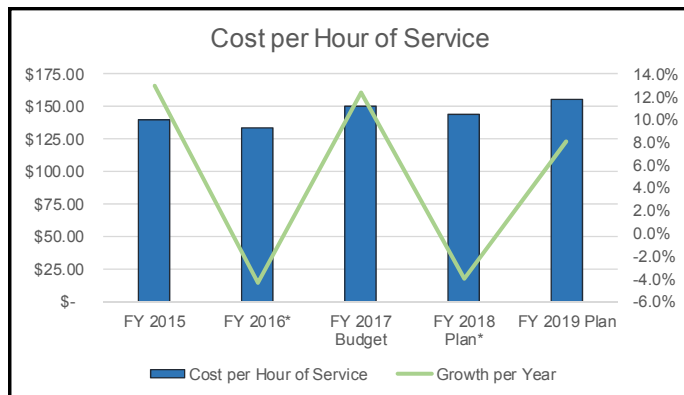


Figure 43

Cost per Hour of Service is measured against the rate of inflation to best inform allocation and use of human and financial resources. This means monitoring and managing the growth in cost to provide public transit services to RTA's service area.

Controlling expenses has a major impact on RTA's ability to establish a sustainable budget. To increase accountability and process improvements, RTA uses TransitStat. This program is a core driver of maintaining the Authority's expenses and investments. To ensure RTA is able to balance the General Fund, process improvement are also optimized to identify new revenue sources or

improve use of resources by reducing waste and rework. TransitStat will be explained in more detail later in this section.

For 2017, the Budget was reduced by 7.8 percent, compared to the 2016 Budget. The VFO for Maintaining Expenses is projected to be met for FY 2018 and FY 2019, as the Budgets are planned to increase by 1.26 percent and 1.00 percent, respectively.

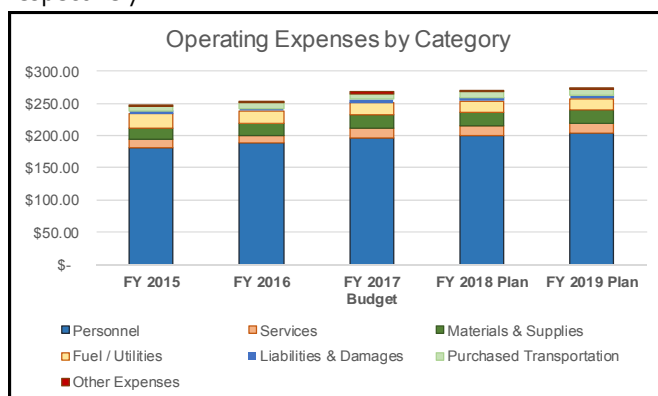


Figure 44

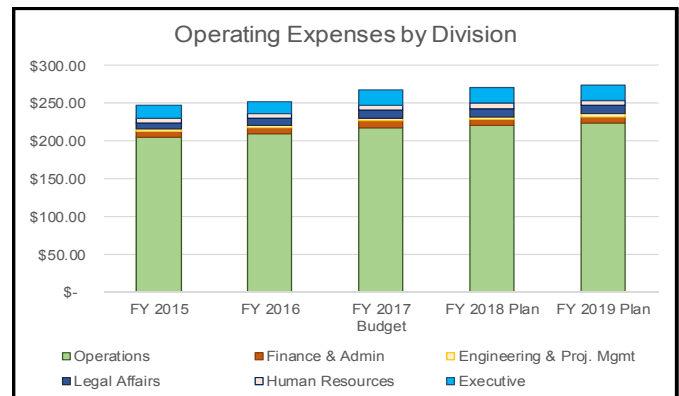


Figure 45

VOICE OF CUSTOMER

Voice of Customer emphasizes key strategies to managing advocacy and improving public transit in Northeast Ohio, as well as enhancing numerous aspects of customer experience on our system.

This category includes the following Vital Few Objectives (VFOs):

- Expand Advocacy
- Enhance Customer Experience

EXPAND ADVOCACY

Advocacy as the Key Driver to Managing Growth: Financial Security, Steady Ridership, and Public Transportation Advocates. The Advocacy strategy focuses on educating constituents, decision makers, and community groups about the value of public transportation in order to gain ridership support, financial aid, and better connect RTA to the community it serves. The full list of contacts is over 320, and growing, with a variety of those being in an influential or decision-making capacity that impacts funding strategies for public transportation in the region, state, and nation. RTA leverages members of the Board of Trustees, Citizens' Advisory Group, ATU, and various community groups to support funding for public transit infrastructure to benefit RTA.

Scorecard Metric	Performance Target
Advocacy Meetings	156 Meetings
Speaker's Bureau Members	≥ 12 Members

Figure 46

The General Manager maintains a list of over 320 contacts, which includes members of political leadership at local, state, and federal levels, civic leaders, business leaders, advocates, and members of the Citizens' Advisory Board. A majority of the contacts made are with external parties regarding Advocacy and Funding. Advocacy outreach includes the media, lobbyists, mayors, and state representatives receiving information about the benefits of public transportation. The message on funding needs are focused more toward State Senators, planning organizations, and business partners in the region.

The goal of Advocacy is to educate key stakeholder groups of the benefits of public transit. As a result, for RTA, this empowers various groups to advocate for and decide on funding availability to provide quality services. RTA established a list of contacts, with the target of meeting with 25 per quarter. The Authority has met or exceeded this target regularly, meeting with State reps, transit advocacy groups, or community leaders.

Advocacy outreach opportunities for 2016 include:

- RTA was recognized as a critical regional asset that was significant to the site selection for the Republican National Convention (RNC)
 - Provided outstanding service to over 50,000 national delegates, 15,000 visiting media, and the community
 - Coordinated with the City of Cleveland to complete public art installations (Inter-urban) along the Red Line from the Airport to Downtown and beyond
 - Facilitated receipt of ODOT's \$6 million grant for 12 new Trolley Buses that were ordered, delivered, and scheduled into service in time for the RNC
 - Completed the total replacement of 4 escalators in Tower City prior to the RNC
- Worked with major influencers to promote increased funding for RTA and address funding challenges related to the Medicaid Managed Health Care Sales Tax issue
- Held successful advocacy event for National Infrastructure Week, highlighting the need for additional investments in our rail infrastructure
- Worked with GCP and NOACA to highlight need for greater transit funding as a major component of their legislative agendas
- Established a working relationship with Clevelanders for Public Transit, meeting quarterly, to assist in advocacy efforts
- Received 2 FTA demonstration grants to enhance pedestrian safety
- Published Roadway Worker Protection Manual
- Recorded 27 percent decrease in rail incidents
- Successfully led ODOT State Safety Oversight training for rail

ENHANCE CUSTOMER EXPERIENCE

Ridership is measured by Unlinked Passenger Trips, which is reported in the National Transit Database (NTD). Tracking ridership by mode informs RTA of the potential impact of customer behaviors on Fare Revenues. Bus is the largest contributor of trips, evidenced as the core of RTA's service offerings. Heavy Rail (Red Line) serves the next largest amount of riders, followed by the HealthLine. The HealthLine has been a thoroughfare of economic development and operates along Euclid Avenue, a major corridor for the Greater Cleveland area, from downtown, past Cleveland Clinic, through University Circle, and into East Cleveland.

Scorecard Metric	Performance Target
Ridership	≥ 46 Million
On-Time Performance	≥ 75%
Ride Happy or Ride Free	1 per 30,000 riders
Overall Customer Satisfaction	≥ 80%
Action Plan Progress	100%

Figure 47

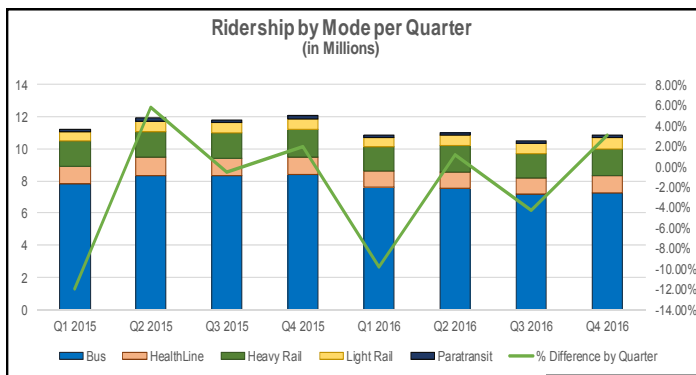


Figure 48

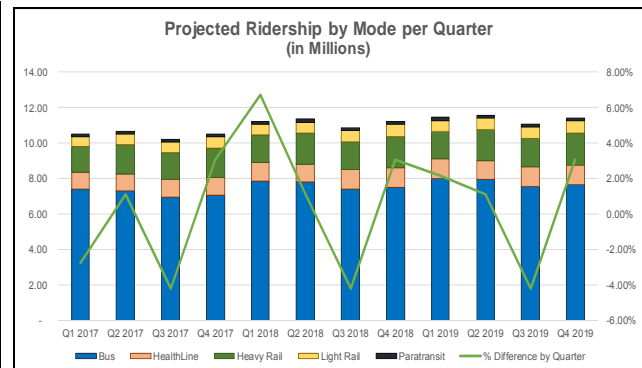


Figure 49

From 2013 through 2015, service was added to alleviate crowding on the most popular routes and enhance service in other areas. The customer satisfaction survey was being conducted the same month that public meetings were being held regarding a potential fare increase and service reductions. These meetings had a negative impact on the overall customer satisfaction. In August 2016, a 25-cent fare increase took effect and in September, a 3 percent annualized service reduction was implemented, which reduced, re-aligned, or eliminated the least populated routes, most of which had alternative service available within 0.5 miles.

RTA values feedback from its customers, as it informs key steps in designing and delivering service. Understanding the demographics of our ridership, and how they are engaged with our services is best informed through our ABBG (American Bus Benchmarking) survey results. Over 70 percent of our riders are using transit for work related commuting, about 10 percent are students, and less than 10 percent ride for leisure. Customer prioritize availability, time and security of service above all else. Our 2015 Net Promoter Score (NPS) for riders improved by 8 percent over 2014. In 2016, due to the implemented service reduction, customer satisfaction for bus service decreased significantly. The survey was conducted for a period of one month during which public meetings were being held for a potential fare increase and service reduction. These public meetings had a detrimental impact on all survey indicators.

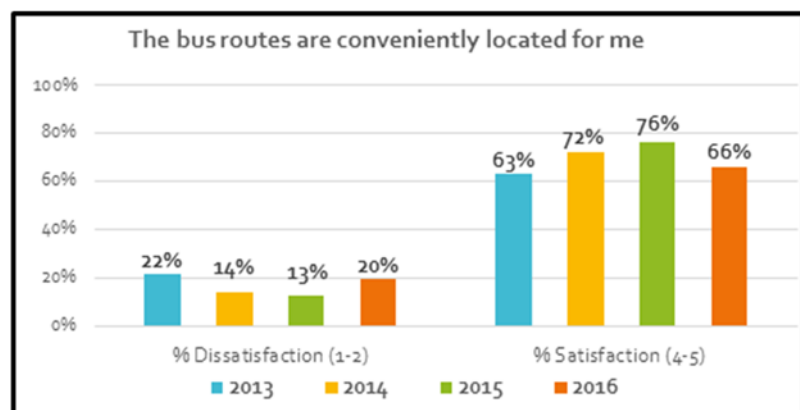


Figure 50

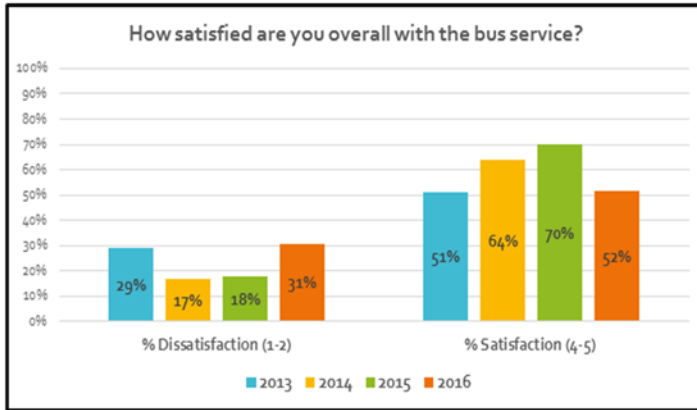


Figure 51

The customer satisfaction rating informs a variety of aspects on how RTA delivers quality transit services. Such aspects include cleanliness, safety, operator behavior and reliability and timeliness of the service. Monitoring rates of Customer Engagement is equally important as it gives reason to what drives customer loyalty, or a NPS rating. Measuring engagement means understanding what makes riders use the system frequently, safely, confidently, and how they advocate and encourage others to use our system (or possibly even public transit in general).

In 2016, the American Bus Benchmarking Group (ABBG) conducted the 4th annual Customer Satisfaction Survey for all bus customers, including transit agency employees. RTA and 19 other like-sized transit agencies measure customer satisfaction with bus service. This opportunity provides RTA with a measure of customer service, identifies areas of improvement, and allows the agency to be compared to the performance of other agencies.

Customer Satisfaction is key to RTA’s mission: To Provide Safe, Reliable, Clean, and Courteous Public Transportation. Results from the Customer Satisfaction Surveys have helped to identify areas of improvement in safety and cleanliness.

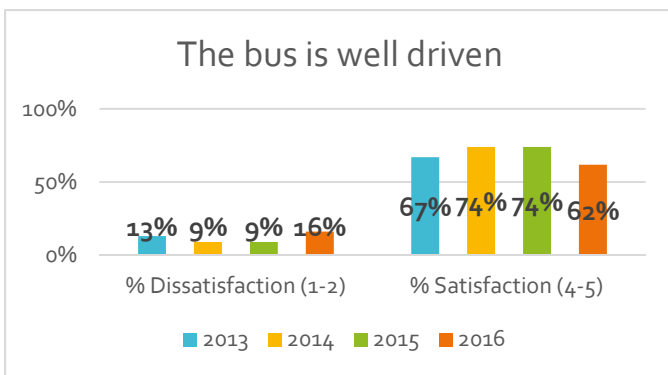


Figure 52

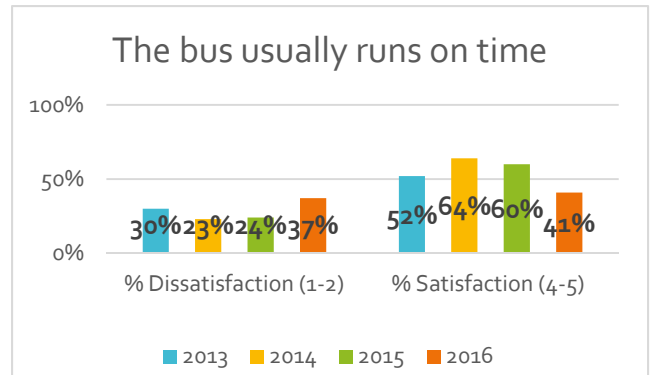


Figure 53

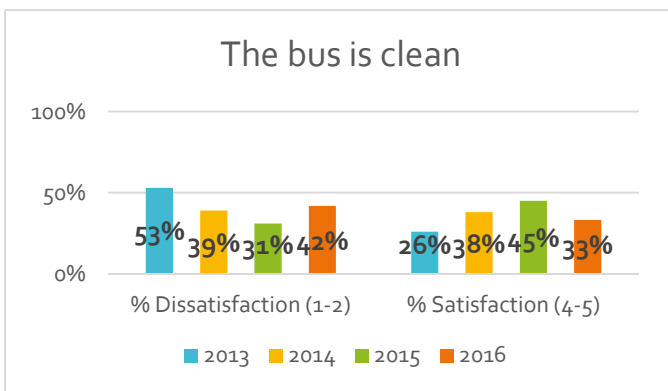


Figure 54

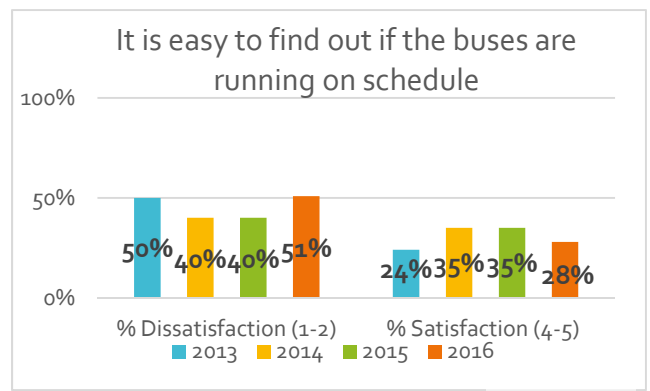


Figure 55

CONTINUAL PROCESS IMPROVEMENT

Continual process improvements establish meaningful standards for current processes and eliminate waste through innovative process improvements across RTA.

This category includes the following Vital Few Objectives (VFOs):

- Champion Sustainability
- Increase Service Efficiency
- Achieve State of Good Repair (SOGR)
- Advance & Improve Technology
- Improve Paratransit Service Efficiency

CHAMPION SUSTAINABILITY

GCRTA's strategic priorities are set in a 10-year vision addressing continual process improvements and investments in our infrastructure, developing our workforce, and ensuring our public transit system is safe. The Authority continued the Public Transit Management Academy (PTMA), added a collection of Six Sigma Green Belt projects, earned the Silver Award from the Partnership for Excellence, recognized in Northeast Ohio as one of the "50 Smartest Organizations", and updated our Mission, Vision, and Values during the 2016 Strategic Planning session. The Sustainability Strategy supports our continual improvement initiatives that meet and exceed our Mission, Vision and Values.

The Sustainability Program monitors a variety of material issues defining our performance as a socially and environmentally conscious member of the Greater Cleveland community. This includes items such as Public Safety, System Reliability, Responsible Fiscal Management, investments in Alternative Fuels and Energy Efficiency, and Rate of Greenhouse Gas Emissions. At the end of 2015, RTA obtained

ISO 14001 ESMS Certification for the Central Bus Maintenance Facility (CBMF) and received updated requirements to move

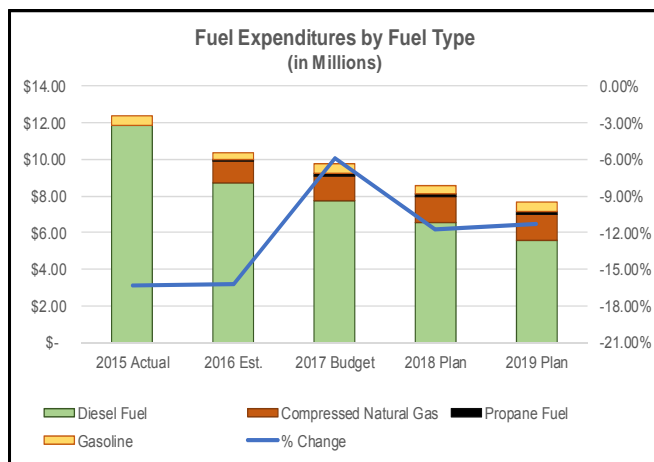


Figure 57

APTA Sustainability Commitment - Silver			
Summary			
<i>This page provides an overview of progress towards achieving the goals of the Sustainability Commitment and higher</i>			
You have achieved	4	of 4 prerequisites	
You have achieved	2% improvement in	2	indicators
	5% improvement in	1	indicators
	10% improvement in	5	indicators
You have achieved	10	action items	
	3	stretch goals	
Comments:			
Baseline data is a complete calendar year. The follow-up data is January through August or September, including the normalization factors. An update shall be provided in April 2017 with the full Calendar Year data. Very few of the items have a projection methodology.			

Figure 56

forward with the certification process for Hayden and Triskett Districts. The Program Manager uses a variety of tools from the World Resource Institute, World Business Council for Sustainable Development, Environmental Protection Agency, Greenhouse Gas Protocol, APTA Sustainability, Global Reporting Initiative, and many other sources.

The Authority is helping to reduce mobile emissions by purchasing alternatively-fueled vehicles. Of the 24 BRT vehicles, 21 are hybrid-electric vehicles on the HealthLine. RTA incorporated 90 new CNG vehicles with additional buses on order for the next several years. Natural Gas prices cost 1/3 of diesel, resulting in savings of more than \$200,000 for the life of each vehicle. RTA's CNG fleet will emit 30 percent

fewer greenhouses. RTA is also testing Propane vehicles in the Paratransit fleet. The 20 vehicles are expected to save money and reduce pollutants. RTA also uses all-electric trains on the Red, Blue, and Green lines across 35 miles of track, serving nearly 10 million customers each year.

INCREASE SERVICE EFFICIENCY

RTA’s Service Plan seeks to balance available funds with the public’s demand for transit service. Service Management defines feasible miles and hours of service based upon available human and financial resources. The Districts, with support from Fleet Management and Service Quality, implement the services as planned. RTA measures performance of design and delivery of service with a variety of

Scorecard Metric	Performance Target
Avg Cost Paratransit Trip	≤ \$40
TEAM: MBSI	≥ 10,000 Miles
Prev Maint Compliance	≥ 85%
Action Plan Progress	≥ 85%

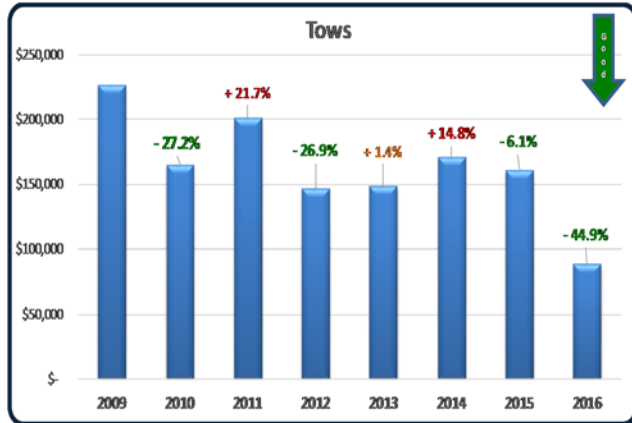


Figure 60

Figure 59

operationally-focused metrics, such as On-Time Performance, Tows, Service Capacity, and rates of preventive maintenance for key assets; Facilities, Vehicles, and Equipment, such as fare boxes.

Other Operational indicators include Miles Between Service Interruptions (MBSI), Preventive Maintenance (PM) Compliance, and the Rate of completing Action Plans. Action Plans include implementation of Predictive Maintenance Program for Hayden, Triskett, Fleet Management, and

Electronic Repair, which includes establishment of a 3-year budget program to meet program objectives. An effective Predictive Maintenance program will increase the Miles Between Service Interruptions and impact the State of Good Repair rating for fleet, equipment, and infrastructure.

The aim of the Predictive Maintenance Program is to predict when equipment will fail, before it fails. In 2015, RTA started the Predictive Maintenance Program by repairing or replacing selected equipment before they fail the first time. Maintenance tasks are planned, based upon diagnostic

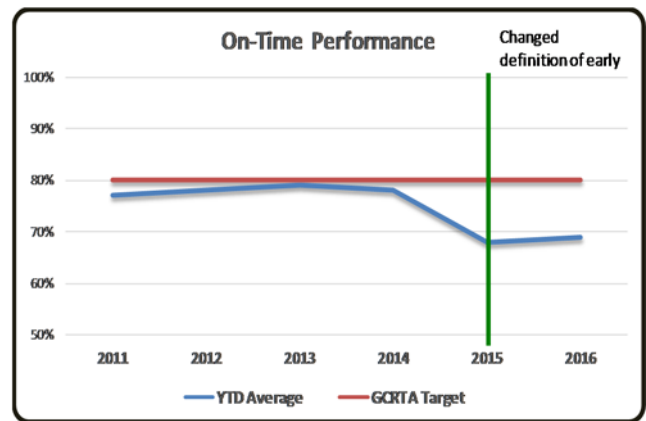


Figure 61

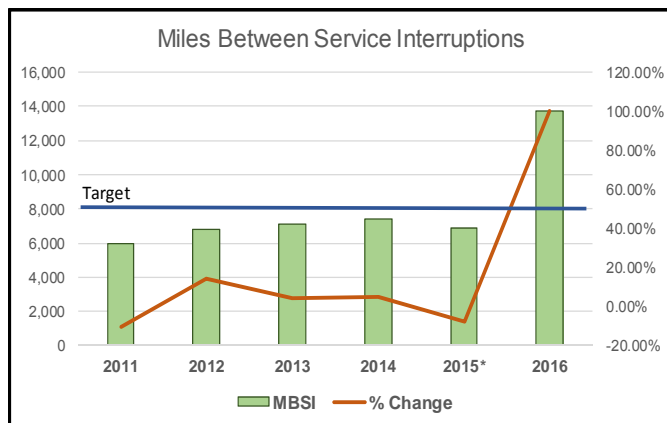


Figure 62

analysis, current conditions of the equipment, trends analysis of usage, manufacturer’s suggested maintenance times, or forecasting the remaining life of the equipment. In 2016, the Hayden District and Fleet Management District started overhauling the HealthLine vehicles, most of which were placed into service in 2008. The key measurement for the Predictive Maintenance Program is Miles Between Service Interruptions, or MBSI.

ACHIEVE STATE OF GOOD REPAIR

In the public transit industry, asset management and State of Good Repair (SOGR) strategies are vital. GCRTA must improve the ability to assess a SOGR rating and understand how to prioritize assets to properly invest grant funding in necessary infrastructure.

To accomplish a complete inventory with a meaningful SOGR rating, GCRTA must complete Action Plans regarding Standard Assessment of SOGR by dollar value, establish a strategy to financially prioritize projects and maintenance with a SOGR rating of 2.5 or less, and define the SOGR ratio as a factor to update the 5-year capital plan.

In 2014, RTA began implementing a process to assign all assets a SOGR rating, ranging from 1 to 5. Asset Configuration and Management planners compiled an inventory of assets and assigned each one a SOGR rating based upon their condition. These ratings will be used to help prioritize the allocation of funds for the Capital Improvement Program.

The VFO metric requires an annual improvement to the baseline GCRTA SOGR rating, which is the aggregate of all asset ratings. The Asset & Configuration Management Department finalized the baseline SOGR rating for the entire Authority.

Scorecard Metric	Performance Target
SGR Rating	≥ 2.5
Action Plan Progress	100%

Figure 63

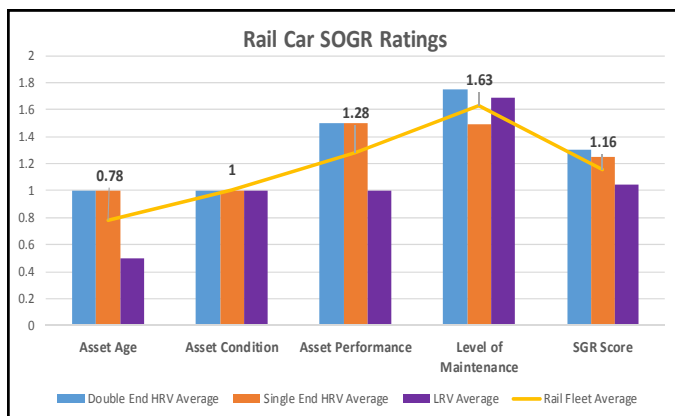


Figure 64

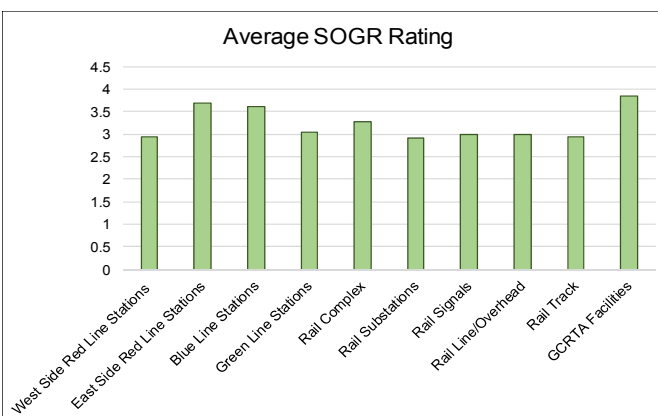


Figure 65

ADVANCE & IMPROVE TECHNOLOGY

RTA's Information Technology (IT) environment encompasses many tools and resources to support the administrative and operating departments in their daily obligations. IT has identified and prioritized a variety of initiatives to further enhance capabilities of the workforce, and build reliable

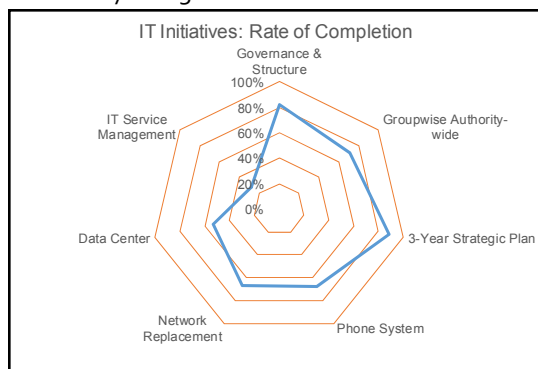


Figure 67

Scorecard Metric	Performance Target
IT SGR Rating	≥ 15%
Action Plan Progress	100%

Figure 66

processes that support those capabilities in a sustainable manner. This includes a focus on a refined 3-year Strategic Plan and governance structure, as well as updating the phone system, data center, and network redundancy. IT provided GroupWise email access to the entire workforce in 2016.

As with other assets and infrastructure, the IT Department is focused on maintaining a reliable information systems infrastructure, replacing necessary assets and components as dictated by various asset lifecycles. To monitor improvement, the percentage change is the indicator with a performance target of 15 percent improvement across all systems and projects.

This rate of IT-SOGR improvement includes completion of various Action Plans including the completion and reporting of Dashboard Metrics, Phone System Upgrade, Network Upgrade, Data Center Improvements, Back-up/Storage Replacement, IVR, CitrixFarm, Mobile Ticketing, and various End-User priorities.

IMPROVE PARATRANSIT SERVICE EFFICIENCY

RTA has analyzed several efficiency aspects of Paratransit’s operation (ADA Demand Service). Much of the focus includes the ADA application and approval process, functional testing, and revisions to the fare structure. The

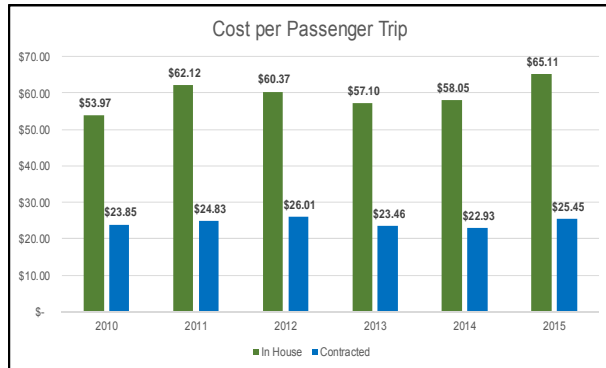


Figure 69

VFO metric is Average Paratransit Cost per Trip, with a goal of \$40 per trip. As an indicator of operating

Scorecard Metric	Performance Target
Avg Cost Paratransit Trip	≤ \$40
TEAM: MBSI	≥ 10,000 Miles
Prev Maint Compliance	≥ 85%
Action Plan Progress	≥ 85%

Figure 68

efficiency, GCRTA monitors the Average Cost per Trip taken on its Paratransit service. This strategic objective correlates with the Fiscal Responsibility initiative regarding Medicaid Reimbursement Program. The success of that program has an impact on our operating efficiency and ability to deliver quality Paratransit Service.

LEARNING & INNOVATION

It is imperative to invest in the development of RTA’s valued workforce to grow engagement, capabilities, and improve productivity of workforce members to continue providing safe, quality transit services.

This category includes the following Vital Few Objectives (VFOs):

- Achieve Safety Culture
- Improve Employee Engagement
- Improve Performance Management

ACHIEVE SAFETY CULTURE

Safety is embedded in the organizational culture through the Mission, Vision, and Values of RTA. Safety is a critical element of every RTA employee’s function in ultimately delivering quality public transit services. There are numerous performance measures that inform upon the Authority’s impact on workplace and public safety and security. Within the boundaries of control, safety is measured by Preventable Collisions, On-the-Job-Injuries, successfully completed Safety Drills, and improved driver behaviors as monitored through DriveCam Risk Report Cards.

In addition to managing the aforementioned metrics, it is also of importance to complete process improvement projects through Action Plan progress. Safety-focused Action Plans include improved safety of customers and employees, compliance of external audits, conducting Culture Change Sessions with Leadership

Scorecard Metric	Performance Target
Preventable Collisions	1 per 100,000 Miles
OJIs	10 per 200,000 Hours
Completed Safety Drills	3
DriveCam: Incident Frequency	≤ 19%
DriveCam: Incident Severity	≤ 19%
DriveCam: Rule Violation Risk	≤ 19%
Action Plan Progress	100%

Figure 70

and various segments of the organization, and maintaining at least two TSSP Certified Individuals in the Safety Department Team.

The Preventable Collision Rate is an indicator of Operator Behavior. The Authority also draws upon data from the DriveCam system. The On-the-Job Injury Rates inform Management of safety decisions and behaviors that may lead to increased risk and cost in the workplace. The Authority also recognizes Champions of Safety on a monthly basis. These employees go above and beyond the normal work duties to ensure that the infrastructure, facilities, vehicles, employees, and customers are safe.

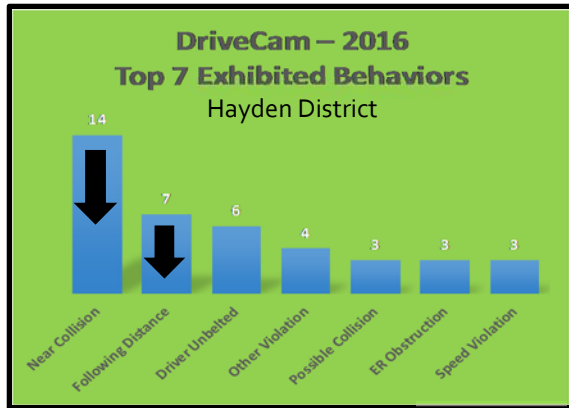


Figure 71

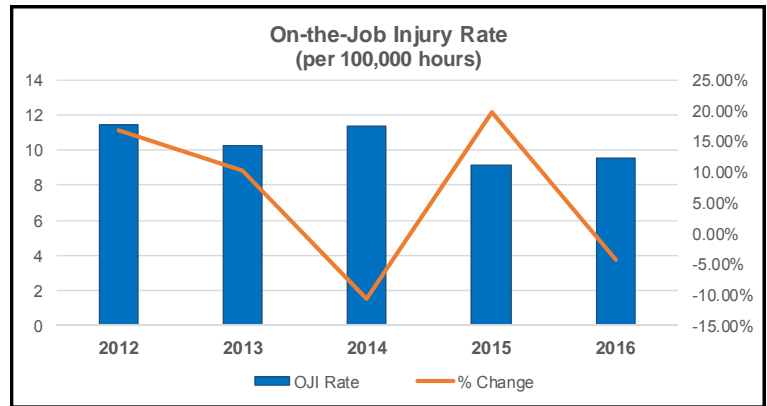


Figure 72

To help increase security for the Operators, Transit Police Officers are now stationed at the Districts. RTA began the new Community Policing initiative in August 2015 and it has proven to be very successful. The goal is to increase and improve visibility and communication between the Operators and Transit Police. A Community Resource Officer is to assist, listen to concerns from Operators and other employees, and try to get issues resolved. The Officers report directly to and from the Districts and have the welfare of the Operators and employees. Since the inception, hundreds of issues have been successfully resolved.

IMPROVE EMPLOYEE ENGAGEMENT

RTA has implemented a variety of programs as a commitment to developing a talented and engaged workforce. These programs include Tuition Reimbursement, various skill-focused training opportunities, the Management Development Program (MDP), Greenbelt Six Sigma training, and the Public Transit Management Academy (PTMA). RTA conducted its first Employee Satisfaction Survey in January 2015 and again in January 2016. The results identify opportunities for improvement to help the Authority fulfill its mission to become an employer of choice in Northeast Ohio.

Based upon feedback from 2015, the Authority has increased communication within all work segments and between all Departments through The Reporter, a monthly update about what is happening at RTA; GM Updates, bi-monthly updates from the CEO about additional information and highlights about upcoming events posted at all Districts; and adjustments to TEAM forums.

Scorecard Metric	Performance Target
Attendance	≤ 5%
Employee Engagement	≥ 75%
Performance Management Rating	≥ 3.5
On-Time Appraisals Completed	≥ 80%
Total Hours of Training by Work Segment	?
Courses Completed by Work Segment	?
Action Plan Progress	100%

Figure 73

A total of 374 employees participated in the 2016 Employee Engagement Survey. The following are the highlights from each of the statement areas.

- Leadership & Planning: Leadership core values, feedback and long-term strategy
 - 53% agreed the leadership and planning of the Authority was positive
 - 65% understood the long-term strategy
 - 33% wanted to see more planning and Directors open to more feedback
- Corporate Culture & Communications: Communication, understanding, trust, diversity, safety, changes and cooperation
 - 58% agreed the agency and communications were positive
 - 82% liked their co-workers
 - 41% questioned adequate staffing levels
- Role Satisfaction: Job security, deadlines, and teamwork
 - 73% agreed their roles and jobs were positive
 - 91% liked the work they do
 - 26% do not feel like a part of a team
- Work Environment: safety and workplace issues
 - 71% agreed the workplace was positive
 - 76% felt safe
 - 21% thought heating and cooling could be improved
- Relationship with Supervisor: Fairness, respect, recognition, other issues
 - 73% agreed relationship with supervisor was positive
 - 81% agreed that their supervisor treats them with respect
 - 23% said their supervisor does not help them develop to their full potential

The next Employee Engagement Survey is scheduled for January 2017.

IMPROVE PERFORMANCE MANAGEMENT

RTA continues its strong focus on continuous improvement through The Partnership for Excellence (TPE) and TransitStat. In 2015, RTA received the Silver Award from The Partnership for Excellence as part of the pursuit toward the Baldrige Award. In June 2015, the Authority received a report from TPE that outlined 40 Opportunities for Improvement (OFI). Committees were established to work on the following areas:

- **Human Resources:** Improve processes for employee engagement, policies and practices, and performance evaluations
- **IT:** Upgrade data center and IT infrastructure to improve speed of data security
- **Marketing:** Continue customer satisfaction surveys for key market segments. Establish customer engagement metrics
- **OMB:** Establish a database to research and investigate best practices. Refine the strategic planning process
- **Operations:** Increase the number of drills to hone emergency response
- **Procurement:** Evaluate suppliers

The Authority focused attention on improving the OFIs identified above, as well as continued improvements through the Strategic Plan. A second application for The Partnership for Excellence was submitted and RTA is seeking the Gold Award for the Baldrige initiative.

As part of the continual improvement quest, the Authority completed the 2016-2018 Strategic Planning cycle and maintained ISO 14001 certification for the Central Bus Maintenance facility. RTA achieved nearly 45 percent ISO 14001 certification at both Triskett and Hayden Districts to meet the 2015 requirements. In 2016, RTA completed the first Annual Sustainability Report per Global Reporting Initiative G4 Core Standard Guidelines.

GCRTA maintains a performance management and improvement culture through TransitStat. Data is analyzed for problem identification, resulting in aptly developed solutions authorized by the TransitStat Panel. Follow-up is relentless: results are tracked until the problem is solved. Over the course of TransitStat's implementation, 2007, RTA recognized over \$78.1

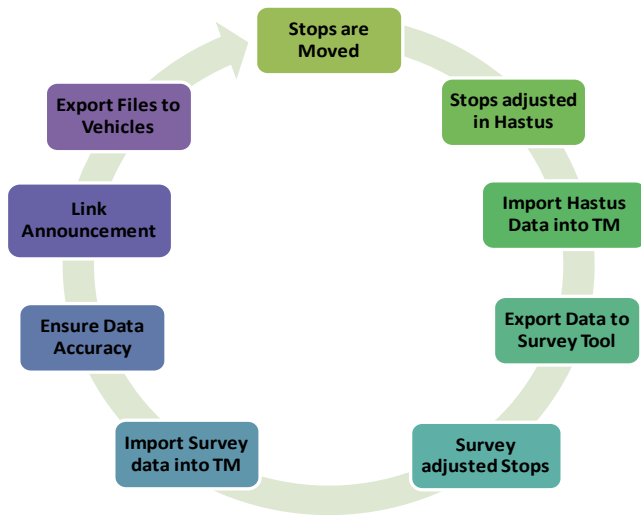


Figure 74

million in cost avoidance and savings, and reduced process waste through quality program improvements over the course of 9 years.

TransitStat has reduced costs and enhanced operational capabilities. Accountability has increased markedly, improving acceptance of a change management culture across the organization. TransitStat continually saturates the organizational culture; expanding from a financial focus to a systematic program for quality enhancements that impact RTA’s ability to meet strategic objectives and the Mission, Vision, and Values.

Other improvement tools and methodologies are implemented, which include Problem Identification and Corrective Action (PICA), Lean Six Sigma, International Organization for Standardization (ISO), and Criteria for Excellence. RTA’s improvement system identifies the value

of continual over continuous improvement. Continual improvement is identified as ongoing cycles of learning that show progressive change in the discovery of new problems and solutions. Continuous improvement, while still beneficial, is identified as constant focus on the same issue at the same stage in its improvement cycle. Based upon the principle process cycle, RTA’s performance improvement system allows for rapid deployment of solutions to ensure organizational learning and analytical agility to support continual improvement. Bus stops were surveyed to ensure the data in the database was accurate and ensure validation of the stops for each route. Stops were then compared to those in NextConnect and the Google Transit app to ensure accuracy. Processes and procedures were tracked, problems identified, improvements implemented, and continual improvement strategies continued.

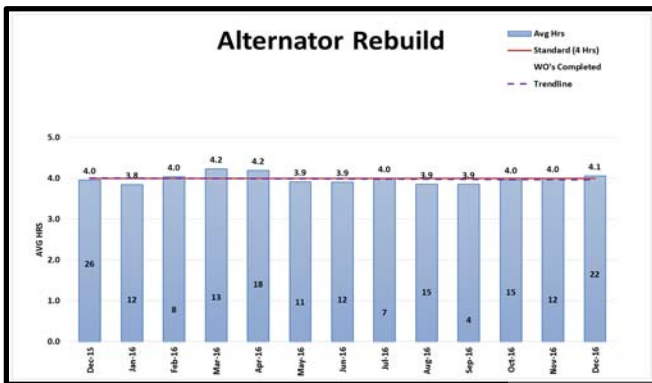


Figure 75

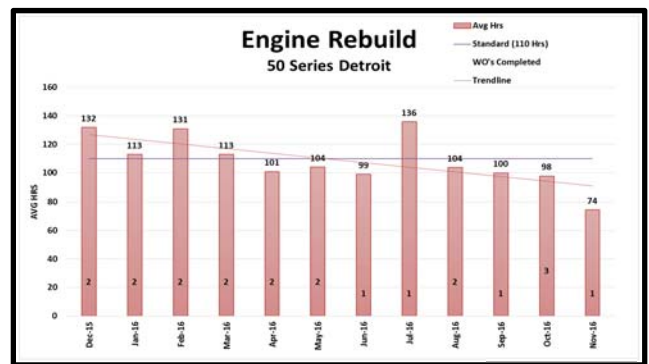


Figure 76

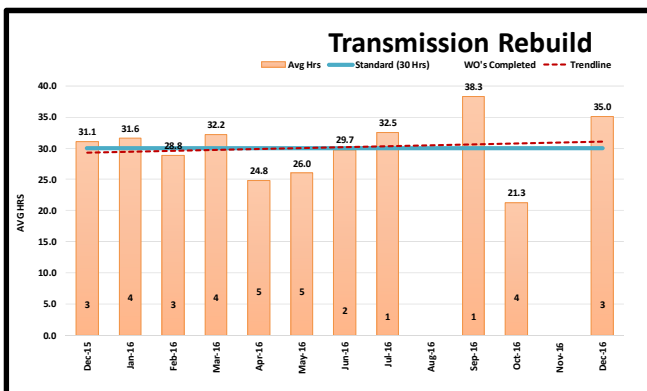


Figure 77

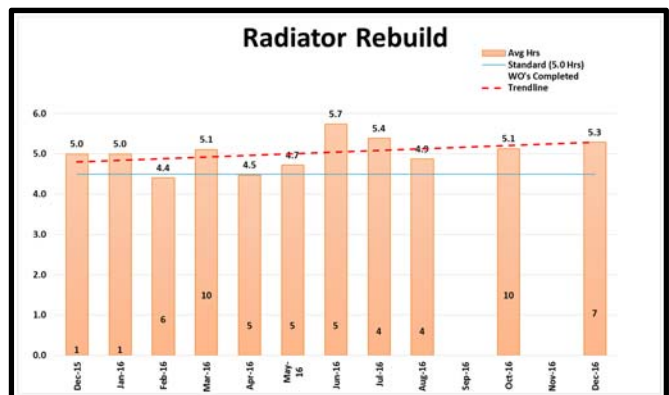


Figure 78

Throughout the year, Action Items for each TransitStat project were identified and tracked. As Action Items were completed, updates would be submitted on progress. As challenges arose, solutions would be identified and implemented. If resources were needed, they would be identified during the meeting and tracked throughout the year as well.

Scorecard Metric	Performance Target	
TRiM Unit: Pass Misreads	< 5%	
Coin Validator: Coin Misreads	< 5%	
Bill Validator: Current Bill Count	< 500	

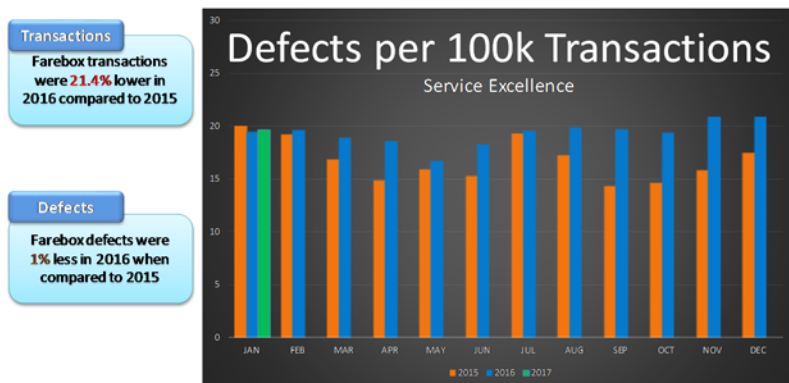


Figure 79

Electronic Repair created a Predictive Maintenance program for Farebox Repair. They tracked defects per 100,000 transactions. Total defects in 2016 were 1 percent less when compared to 2015. Total farebox transactions were 21.4 percent lower than 2015.

Farebox components were identified for the replacement program and SOPs written on how to implement the Predictive Maintenance program and the intervals for the replacements, then technicians were trained on the new

procedures. Error rates and cycle counts were researched and agreed upon. Maintenance reports were developed for the fareboxes and reports created to track the errors. Reports were written on equipment that was not performing within specifications.

Action Items	Status Updates
1. Develop SOPs to help standardize processes	Completed
2. Develop QA audits from SOPs	Completed
3. Maximize training opportunities	Allison e-learning in progress, 341 modules passed so far.
4. Monitor radiator/engine rebuild hours	On-going
5. Implement 5S	Brakes & Transmission completed; Reclaim Area in progress

Resources Needed	Status Updates
1. Portable lift set needed to increase lift capacity to support Predictive Maintenance	Completed
2. CNG upgrades needed at CBM to complete heavy maintenance	Sensors and Alarms – March 2017 Exhaust – October 2016 Generator – March 2017

Figure 80

TRANSITSTAT ENGAGEMENT SURVEYS

In 9 years, TransitStat has reported on 138 new projects, has held 319 meetings, and reviewed 1,292 presentations. To ensure that TransitStat has been performing as it was designed, a survey was sent in December 2015 to all project team members.

A total of 74 employees responded, a response rate of 51 percent.

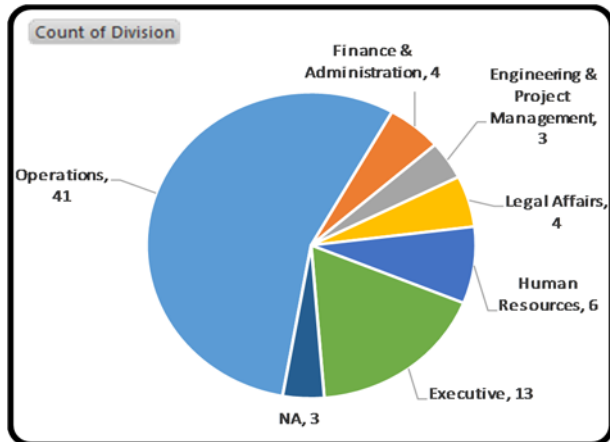


Figure 81

The demographics of the respondents are below. (NA = No Answer)

- 88% of the Authority's employees are within the Operations Division.
- 82% of the Authority's Operating Budget is within the Operations Division

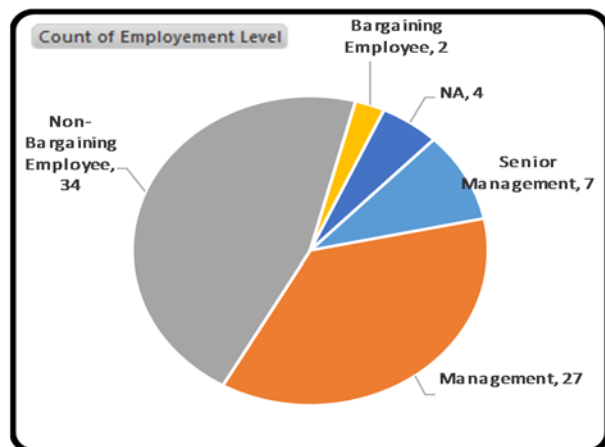


Figure 82

- Senior Management contains CEO, District General Managers (DGMs), and Executive Directors
- Management contains Directors, Assistant Directors, Managers, and Assistant Managers
- Non-Bargaining Employees include Supervisors, Analysts, and other non-union employees
- Bargaining Employees are those employees who are part of the ATU or FOP

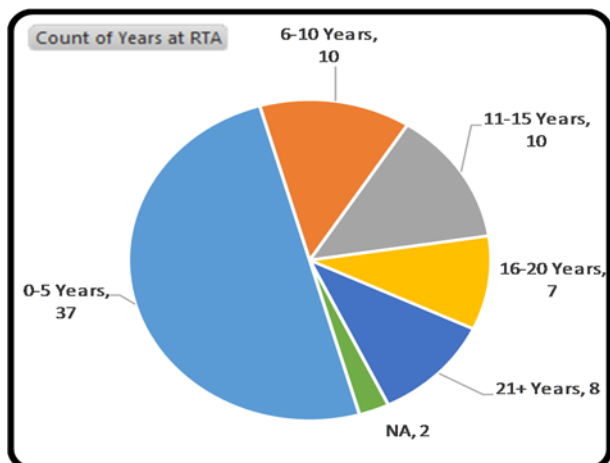


Figure 83

- In 2015, TransitStat ended its 8th Year.
- Those employees who have been at RTA 5 years or less were not at the Authority when TransitStat began and do not have the background history of why the program started

The first 8 questions used a likert scale: 1 – Strongly Disagree; 2 – Disagree; 3 – Somewhat Disagree; 4 – Somewhat Agree; 5 – Agree; 6 – Strongly Agree. To get a better understanding of the range of responses, the Average, Mode, percent agree (percentage of

scores 4 to 6) were calculated. The Average is the summation of all of the responses divided by the number of responses. The mode is the response that occurs most often. The percent agree is the percentage of all scores for the question that were from 4 to 6.

From the responses, most respondents have seen how TransitStat has impacted the Authority, department, and/or division. Communication and accountability are two areas of improvement for the TransitStat Panel and program. To address these issues, all TransitStat members were invited to attend an overview of TransitStat: what RTA was like before TransitStat was implemented; why TransitStat was created; how TransitStat was introduced to RTA; how TransitStat has helped to change the culture and the organization; and where TransitStat is leading the Authority. To assist the project teams in understanding the objective, measurements, and goals of their TransitStat projects, Improvement Action Teams were created.

Each of the three teams consist of employees who are experts in their fields and understand how to gather, review, and analyze data and how to create a project scope, measurements, and action plan. Each of the project teams will meet with an Improvement Action Team in February to create the project plan for 2016.

Total Respondents: 74		51% Response Rate		
Question	Scale: 1 (Strongly Disagree) to 6 (Strongly Agree)	Average Score	Mode	% Agree
1	TransitStat forum is supportive of innovation and 'out of the box' solutions	4.54	5.00	89.2%
2	TransitStat structure & objectives are clearly communicated an performance expectations are clearly stated for me and my team	4.62	5.00	85.1%
3	The frequency of presentations align with project progress and activity and holds participants accountable for completing projects on time	4.27	5.00	79.7%
4	TransitStat provides access to repeatable process improvements from other projects and departments	4.42	5.00	79.7%
5	TransitStat has made a positive financial impact on my department / the organization	4.77	6.00	90.5%
6	TransitStat has improved our organizational operations and business processes	4.86	5.00	89.2%
7	I have / My team has seen direct impact of process improvements from TransitStat projects	4.66	5.00	90.5%
8	TransitStat recognizes outstanding performance and clearly identifies when improvements are needed through access to training, tools, or resources through partner departments	4.32	5.00	79.7%

Figure 84

2016 TranstStat Engagement Survey

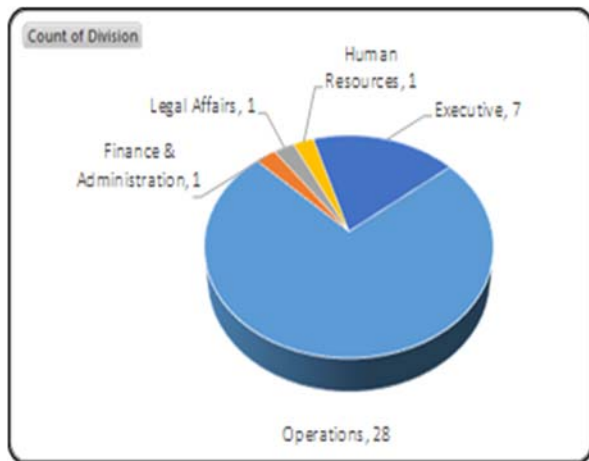


Figure 85

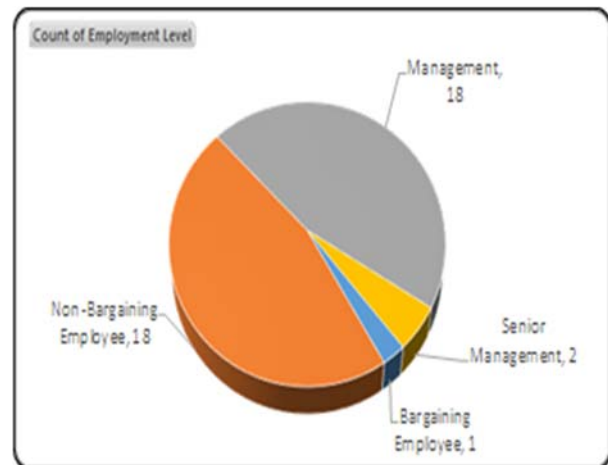


Figure 86

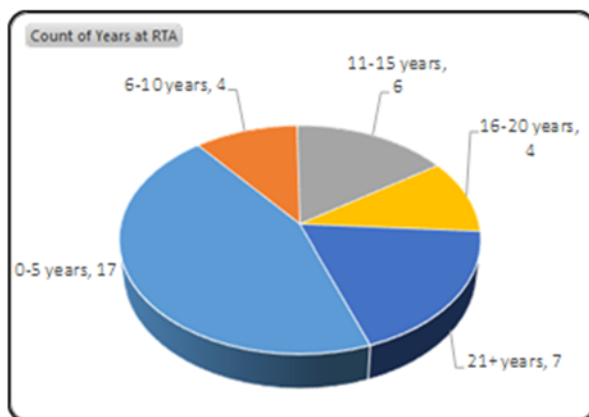


Figure 87

A second TransitStat Engagement Survey was distributed to all project teams at the end of 2016. A total of 40 employees completed the survey, a response rate of 25 percent, a 46 percent response rate decrease from 2015. Nineteen respondents completed the SWOT Analysis; 13 respondents completed a portion of the SWOT questions; 8 employees provided no information.

The average response rates per Division and Employment Level are below.

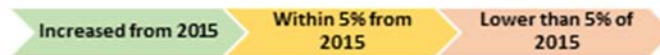
Responses to the Survey Questions and comparisons to the 2015 TransitStat Engagement Survey are below.

FY 2016 Average Division	Years at RTA							Grand Total	2015
	0-5 years	6-10 years	11-15 years	16-20 years	21+ years	(blank)			
Operations	4.21	4.11	4.43	4.42	4.21	4.91	4.27	4.51	
Finance & Administration	3.18						3.18	4.63	
Legal Affairs				5.55			5.55	3.97	
Human Resources	3.83						3.83	4.52	
Executive	3.80		4.41	4.36	5.33		4.71	4.88	
(blank)	4.55					3.64	4.09	4.73	
Grand Total	4.12	4.11	4.42	4.69	4.69	4.27	4.33	4.56	

Figure 88

FY 2016 Average Employment Level	Years at RTA						Grand Total	2015
	0-5 years	6-10 years	11-15 years	16-20 years	21+ years	(blank)		
Bargaining Employee	4.36						4.36	3.31
Non-Bargaining Employee	3.96	3.95	4.41		5.27		4.23	4.59
Management	4.42	4.27	4.43	4.40	4.03	4.91	4.37	4.40
Senior Management				5.55	4.91		5.23	5.30
(blank)						3.64	3.64	4.69
Grand Total	4.12	4.11	4.42	4.69	4.69	4.27	4.33	4.56

Figure 89



Question	2016 Response	2015 Response	
TransitStat Forum is supportive of innovation and "out of the box" solutions	Agree: 87.5% Avg. Score: 4.30	Agree: 89.2% Avg. Score: 4.54	↓
The TransitStat structure & objectives are clearly communicated and performance expectations are clearly stated	Agree: 87.5% Avg. Score: 4.45	Agree: 85.1% Avg. Score: 4.62	↑
The frequency of presentations align with project progress and activity	Agree: 80.0% Avg. Score: 4.18	Agree: 79.7% Avg. Score: 4.27	↑
TransitStat provides access to repeatable process improvements from other projects and departments	Agree: 77.5% Avg. Score: 4.33	Agree: 79.7% Avg. Score: 4.42	↓
TransitStat has made a positive impact on my department / section	Agree: 82.5% Avg. Score: 4.33	Agree: 90.5% Avg. Score: 4.77	↓
The TransitStat Planning Team used the comments and suggestions from the 2015 TransitStat Engagement Survey to improve TransitStat in 2016	Agree: 87.5% Avg. Score: 4.39	N/A	
The introductory meetings at the beginning of the year helped me to understand why and how TransitStat was formed and how TransitStat has changed through the years	Agree: 87.5% Avg. Score: 4.81	N/A	
The meetings with the Improvement Action Teams were helpful in identifying the project, scope, objectives, measures, targets, and initiatives	Agree: 70.0% Avg. Score: 4.03	N/A	
My project team and I assigned a baseline metric (Industry Standard or Authority Standard) to benchmark the project's progress	Agree: 70.0% Avg. Score: 4.03	N/A	
I have / My team has seen direct impact of process improvements from TransitStat Projects	Agree: 80.0% Avg. Score: 4.39	Agree: 90.5% Avg. Score: 4.66	↓
TransitStat recognizes outstanding performance and clearly identifies when improvements are needed through access to training, tools, or resources through partner departments	Agree: 87.5% Avg. Score: 4.48	Agree: 79.7% Avg. Score: 4.32	↑

Figure 90

SWOT responses to the 2016 TransitStat Engagement Survey are below.



Figure 91

FUEL HEDGING

Due to high costs of diesel fuel in 2008, GCRTA implemented an initiative to mitigate the risk of the volatility through an Energy Price Risk Management Program. In 2008, RTA experienced record highs in fuel cost as well as extreme volatility. The cost per gallon for diesel fuel jumped 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. Prices were at a five year low after the market crashed in the fall of 2008. 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 were included in the 2009 through 2011 budget execution. The overall objective of the program is to decrease energy volatility, increase the certainty of future fuel costs, stabilize and control the budget and finally to lower overall long-term energy costs. In 2008, fuel costs were \$19.4 million. Using a firm fixed price contract for 2009, those costs were reduced to \$17.4 million. For 2010, the budgeted cost for fuel was \$9.39 million. Factoring in the shares of home heating oil that was sold, net cost of diesel fuel was \$8.0 million. Total diesel fuel costs in 2011 were budgeted at \$11.0 million and ended the year at \$9.9 million. The fuel costs for 2012 were budgeted at \$12.8 million and ended the year at \$12.6 million. For 2015, the budget was \$13.44 million but the actual cost ended at \$10.8 million. Well under budget. Fuel prices have dropped dramatically. The system is working exactly as it was designed and is protecting the Authority against any dramatic rise in fuel prices. Fuel for 2016, 2017 and 2018 is fully hedged. Some hedges for 2018 fuel are as low as \$1.48/gallon. The projected cost for diesel fuel for 2016 is \$9.6 million and for 2017 is \$7.2 million. Prices are lower and usage is being reduced due to a new fleet.

In addition, RTA bought 90 new Gillig CNG buses and installed a CNG fueling station at Hayden Garage. Those vehicles began operating in August 2015. Costs for natural gas for their propulsion has been \$.92/diesel gallon equivalent. These vehicles are also lowering the amount of diesel fuel being used. For 2016, RTA will use 1.3 million gallons less diesel than was used in 2014, a reduction from 4.4 million gallons to 3.1 million gallons.

OPERATING DEPARTMENT BUDGETS

OVERVIEW

The Operating Departments Budget 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.

DIVISION 1: OPERATIONS

- 31 – Paratransit District
- 32 – Rail District
- 33 – Asset & Configuration Management Department
- 34 – Transit Police Department
- 35 – Service Management Department
- 38 – Service Quality Management Department
- 39 – Fleet Management District
- 43 – Pass-Thrus
- 46 – Hayden District
- 49 – Triskett District
- 58 – Intelligent Transportation Systems Department

DIVISION 2: FINANCE & ADMINISTRATION

- 10 – Office of Business Development
- 60 – Accounting
- 62 – Support Services
- 64 – Procurement
- 65 – Revenue

DIVISION 3: ENGINEERING & PROJECT MANAGEMENT

- 55 – Project Support
- 57 – Programming & Planning
- 80 – Engineering & Project Development

DIVISION 4: LEGAL AFFAIRS

- 15 – Safety
- 21 – Legal
- 22 – Risk Management

DIVISION 5: HUMAN RESOURCES

- 14 – Human Resources
- 18 – Labor & Employee Relations
- 30 – Training & Employee Development

DIVISION 6: EXECUTIVE

- 12 – Executive
- 16 – Secretary/Treasurer – Board of Trustees
- 19 – Internal Audit
- 53 – Marketing & Communications
- 61 – Information Technology
- 67 – Office of Management & Budget
- 99 – Fund Transfers

AUTHORITY

- Organizational Chart
 - General Fund Operating Expenditures by Division and Department
 - General Fund Positions by Division and Department
-

DIVISION

- Mission Statement
 - Division Overview
 - Achievements & Objectives
-

DEPARTMENT

- Mission Statement
- Department Overview
- Priorities for 2017
- Key Performance Indicators
- Budget Highlights
- Staffing Highlights
- Organizational Chart

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 TABLE OF ORGANIZATION**

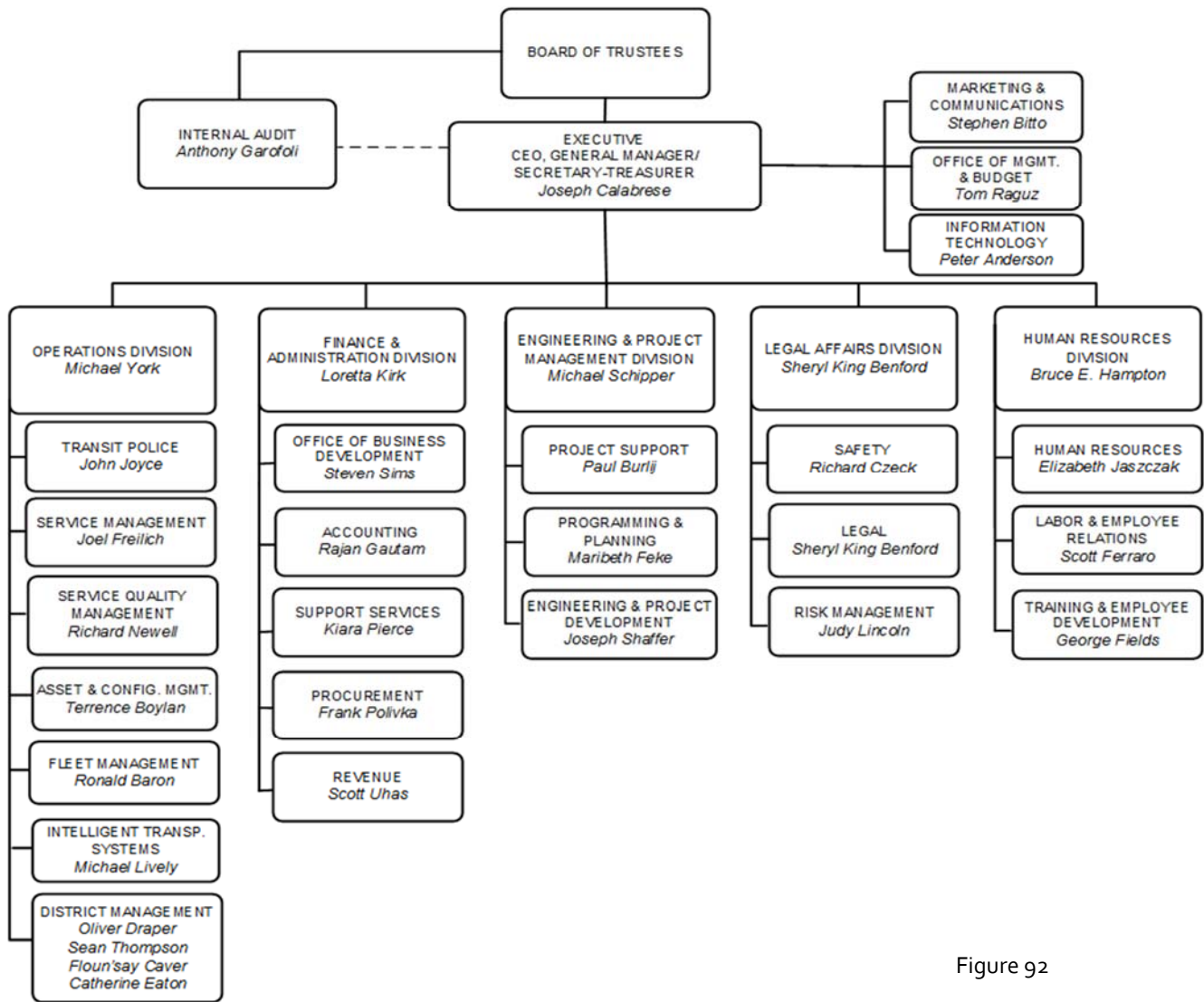


Figure 92

OPERATING BUDGET – GENERAL FUND EXPENDITURES BY DIVISION

DIV: 1 - OPERATIONS		2014	2015	2016	2017	2018	2019
DEPT #	DESCRIPTION	ACTUAL	ACTUAL	ESTIMATE	BUDGET	PLAN	PLAN
31	PARATRANSIT DISTRICT	21,629,056.58	23,155,556.15	22,756,665.35	24,346,633.99	25,027,989.31	25,734,389.72
32	RAIL DISTRICT	37,374,727.35	37,871,104.52	38,113,530.58	39,417,315.94	40,176,754.66	40,957,284.33
33	ASSET AND CONFIGURATION MANAGEMENT	0.00	1,967,713.50	1,626,264.80	2,010,922.68	2,071,969.73	2,135,151.83
34	TRANSIT POLICE	11,554,899.07	12,218,073.10	13,544,938.48	14,537,936.99	14,573,121.70	14,875,445.81
35	SERVICE MANAGEMENT	8,663,617.15	5,270,124.31	5,969,417.53	6,236,549.07	6,369,147.60	6,505,680.77
38	SERVICE QUALITY MANAGEMENT	6,449,620.59	5,167,853.87	7,141,427.20	7,058,361.84	7,198,426.27	7,342,202.53
39	FLEET MANAGEMENT	43,330,056.62	41,175,461.53	41,812,637.60	42,262,698.67	41,449,797.76	40,820,498.17
43	PASS THRU	654,343.00	382,083.00	\$280,000.00	\$320,000.00	\$0.00	\$0.00
46	HAYDEN DISTRICT	46,833,172.80	45,847,425.44	44,449,582.71	46,528,075.35	47,409,570.67	48,314,267.31
49	TRISKETT DISTRICT	31,570,199.19	31,636,391.21	33,270,626.61	33,713,349.01	34,361,995.34	35,027,769.47
58	INTELLIGENT TRANSPORTATION SYSTEMS	0.00	0.00	710,096.70	1,263,842.12	1,292,839.17	1,322,781.58
DIVISION TOTALS		208,059,692.35	204,691,786.63	209,675,187.56	217,695,685.65	219,931,612.22	223,035,471.51
DIV: 2 - FINANCE AND ADMINISTRATION							
DEPT #	DESCRIPTION	2014 ACTUAL	2015 ACTUAL	2016 ESTIMATE	2017 BUDGET	2018 PLAN	2019 PLAN
10	OFFICE OF BUSINESS DEVELOPMENT	352,274.37	408,029.85	664,870.86	662,743.28	421,489.15	430,469.30
60	ACCOUNTING	2,255,371.29	2,196,511.43	2,506,321.63	2,651,942.11	2,706,710.79	2,762,932.50
61	INFORMATION TECHNOLOGY	5,586,993.79	0.00	0.00	0.00	0.00	0.00
62	SUPPORT SERVICES	965,709.89	914,909.94	930,370.97	1,011,382.41	1,028,214.22	1,045,618.99
64	PROCUREMENT	1,660,827.05	1,647,187.80	1,653,149.02	1,694,092.07	1,729,894.46	1,766,652.98
65	REVENUE	2,136,171.06	2,149,355.15	2,195,130.04	2,299,332.15	2,349,355.46	2,400,950.26
DIVISION TOTALS		12,957,347.45	7,315,994.17	7,949,842.52	8,319,492.03	8,235,664.08	8,406,624.02
DIV: 3 - ENGINEERING & PROJECT MANAGEMENT							
DEPT #	DESCRIPTION	2014 ACTUAL	2015 ACTUAL	2016 ESTIMATE	2017 BUDGET	2018 PLAN	2019 PLAN
55	PROJECT SUPPORT	387,725.64	367,989.83	366,881.87	370,335.65	377,691.30	385,243.69
57	PROGRAMMING & PLANNING	638,741.18	723,997.38	810,429.56	1,099,103.46	1,108,729.08	1,118,612.55
80	ENGINEERING & PROJECT DEVELOPMENT	1,740,311.91	2,005,906.52	2,109,456.74	2,372,607.67	2,421,009.04	2,470,706.95
DIVISION TOTALS		2,766,778.73	3,097,893.73	3,286,768.17	3,842,046.78	3,907,429.42	3,974,563.20
DIV: 4 - LEGAL AFFAIRS							
DEPT #	DESCRIPTION	2014 ACTUAL	2015 ACTUAL	2016 ESTIMATE	2017 BUDGET	2018 PLAN	2019 PLAN
15	SAFETY	797,005.46	917,736.61	938,485.41	1,028,703.54	1,051,277.14	1,074,558.04
21	LEGAL	2,420,062.32	3,524,130.21	3,917,593.58	4,419,341.84	4,478,479.97	4,539,296.27
22	RISK MANAGEMENT	5,997,251.61	4,497,099.15	3,763,023.81	5,131,006.38	5,163,285.32	5,196,232.28
DIVISION TOTALS		9,214,319.39	8,938,965.97	8,619,102.80	10,579,051.76	10,693,042.42	10,810,086.58
DIV: 5 - HUMAN RESOURCES							
DEPT #	DESCRIPTION	2014 ACTUAL	2015 ACTUAL	2016 ESTIMATE	2017 BUDGET	2018 PLAN	2019 PLAN
14	HUMAN RESOURCES	1,794,106.09	1,849,070.05	1,615,297.56	2,166,888.58	2,199,631.48	2,233,240.44
18	LABOR RELATIONS	759,699.10	907,485.72	934,212.81	1,288,532.83	1,311,955.40	1,336,161.64
30	TRAINING & EMPLOYEE DEVELOPMENT	2,685,388.13	3,138,296.76	3,435,537.79	3,861,999.74	3,938,012.12	4,016,092.99
DIVISION TOTALS		5,239,193.32	5,894,852.53	5,985,048.16	7,317,421.14	7,449,599.00	7,585,495.07
DIV: 6 - EXECUTIVE							
DEPT #	DESCRIPTION	2014 ACTUAL	2015 ACTUAL	2016 ESTIMATE	2017 BUDGET	2018 PLAN	2019 PLAN
12	EXECUTIVE	875,400.57	818,978.22	861,133.99	945,609.09	961,274.87	977,356.81
16	SECRETARY/TREAS. - BOARD OF TRUSTEES	313,409.52	249,615.93	272,783.71	287,735.76	289,661.13	291,619.09
19	INTERNAL AUDIT	604,733.66	660,292.17	615,840.97	858,440.60	873,807.93	889,586.59
53	MARKETING & COMMUNICATIONS	3,284,195.38	3,348,938.59	3,254,091.23	3,517,376.79	3,581,045.99	3,646,258.34
61	INFORMATION TECHNOLOGY	0.00	6,708,079.22	6,661,990.29	8,132,770.30	8,268,964.24	8,408,009.81
67	OFFICE OF MANAGEMENT & BUDGET	4,742,684.12	5,402,869.29	4,966,731.88	5,999,784.39	6,104,499.14	6,211,347.43
99	FUND TRANSFERS	37,355,659.00	39,566,541.00	31,954,360.00	35,462,297.00	36,474,565.00	35,609,971.00
DIVISION TOTALS		47,176,082.25	56,755,314.42	48,586,932.07	55,204,013.93	56,553,818.29	56,034,149.07

Figure 93

Staffing Level Comparisons						
Authorized Staffing Level by Division						
Department	2014 Actual	2015 Budget	2015 Actual	2016 Budget	2016 Actual	2017 Budget
Divisions						
Operations						
31 - Paratransit District	184.0	183.0	183.0	183.0	181.0	181.0
32 - Rail District	361.0	365.0	370.0	374.0	369.0	373.0
33 - Asset & Configuration Management	0.0	12.0	12.0	12.0	12.0	12.0
34 - Transit Police	155.0	155.0	155.0	155.0	155.0	155.0
35 - Service Management	76.0	71.0	67.0	67.0	60.0	60.0
38 - Service Quality Management	68.0	68.0	69.0	69.0	69.0	68.0
39 - Fleet Management	173.0	166.0	167.0	167.0	181.0	181.0
46 - Hayden District	618.5	612.5	611.5	618.5	613.3	576.5
49 - Triskett District	438.0	433.0	429.0	432.0	428.3	431.0
58 - Intelligent Transportation Systems	0.0	0.0	0.0	0.0	8.0	8.0
Totals	2,073.5	2,065.5	2,063.5	2,077.5	2,076.5	2,045.5
Finance & Administration						
10 - Office of Business Development	4.0	4.0	4.0	4.0	4.0	4.0
60 - Accounting	27.0	27.0	27.0	27.0	27.0	27.0
61 - Information Technology	28.0	32.0	0.0	0.0	0.0	0.0
62 - Support Services	7.0	7.0	7.0	7.0	7.0	7.0
64 - Procurement	16.0	16.0	16.0	16.0	16.0	16.0
65 - Revenue	18.0	18.0	18.0	18.0	18.0	18.0
Totals	100.0	104.0	72.0	72.0	72.0	72.0
Engineering & Project Management						
55 - Project Support	4.0	4.0	4.0	4.0	4.0	4.0
57 - Programming & Planning	4.0	4.0	4.0	4.0	4.0	4.0
80 - Engineering & Project Development	19.0	19.0	19.0	20.0	20.0	20.0
Totals	27.0	27.0	27.0	28.0	28.0	28.0
Legal Affairs						
15 - Safety	7.0	7.5	7.5	7.5	7.5	7.8
21 - Legal	24.0	24.0	24.0	24.0	24.0	24.0
22 - Risk Management	8.5	8.5	8.5	8.8	8.8	8.8
Totals	39.5	40.0	40.0	40.3	40.3	40.5
Human Resources						
14 - Human Resources	15.0	16.0	17.0	17.0	17.0	17.0
18 - Labor & Employee Relations	5.0	5.0	6.0	6.0	6.0	6.0
30 - Training & Employee Development	26.0	26.0	26.0	28.0	28.0	28.0
Totals	46.0	47.0	49.0	51.0	51.0	51.0
Executive						
12 - Executive	4.0	4.0	4.0	4.0	5.0	5.0
16 - Secretary/Treasurer - Board of Trustees	11.0	11.0	11.0	11.0	11.0	11.0
19 - Internal Audit	7.0	7.0	7.0	7.0	7.0	7.0
53 - Marketing & Communication	29.0	29.0	29.0	29.0	30.0	30.0
61 - Information Technology	0.0	0.0	32.0	32.0	31.0	32.0
67 - Office of Management & Budget	11.0	10.0	10.0	10.0	10.0	10.0
Totals	62.0	61.0	93.0	93.0	94.0	95.0
Grand Total	2,348.0	2,344.5	2,344.5	2,361.8	2,361.8	2,332.0

Figure 94

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OPERATIONS DIVISION

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.

DIVISION OVERVIEW

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. The Division is also responsible for security and transit police services.

The Operations Division supports various Vital Few Objectives (VFOs) in the focus areas of Voice of Customer and Continual Process Improvement. A variety of teams are leading efforts, projects, and Change Initiatives to Enhance Customer Experience, Increase Service Efficiency, and Achieve a State of good Repair. The Operations Division is a key supporter of the VFO to Achieve a Safety Culture. Relevant Scorecard Measures include On-Time Performance, Ridership, Average Cost per Paratransit Trip, Miles between Service Interruption

2016 ACCOMPLISHMENTS

- Continued focus on the goals established for the TEAM initiatives.
- Continued implementation of the Strategic Plan VFOs Grow Passenger Satisfaction and Increase Service Efficiency and Initiatives 4 Implement Predictive Maintenance Program and 5 Analyze Paratransit Practices. Continued participating on interagency teams responsible for other VFOs and Initiatives.
- Implemented approved changes for Paratransit in 2016.
- Incorporated the Strategic Plan objectives in the Operations Division 2016 Performance Plans.
- In coordination with Safety and Battelle, continued development of the E-TRP project designed to alert operators of pedestrians who may be about to cross the street and vehicles that may be at risk of making a right turn from around the left side of the bus. Project will be implemented in 2017
- Implemented the services identified in the 2016 Service Management Plan (SMP) and the services that were approved after public hearing review for cost savings modifications.
- Implemented the fixed-route and Paratransit fare increases that were approved after public hearing review.
- Continued efforts to improve internal communications at all levels of the Operations Division.
- Implemented a new Communications Specialist position in SQ.
- Continued the One Stop at a Time Initiative in the Service Quality Department designed to focus on accident reduction, improve on time performance and improve communications with operators.
- Developed the ICC Modernization Strategic Plan. Implementation of the multi-year Plan will begin in 2017.
- Completed and staffed the new SQ Field Office at the Woodhill facility.
- Continued implementation of text messaging for operators to reduce voice radio traffic.
- Continued implementation of Predictive Maintenance at the Hayden District and began implementation of Predictive Maintenance for the Triskett District and Electronic Repair. Paratransit and Rail will be the last districts for Predictive Maintenance.
- Continued working with the Public Square Redevelopment Team to ensure that RTA services are addressed and customer inconvenience minimized.
- Implemented new bus route changes in downtown Cleveland in April to prepare for the completion of the Public Square project and to save resources as much as possible.
- Continued supporting the operational and security teams preparing for the Republican National Convention to be held in Cleveland in 2016.
- Implemented bus re-routes affected by street closures during the RNC.
- Provided TP resources for RNC security. TP temporarily acquired 36 outside explosives detection K-9 teams through the TSA for increased system security for the RNC.

- TP was recognized by the US Secret Service, Ohio Department of Public Safety and Cleveland's Mayor for security efforts during the RNC.
- TP coordinated with Internal Audit throughout the year to address several significant sensitive internal fraud matters.
- Provided Paratransit service for RNC delegates.
- Implemented bus bridge rail replacements during periods of rail construction service closures.
- Continued fine-tuning services to minimize cost and maximize service delivery productivity in response to changing ridership and traffic conditions.
- Continued the bus stop consolidation & safety improvement program along with more informative bus stop signs.
- In partnership with Safety, continued efforts to instill a Safety Culture orientation within all Operations Division organizational units.
- Continued implementation of the MAP-21 Safety and State of Good Repair standards.
- Continued focus on Rail infrastructure repair/upgrades.
- Scrapped sixteen (16) obsolete rail cars after removing usable parts/components and stocking them in Inventory. Sixteen cars remain for scrapping in 2017.
- Continued to aggressively support and participate in the TransitStat program to reduce costs and improve the Authority's business practices and services.
- Continued Brand Management efforts in conjunction with Marketing: Health Line, Cleveland State Line, Downtown Trolley, Red Line, Blue/Green Lines, Transit Centers and Park/Ride Service.
- Completed in-house interior rehabilitation of 40 Heavy Rail Vehicles.
- Continued establishment of standards/guidelines for measuring maintenance performance.
- Continued to refine RTA's system security and emergency preparedness and operations plans.
- Completed up-dating the Authority's Continuation of Operations Plan (COOP).
- Continued increased Transit Police presence on Red Line trains, particularly during school travel periods.
- Continued efforts for reducing crime on RTA vehicles and at RTA facilities.
- Continued Community Policing at Hayden, Triskett and Rail Districts whereby Transit Police Officers report to the districts and interact with operators.
- Procured non-revenue vehicles as provided for in the 2016 budget.
- Inspected and put-in service new Gillig CNG buses that were acquired in 2016.
- Implemented twelve (12) new 35' Gillig Trolley buses.
- Implemented 20 MV1 Paratransit buses purchased in 2015.
- Implemented the new ITS department approved for 2016 that reports directly to the DGM - Operations.
- Continued to aggressively support/enforce the Authority's sustainability initiatives and expanded the FTA ESMS Institute pilot that was developed at CBM to other Operations Districts.
- Continued rebuilding RTV transmissions and energy storage systems.
- Continued replacement of TVM shells with stainless steel.

2017 PRIORITIES

- Continue implementation of the Strategic Plan VFOs Grow Passenger Satisfaction and Increase Service Efficiency and Initiatives 4 Implement Predictive Maintenance Program and 5 Analyze Paratransit Practices. Continued participating on interagency teams responsible for other VFOs and Initiatives.
- Continue focus on the goals established for the TEAM initiatives.
- In partnership with Safety, continue efforts to instill a Safety Culture orientation within all Operations Division organizational units.
- Continue to aggressively support and participate in the TransitStat program to reduce costs and improve the Authority's business practices and services.
- Implement a new Rail Operations Committee to strategically focus on identifying and correcting equipment, facility, and infrastructure issues.
- Incorporate the Strategic Plan objectives in the Operations Division 2017 Performance Plans.
- In coordination with Safety and Battelle, implement the E-TRP project designed to alert operators of pedestrians who may be about to cross the street and vehicles that may be at risk of making a right turn from around the left side of the bus.
- Implement the services identified in the 2017 Service Management Plan (SMP).

- Develop a plan for replacement of the service operations radio system.
- Continue efforts to improve internal communications at all levels of the Operations Division.
- Continue efforts for improving customer communications including public address systems (including video), mobile apps and social media sites for service notifications and other communications.
- Continue the One Stop at a Time Initiative in the Service Quality Department designed to focus on accident reduction, improve on time performance and improve communications with operators.
- Begin implementation of the multi-year ICC Modernization Strategic Plan developed in 2016.
- Continue implementation of text messaging for operators to reduce voice radio traffic.
- Continue implementation of Predictive Maintenance at the Hayden District, Triskett District, Paratransit District and Electronic Repair. Rail will be the last district for Predictive Maintenance.
- Implement bus bridge rail replacements during periods of rail construction service closures.
- Develop and advertise RFP for Paratransit contract operations and hire successful firm.
- Continue fine-tuning services to minimize cost and maximize service delivery productivity in response to changing ridership and traffic conditions.
- Implement in coordination with Marketing the new vanpool program (vRide).
- Continue the bus stop consolidation & safety improvement program along with more informative bus stop signs.
- Continue implementation of the MAP-21 Safety and State of Good Repair standards.
- Determine if the Ultramain maintenance management system can be enhanced to address MAP-21 reporting requirements or if another software system will be required.
- Continue focus on Rail infrastructure repair/upgrades.
- Implement rail yard oversight/supervision/operation as recommended by Internal Audit and agreed to by the ATU regarding bargaining-unit positions and functions.
- Scrap the remaining sixteen rail (16) cars in 2017.
- Develop a rail yard plan for storage and movement of rail cars to be implemented after the remaining 16 rail cars are scrapped and rail yard track and other infrastructure repairs are made.
- Continue Brand Management efforts in conjunction with Marketing: Health Line, Cleveland State Line, Downtown Trolley, Red Line, Blue/Green Lines, Transit Centers and Park/Ride Service.
- Continue establishment of standards/guidelines for measuring maintenance performance.
- Continue to refine RTA's system security and emergency preparedness and operations plans.
- Continue increased Transit Police presence on Red Line trains, particularly during school travel periods.
- Reorganize Transit Police to provide increased focus on fare enforcement and traffic enforcement.
- Continue efforts for reducing crime on RTA vehicles and at RTA facilities.
- Continue Community Policing at Hayden, Triskett and Rail Districts whereby Transit Police Officers report to the districts and interact with operators.
- Establish a program that increases security at RTA's Main Office and Operating Districts.
- Procure non-revenue vehicles as provided for in the 2017 budget.
- Inspect and put-in service new Gillig buses that will be delivered in 2017.
- Continue to aggressively support/enforce the Authority's sustainability initiatives and expand the FTA ESMS Institute pilot that was developed at CBM to other Operations Districts.
- Continue rebuilding RTV transmissions and energy storage systems.
- Complete replacement of TVM shells with stainless steel.
- Upgrade the Fare Collection System Network Manager server to ensure on-going functional viability.
- Enhance the reporting of the Fare Collection system data to improve ridership, predictive maintenance and fare collection reports.
- Implement route adjustment and detours into the CAD/AVL to improve bus/rail management.
- Enhance the Dispatcher training program.

LIST OF DEPARTMENTS

Department Number	Department Name
31	Paratransit District
32	Rail District
33	Asset & Configuration Management Department
34	Transit Police Department
35	Service Management Department
38	Service Quality Management Department
39	Fleet Management District
43	Pass-Thrus
46	Hayden District
49	Triskett District
58	Intelligent Transportation Systems Department

PARATRANSIT DISTRICT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

<VFO Increase Service Efficiency, Scorecard Measure Avg Cost per Paratransit Trip; Incr Rev/Red Exp- Medicaid Reimbursement-OMB Partnered Action Plan>

2016 ACCOMPLISHMENTS

- Achieved over five million trip requests without denial (2007)
- Completed trips increased 1.2%
- Maintained better than 90% total on-time performance
- Implemented new telephone scheduling system
- Booked 9% of trips through Web/IVR

2017 PRIORITIES

- Monitor Paratransit services improve contractor performance
- Improve customer utilization of scheduling options, IVR, Web, and E-Mail.
- Create efficiencies to manage growth/demand for services.
- Complete construction of walkway for Hostlers' access to Propane fueling station and emergency egress for Revenue Department employees.
- Continue energy conservation efforts.

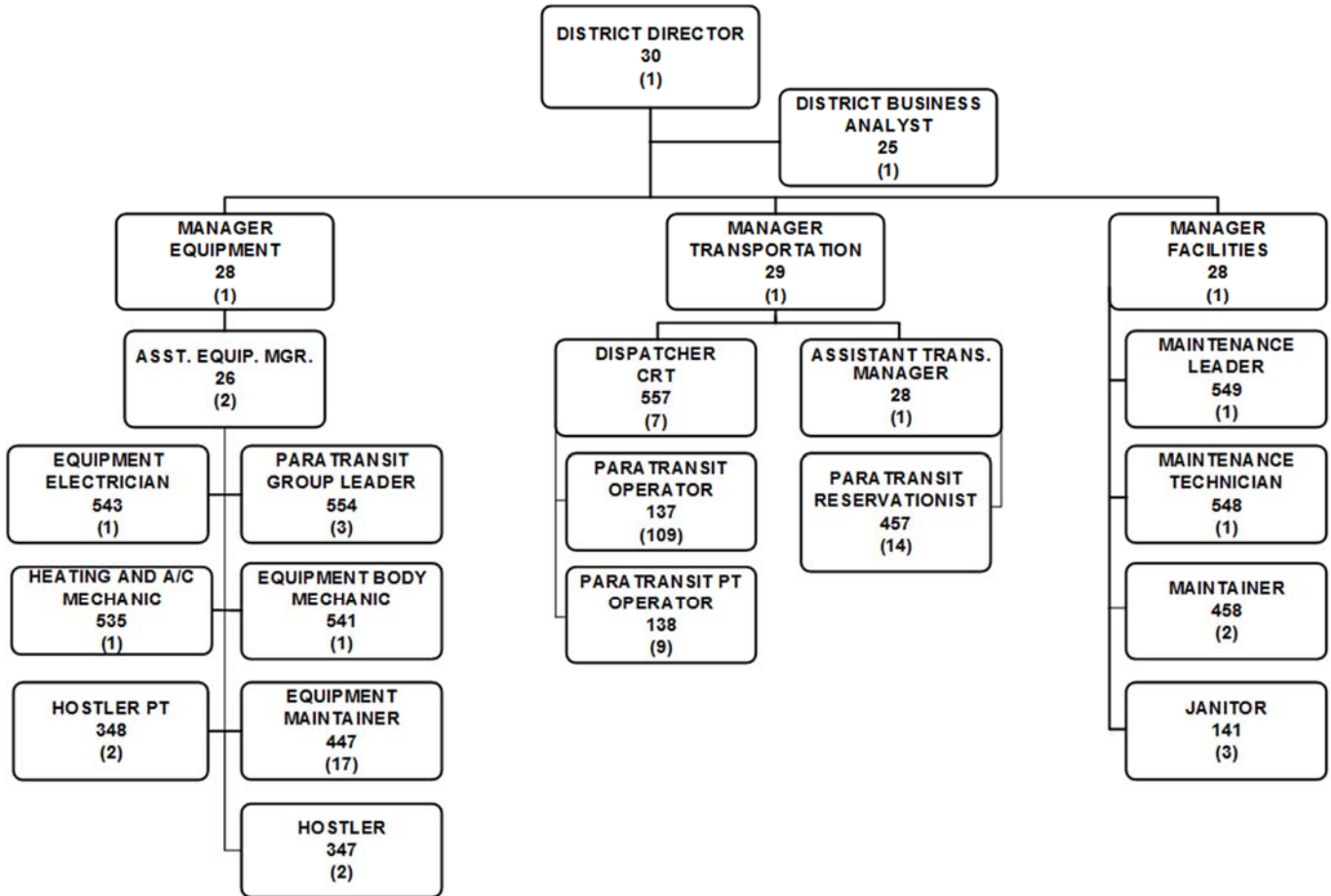
PARATRANSIT DISTRICT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501100	Rail Operators' Labor	5,136,650	5,008,440	5,061,866	5,477,289
501110	Overtime - Rail Operators	1,336,935	1,497,897	844,532	1,000,000
501200	Hourly Employees Payroll	2,681,659	2,746,344	2,714,728	2,891,419
501210	Overtime - Hourly Employees	351,318	224,070	194,783	200,000
501300	Labor - Salaried Employees	1,015,966	1,031,060	1,013,890	1,047,845
501310	Overtime - Salaried Employees	67,225	66,860	50,691	50,000
502000	Fringe Benefits	3,727,235	3,697,969	3,754,716	3,920,009
503000	Services	66,584	9,697	21,786	500
503042	Vendor In-House Service (Napa)	126,136	283,004	186,868	216,000
503052	Other Maintenance Contracts	32,881	42,572	70,929	80,600
504000	Material & Supplies	23,823	(8,096)	10,639	55,022
504031	Gasoline - Storage Tanks	569	368	500	3,300
504032	Propane Fuel	0	0	67,000	140,000
504050	Office Supplies				800
504081	Vendor In-House Parts (Napa)	537,564	700,372	439,619	720,000
508020	Purchased Transportation - Suburban	6,498,377	7,865,205	8,318,115	8,530,040
508027	Purchased Transportation - Taxi	0	0	0	0
509000	Miscellaneous Expenses	19,220	(13,232)	5,459	5,700
509020	Travel And Conferences	0	0	0	5,150
509022	Meals & Concessions	0	0	0	100
512000	Leases & Rentals	1,600	1,010	(490)	2,860
Total		21,629,057	23,155,556	22,756,665	24,346,634

PARATRANSIT DISTRICT STAFFING

Grade	Job Name	2014	2015	2016	2017
01	0137 Paratransit Operator	109.0	109.0	109.0	109.0
	0138 Paratransit Operator	10.0	9.0	9.0	9.0
	0141 Janitor	3.0	3.0	3.0	3.0
03	0347 Hostler	2.0	2.0	2.0	2.0
	0348 Hostler	2.0	2.0	2.0	2.0
04	0442 Equipment Servicer	3.0	3.0	4.0	4.0
	0447 Equipment Maintainer	6.0	6.0	5.0	5.0
	0447 Equipment Maintainer	8.0	8.0	8.0	8.0
	0457 Paratran Reservations Op	14.0	14.0	14.0	14.0
	0458 Maintainer	2.0	2.0	2.0	2.0
05	0535 Heating/Ac Mechanic	1.0	1.0	1.0	1.0
	0541 Equipment Body Mechanic	1.0	1.0	1.0	1.0
	0543 Equipment Electrician	1.0	1.0	1.0	1.0
	0548 Maintenance Technician	1.0	1.0	1.0	1.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0554 Paratransit Group Leader	2.0	2.0	2.0	2.0
	0554 Paratransit Group Leader	1.0	1.0	1.0	1.0
	0557 Dispatcher Paratransit	7.0	7.0	7.0	7.0
	0588 Material Handler Leader	2.0	2.0	0.0	0.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	1069 Asst Equip Manager	2.0	2.0	2.0	2.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0851 Manager Equipment	1.0	1.0	1.0	1.0
	1084 Assistant Manager	1.0	1.0	1.0	1.0
29	0786 Manager Transportation	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
Total		184.0	183.0	181.0	181.0

PARATRANSIT DISTRICT ORGANIZATIONAL CHART



RAIL DISTRICT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

In striving to meet its Mission, the Rail District supports the Operations Division in meeting Scorecard Measures defined for the Vital Few Objectives to Enhance Customer Experience and Increase Service Efficiency. The measures include TEAM Goals such as Miles between Service Interruptions, On-Time Performance, and Passenger Fares.

Scorecard Measures and Change Initiatives impacted by the Rail District's strategic performance include Preventative Maintenance Compliance of Facilities and Equipment, and inclusion in the Predictive Maintenance and State of Good Repair programs.

2016 ACCOMPLISHMENTS

- Exceeded TEAM (Together Everyone Achieves More) goal (8,500 miles) for miles between service interruptions, 2016 average: 125,115
- Saved over \$800,000 in the completion of the HRV Overhaul project
- Replaced over 2200 deteriorated railroad crossties throughout the system.
- Completed a three year project of total replacement of the S5G switch machines.
- Initiated the four tab section insulator project.
- Retrofitted 100% of the LED lights at the Airport RTS location
- Rebuilt the Rail lifts located in the Rail Shop

2017 PRIORITIES

- Begin the Light Rail Vehicle Replacement Floor and Roof Project
- Continue to aggressively replace and install cross ties.
- Develop strategic plan for capital improvements to entire infrastructure to include stations, substations, track, signals, and equipment.
- Continued implementation of LEAN programs to improve efficiency and reduce costs.
- Continue to support the Rail Clean Corridor program for graffiti removal.
- Continue to install the four tab section insulator system.
- Aggressively perform signal system maintenance during relay testing, junction box replacement, and double bonding to mitigate track circuit failure, reduce service delays, and ensure a safe system.
- Install updated lighting in a rail station
- In conjunction with Engineering, Power & Way and Facilities will continue to support the Brook Park station rehabilitation project.
- Implement use of Tour-Guard system for Facilities, Equipment, and Power & Way employees
- Explore new chopper technology for the LRV fleet replacing the outdated pre-exciter.
- Support 2017 Operations Division initiatives and projects as assigned.

RAIL DISTRICT BUDGET

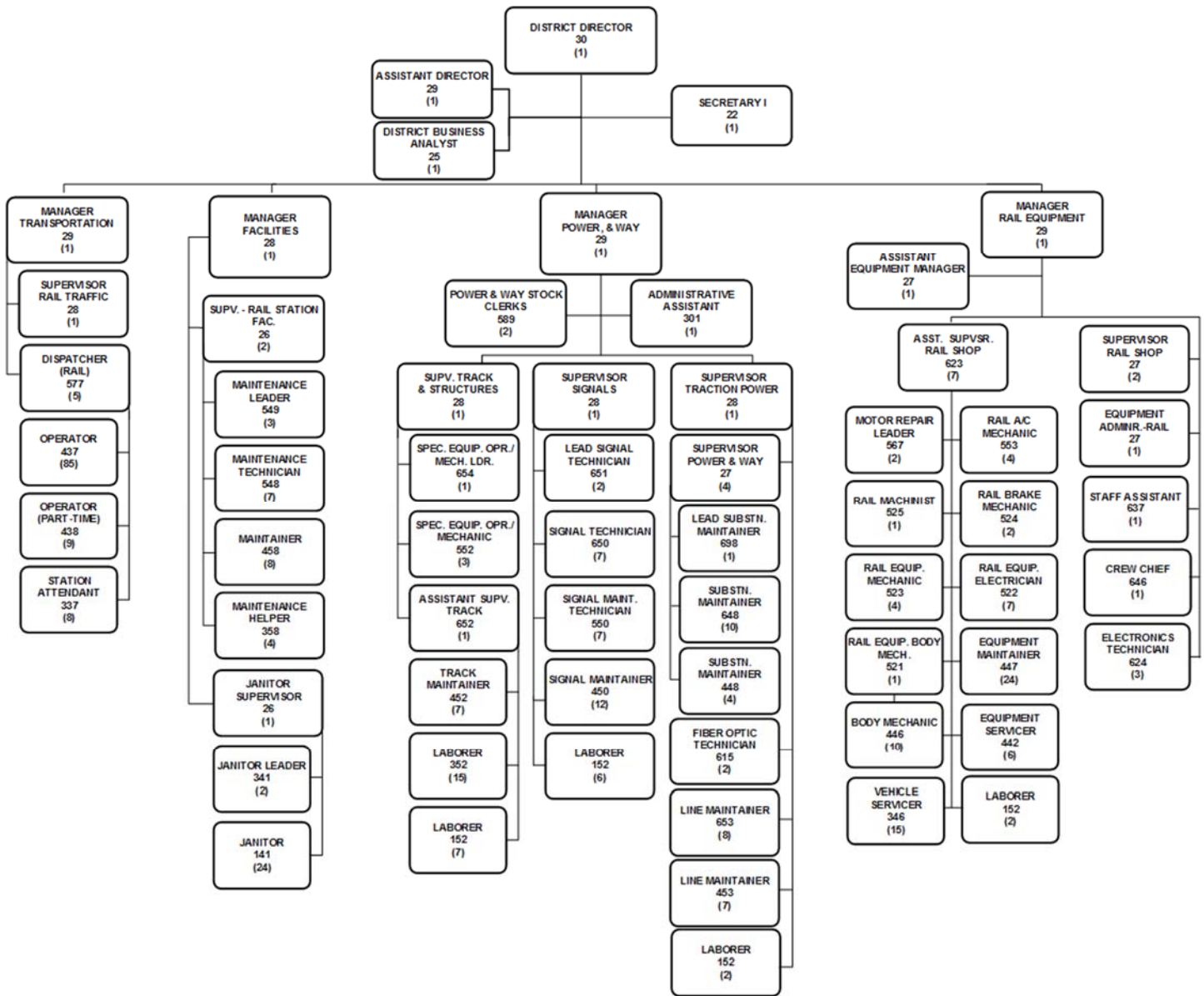
Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501100	Rail Operators' Labor	4,645,814	4,523,686	4,530,514	4,368,165
501110	Overtime - Rail Operators	540,623	766,415	1,245,488	997,452
501200	Hourly Employees Payroll	12,287,205	12,322,941	12,309,931	12,973,816
501210	Overtime - Hourly Employees	1,687,455	2,218,981	1,861,375	1,667,750
501300	Labor - Salaried Employees	2,423,789	2,394,638	2,385,193	2,773,634
501310	Overtime - Salaried Employees	168,759	179,348	183,845	75,000
502000	Fringe Benefits	7,828,164	7,876,273	8,337,561	8,371,899
503000	Services	917,165	650,178	234,531	396,000
503052	Other Maintenance Contracts	2,043,312	2,673,620	2,901,267	2,973,000
504000	Material & Supplies	1,199,719	863,824	904,002	747,000
504050	Office Supplies				2,100
504090	Tires & Tubes	0	0	0	3,000
505000	Utilities	0	0	0	0
505010	Propulsion Power	3,170,388	2,913,504	2,888,163	3,542,200
505020	Water	(1,481)	977	2,444	2,000
505021	Electricity	418,203	430,090	288,704	464,000
509000	Miscellaneous Expenses	41,697	53,412	36,617	48,900
509020	Travel And Conferences	0	0	0	10,600
509022	Meals & Concessions	0	500	514	800
512000	Leases & Rentals	0	0	0	0
Total		37,374,727	37,871,105	38,113,531	39,417,316

RAIL DISTRICT STAFFING

Grade	Job Name	2014	2015	2016	2017
01	0141 Janitor	25.0	24.0	24.0	24.0
	0152 Laborer	11.0	17.0	17.0	17.0
03	0301 Administrative Assistant	1.0	1.0	1.0	1.0
	0337 Station Attendant	8.0	8.0	8.0	8.0
	0341 Janitor Leader	1.0	2.0	2.0	2.0
	0346 Vehicle Servicer	15.0	15.0	15.0	15.0
	0352 Laborer	16.0	15.0	15.0	15.0
	0358 Maintenance Helper	4.0	4.0	4.0	4.0
04	0437 Operator	70.0	77.0	81.0	85.0
	0438 Operator	11.0	9.0	9.0	9.0
	0442 Equipment Servicer	7.0	6.0	6.0	6.0
	0446 Body Mechanic	12.0	12.0	10.0	10.0
	0447 Equipment Maintainer	27.0	24.0	24.0	24.0
	0448 Substation Maintainer	4.0	4.0	4.0	4.0
	0450 Signal Maintainer	14.0	12.0	12.0	12.0
	0452 Track Maintainer	7.0	7.0	7.0	7.0
	0453 Line Maintainer	8.0	7.0	7.0	7.0
	0458 Maintainer	8.0	8.0	8.0	8.0
	0485 Mat Handler/Stock Clerk	3.0	3.0	0.0	0.0
05	0521 Rail Equip Body Mechanic	3.0	2.0	2.0	1.0
	0522 Rail Equip Electrician	5.0	7.0	7.0	7.0
	0523 Rail Equipment Mechanic	4.0	4.0	4.0	4.0
	0524 Rail Brake Mechanic	2.0	2.0	2.0	2.0
	0525 Rail Machinist	1.0	1.0	1.0	1.0
	0548 Maintenance Technician	7.0	7.0	7.0	7.0
	0549 Maintenance Leader	3.0	3.0	3.0	3.0
	0550 Signal Maint Technician	7.0	7.0	7.0	7.0
	0552 Special Equip Op/Mechanic	3.0	3.0	3.0	3.0
	0553 Rail Ac Mechanic	3.0	4.0	4.0	4.0
	0567 Motor Repair Leader	1.0	2.0	2.0	2.0
	0577 Dispatcher	5.0	5.0	5.0	5.0
	0588 Material Handler Leader	1.0	1.0	0.0	0.0
	0589 Power & Way Stock Clerk	0.0	2.0	2.0	2.0
06	0615 Fiber Optic Technician	2.0	2.0	2.0	2.0
	0623 Asst Supervisor Rail Shop	7.0	7.0	7.0	7.0
	0624 Electronics Technician	3.0	3.0	3.0	3.0
	0637 Staff Assistant	1.0	1.0	1.0	1.0
	0646 Crew Chief	0.0	0.0	0.0	1.0
	0648 Substation Maintainer	10.0	10.0	10.0	10.0
	0650 Signal Technician	7.0	7.0	7.0	7.0
	0651 Lead Signal Technician	2.0	2.0	2.0	2.0
	0652 Asst Supervisor Track	1.0	1.0	1.0	1.0

	0653 Line Maintainer	7.0	8.0	8.0	8.0
	0654 Special Equip Op/Mech Ldr	1.0	1.0	1.0	1.0
	0698 Lead Substn Maintainer	1.0	1.0	1.0	1.0
22	0721 Secretary I	1.0	1.0	1.0	1.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	0799 Supv Rail Station Fac	2.0	2.0	2.0	2.0
	0900 Janitor Supervisor	1.0	1.0	1.0	1.0
27	0762 Supervisor - Power & Way	4.0	4.0	4.0	4.0
	1178 Equipment Administrator	1.0	1.0	1.0	1.0
	1252 Supervisor Rail Shop	2.0	2.0	2.0	2.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	1234 Supervisor Signals	1.0	1.0	1.0	1.0
	1239 Supervisor Overhead	1.0	0.0	0.0	0.0
	1239 Supervisor Traction Power	0.0	1.0	1.0	1.0
	1249 Supervisor Rail Traffic	1.0	1.0	1.0	1.0
	1273 Supervisor Track And Stru.	1.0	1.0	1.0	1.0
29	0786 Manager Transportation	1.0	1.0	1.0	1.0
	0792 Manager Rail Equipment	1.0	1.0	1.0	1.0
	1526 Manager Power & Way	1.0	1.0	1.0	1.0
	1610 Assistant Director	0.0	0.0	1.0	1.0
	1705 Assistant Equipment Manager	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
Total		361.0	370.0	369.0	373.0

RAIL DISTRICT ORGANIZATIONAL CHART



ASSET & CONFIGURATION MANAGEMENT

MISSION STATEMENT

The mission of Asset and Configuration Management is to utilize a strategic and systematic process through which our organization procures, operates, maintains, rehabilitates, and replaces assets ensuring FTA and State of Good Repair compliance.

STRATEGIC PLAN CHANGE INITIATIVES AND SCORECARD MEASURES

Supporting Continual Process Improvement, the Asset & Configuration Management Department leads efforts for two (2) Change Initiatives in the 2016-18 Strategic Plan. These include implementing the Predictive Maintenance Program and Implementing the Top Priorities for State of Good Repair and defining the Asset Management Strategy. Scorecard measures related to these are the TEAM Goal of Miles between Service Interruptions, Preventative Maintenance Compliance Rate for Equipment and Facilities, and Percentage Rate of Completion for the two (2) Change Initiatives.

2016 ACCOMPLISHMENTS

- Implemented the 2015 Asset Management Plan
- Continued to improve the cost effectiveness and efficiency in maintaining assets throughout the Authority.
- Implement Predictive Maintenance Program by Hayden.
- Used asset validation information in reporting to FTA/NTD
- Ensured all assets are tracked and maintained utilizing our asset management database system (Ultramain)
- Validated all Standard Operating Procedures are in compliance with ODOT, Internal Audit, and Safety.
- Developed a comprehensive baseline containing SOGR Ratings including assets maintained in Ultramain.
- Develop a process using the Schedule 23 forms from engineering to help create the SOGR backlog
- Developed a new TransitStat reporting format focusing more on Asset Management, SOGR, and Predictive Maintenance initiatives.
- Support employee training and development programs.
- Continued to revise all Configuration models pertaining to Fleet, Facilities, and Power and Way in Ultramain.
- Developed appropriate preventive maintenance programs and monitor compliance based on Asset Management Standards. Reports are sent out monthly to the districts
- Continued to build all maintenance inspections based off manufactures specifications.
- Replaced Wheelchair Lifts at Shaker Square.
- Continued to work with Linex replacing damaged elevator floors.
- Completed all VFO initiatives developed for 2015. (Top Priorities for SOGR.)

2017 PRIORITIES

- Implement the 2016 Asset Management Plan
- Continue to improve the cost effectiveness and efficiency in maintaining assets throughout the Authority.
- Implement Predictive Maintenance Program at Triskett.
- Complete asset validation for all of the facilities.
- Create a priority matrix for determining which assets need to be replaced in what order
- Use asset validation information in reporting to FTA/NTD
- Ensure all assets are tracked and maintained utilizing our asset management database system (Ultramain)
- Implement a new Asset Management software
- Create a backlog number for the SOGR of facilities using the Schedule 23 form that engineering uses.
- Support employee training and development programs.
- Continue to revise all Configuration models pertaining to Fleet, Facilities, and Power and Way in Ultramain.
- Report to all districts the PM compliance of their assets
- Continue building all maintenance inspections based off manufactures specifications.
- Remove the W 98th escalator
- Continue working with vendors to replace damaged elevator floors.

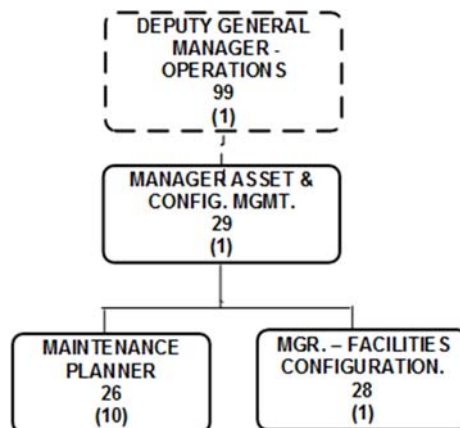
- Realign department for better management of all assets at all locations
- Work with OMB to create a process for using % useful life, SOGR, and % slow zones for the CIP
- Complete the Transit Asset Management (TAM) plan after the CIP process is completed

ASSET & CONFIGURATION MANAGEMENT DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	0	583,648	635,121	764,807
501310	Overtime Salaried Employees	0	0	0	0
502000	Fringe Benefits	0	88,891	136,916	284,891
503000	Services	0	894,723	16,378	0
503052	Other Maintenance Contracts	0	396,229	829,462	955,200
504000	Materials & Supplies	0	300	5,891	0
504050	Office Supplies	0	0	0	1,200
509000	Miscellaneous Expenses	0	3,922	2,497	0
509020	Travel, Training & Conferences	0	0	0	4,325
509022	Meals & Concessions	0	0	0	500
512000	Leases & Rentals	0	0	0	0
Total		0	1,967,714	1,626,265	2,010,923

ASSET & CONFIGURATION MANAGEMENT DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
26	Facilities Maintenance Planner	0	6	6	6
	Equipment Maintenance Planner	0	4	4	4
27	Configuration Management Fleet Engineer	0	1	1	1
29	Manager of Asset & Configuration Management	0	1	1	1
	Total	0	12	12	12



TRANSIT POLICE DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

The Transit Police Department provides support to the Authority, its employees, and customers to meet various objectives in the Strategic Plan. These include VFOs in the Focus Areas of Voice of Customer and Learning and Innovation. Transit Police tracks Part 1 and Part 2 Crime rates, Operator assaults, fare evasion, and Community Policing hours.

2016 ACCOMPLISHMENTS

- Collaborated with regional partners to provide a safe and orderly environment during the CAVS parade and Republican National Convention (RNC)
- Collaborated with 36 outside explosives detection K-9 teams through the TSA for increased system security for the RNC
- Recognized by the US Secret Service, Ohio Department of Public Safety, and Cleveland's Mayor for security efforts during the RNC
- Coordinated with Internal Audit throughout the year to address several significant sensitive internal fraud investigations
- Refined RTA's system security and emergency preparedness and operations plans
- Continued increased Transit Police presence on Red Line trains, particularly during school travel periods
- Continued efforts for reducing crime on RTA vehicles and at RTA facilities
- Continued community policing at Hayden, Triskett, and Rail Districts whereby Transit Police Officers report to the districts and interact with Operators
- Coordinated with Rail, Safety, and other Departments emergency evacuation drill in the airport tunnel

2017 PRIORITIES

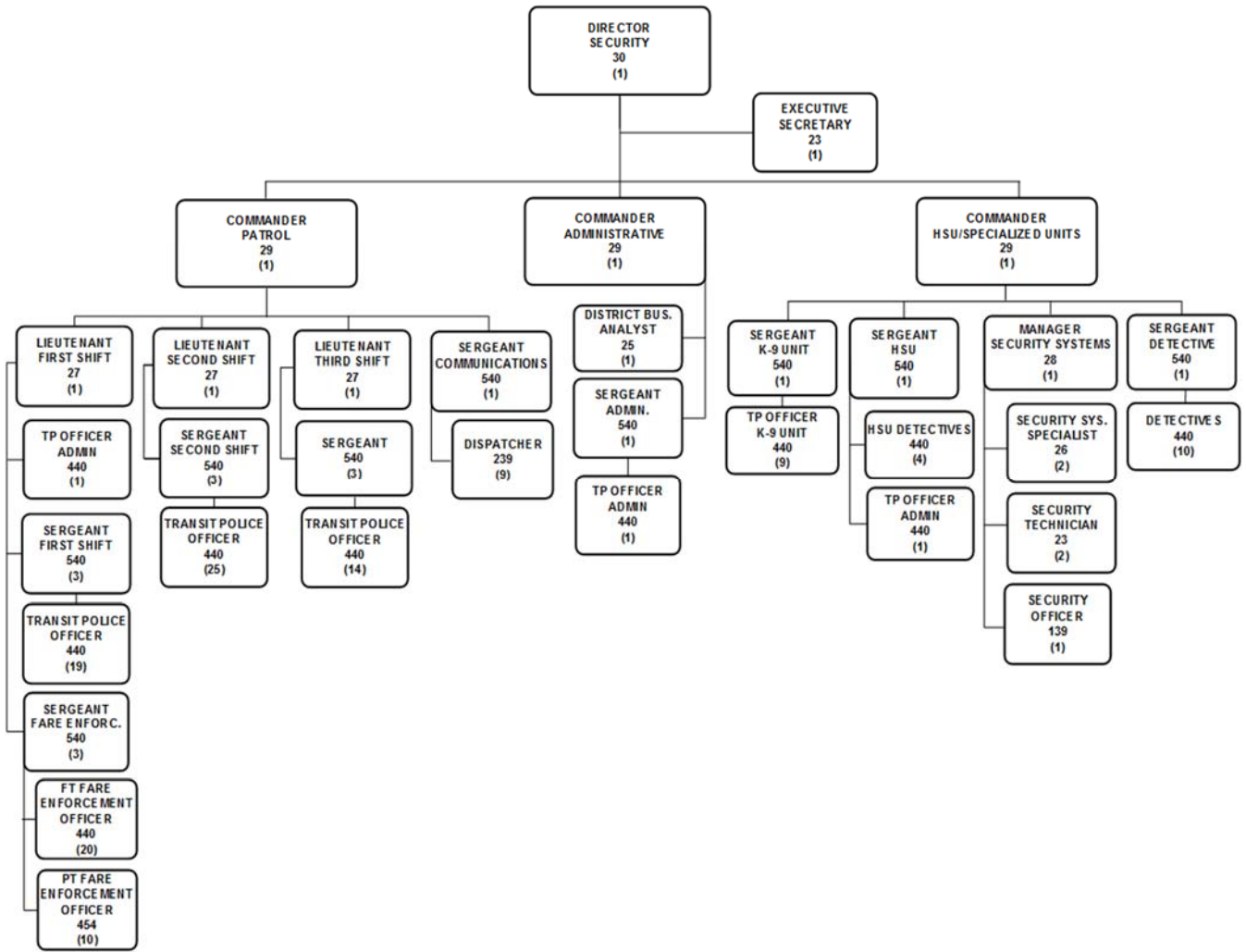
- Continue providing proof of payment, Fare Enforcement, to deter fare evasion
- Continue to address serious crimes through participation in multi-agency task forces
- Continue Intelligence Led & Community Policing practices to more effectively and efficiently deploy departmental resources
- Collaborate with regional partners to provide a safe and orderly environment during the Republic National Convention
- Continue to refine RTA's system security and emergency preparedness and operations plans
- Continue increased Transit Police presence on Red Line trains, particularly during school travel periods
- Reorganize Transit Police to provide increased focus on fare enforcement and traffic enforcement
- Continue Community Policing at Hayden, Triskett, and Rail Districts, whereby Transit Police Officers report to the districts and interact with the Operators
- Establish a program that increases security at RTA's Main Office and Operating Districts

TRANSIT POLICE DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees Payroll	7,184,058	7,630,181	8,281,001	8,747,021
501210	Overtime - Hourly Employees	378,849	370,156	580,090	425,000
501300	Labor - Salaried Employees	777,845	784,661	818,976	934,584
501310	Overtime - Salaried Employees	0	0	3	0
502000	Fringe Benefits	2,948,240	3,107,475	3,625,617	3,894,136
502071	W/C – Injuries and Damages	17,238	925	4,718	0
503000	Services	131,520	186,097	112,440	57,150
503052	Other Maintenance Contracts	0	0	0	259,400
504000	Material & Supplies	64,114	100,162	62,675	138,800
504050	Office Supplies	0	0	0	1,100
506000	Casualty & Liability Costs	6,280	5,880	6,400	7,500
509000	Miscellaneous Expenses	42,008	27,785	50,529	56,000
509020	Travel And Conferences	0	0	0	5,975
509022	Meals & Concessions	0	0	42	400
512000	Leases & Rentals	4,748	4,751	2,448	10,870
Total		11,554,899	12,218,073	13,544,938	14,537,937

TRANSIT POLICE DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
01	0139 Security Officer	1.0	1.0	1.0	1.0
02	0239 Dispatcher Transit Police	9.0	9.0	9.0	9.0
04	0440 Transit Police Officer	84.0	84.0	84.0	84.0
	0440 Transit Police Fare Enforcement Officer	15.0	15.0	20.0	20.0
	0454 PT Transit Police Fare Enforcement Officer	15.0	15.0	10.0	10.0
05	0540 Transit Police Sergeant	18.0	17.0	17.0	17.0
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
	1079 Security Technician	2.0	2.0	2.0	2.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	1665 Security Systems Specialist	2.0	2.0	2.0	2.0
27	1060 Lieutenant	4.0	4.0	3.0	3.0
28	0840 Manager Security Systems	1.0	1.0	1.0	1.0
29	1356 Deputy Director Transit Police	1.0	0.0	0.0	0.0
	1248 Commander	0.0	2.0	3.0	3.0
30	1511 Director Security/Chief of Police	1.0	1.0	1.0	1.0
Total		155.0	155.0	155.0	155.0



SERVICE MANAGEMENT DEPARTMENT

MISSION STATEMENT

The Service Management Department plans, schedules, monitors, and adjusts all fixed-route transportation service. The department works with Service Quality and District Management to ensure safe, reliable, and effective service for passengers. The department also provides centralized facility maintenance services for the Authority and manages the signage and shelter programs.

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Service Management Department provides support to the Operations & Executive Divisions to meet various objectives in the Strategic Plan. These include Vital Few Objectives (VFOs) in the Focus Areas of Voice of Customer and Continual Process Improvement.

Service Management and Service Planning provide valuable service information used by Service Quality and Marketing & Communications to deliver services. Service levels and Route Performance are impacted by Ridership, Customer Satisfaction, and vehicle reliability data such as On-Time Performance and Miles between Service Interruptions; Scorecard Measures identified in the Strategic Plan.

2016 ACCOMPLISHMENTS

- Improved the cost-effectiveness of fixed-route service to meet budget goals.
- Used an improved process to plan, schedule and communicate temporary and permanent service adjustments.
- Prepared for completion of Public Square construction.
- Improved safety & spacing of bus stops and installed more informative bus stop signs.
- Successfully planned for the Cavaliers championship celebration and Republican National Convention.
- Selected a service provider for a new commuter vanpool program.
- Addressed maintenance issues and met preventative maintenance goals.

2017 PRIORITIES

- Implement the 2017 Service Management Plan.
- Adjust service as needed for construction projects and major special events.
- Continue to improve the cost effectiveness and efficiency of service.
- Continue to assess bus stops for safety and spacing and continue to replace bus stop signs with the new design.
- Continue to focus on customer communications.
- Continue maintenance and cleaning of all assigned properties including Brooklyn, Harvard, Southgate, and bus loops & comfort facilities.
- Continue maintenance and cleaning of passenger shelters as well as Cleveland State Line stations and the HealthLine.
- Continue emphasis on preventive maintenance programs and monitor compliance.
- Identify and implement workflow and operating efficiencies.
- Support energy conservation and sustainability initiatives.
- Support employee training and development programs.

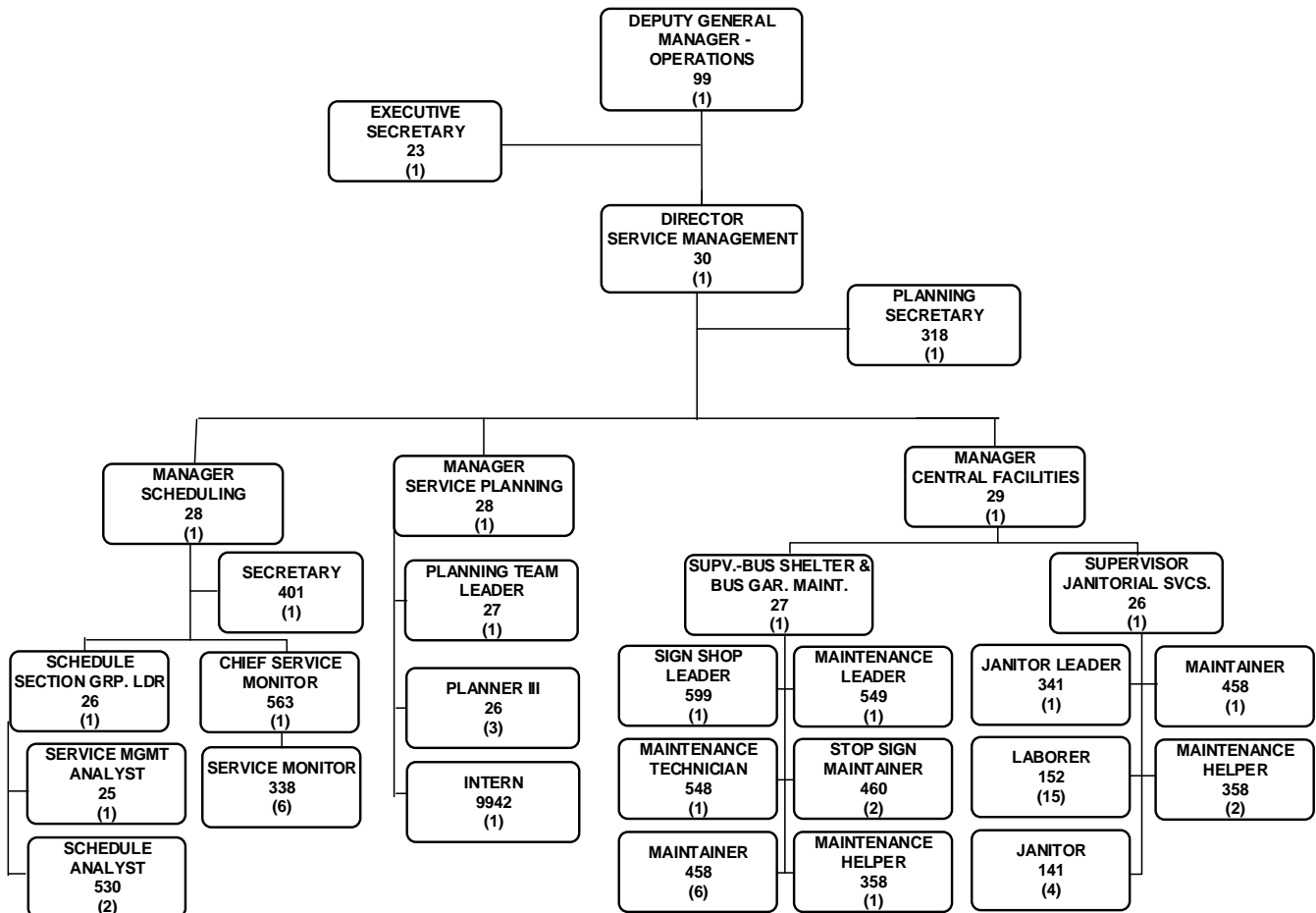
SERVICE MANAGEMENT DEPARTMENT BUDGET

Obj. Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees Payroll	1,916,132	1,890,615	1,924,325	2,084,968
501210	Overtime – Hourly Employees	30,315	67,542	105,163	58,000
501300	Labor – Salaried Employees	1,999,886	1,823,443	1,533,299	1,301,108
501310	Overtime – Salaried Employees	38	4,635	3,041	2,700
502000	Fringe Benefits	1,480,182	1,544,420	1,324,305	1,323,301
502071	W/C –Injuries and Damages to Employees	0.00	00.00	635	0
503000	Services	234,427	847,353	335,730	95,028
503052	Other Maintenance Contracts	576,762	243,838	393,653	937,957
504000	Materials & Supplies	134,226	377,148	198,637	539,995
508024	Purchased Transportation – Work Access (through 2015)/Vanpool (2016 to present)	648,897	267,560	0.00	100,000
509000	Miscellaneous Expenses	35,738	28,991	6,315	14,925
509022	Meals & Concessions	0.00	1,093	386	1,000
512000	Leases & Rentals	0.00	0.00	500	500
Total:		7,056,603	7,096,841	5,825,488	6,459,481

SERVICE MANAGEMENT DEPARTMENT STAFFING

Grade	Job Name	2013	2014	2015	2016	2017
01	9942 Service Management Intern	0.0	1.0	1.0	1.0	1.0
	0141 Janitor	4.0	4.0	4.0	4.0	4.0
	0152 Laborer	15.0	15.0	15.0	15.0	15.0
03	0318 Planning Secretary	1.0	1.0	1.0	1.0	1.0
	0338 Service Monitor	10.0	8.0	6.0	6.0	6.0
	0341 Janitor Leader	1.0	1.0	1.0	1.0	1.0
04	0358 Maintenance Helper	2.0	2.0	2.0	2.0	2.0
	0401 Secretary	1.0	1.0	1.0	1.0	1.0
	0447 Equipment Maintainer	1.0	0.0	0.0	0.0	0.0
05	0458 Maintainer	7.0	7.0	7.0	7.0	7.0
	0460 Stop Sign Maintainer	2.0	2.0	2.0	2.0	2.0
	0530 Schedule Analyst	2.0	2.0	2.0	2.0	2.0
	0548 Maintenance Technician	1.0	1.0	1.0	1.0	1.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0	1.0
	0563 Chief Service Monitor	1.0	1.0	1.0	1.0	1.0
	0577 Dispatcher	1.0	1.0	1.0	0.0	0.0
23	0599 Sign Shop Leader	0.0	1.0	1.0	1.0	1.0
	1962 Dispatch Analyst	0.0	1.0	1.0	0.0	0.0
	0725 Executive Secretary	1.0	1.0	1.0	1.0	1.0
25	0836 Mobility Specialist	2.0	2.0	0.0	0.0	0.0
	1085 District Business Analyst	2.0	1.0	1.0	0.0	0.0

	1740 Service Management Analyst	0.0	0.0	1.0	1.0	1.0
26	0793 Scheduling Section Group Leader	0.0	1.0	1.0	1.0	1.0
	0837 Maintenance Planner	4.0	4.0	0.0	0.0	0.0
	0881 Systems Admin CITME	1.0	1.0	1.0	0.0	0.0
	0887 Transportation Data Analyst	2.0	1.0	1.0	0.0	0.0
	1691 ITS Specialist	0.0	2.0	2.0	0.0	0.0
	0900 Supv Janitorial Service	1.0	1.0	1.0	1.0	1.0
	1274 Planner III	1.0	3.0	3.0	3.0	3.0
	1625 Performance Leader Ops	2.0	0.0	0.0	0.0	0.0
27	0867 Bus Shltr/Grg Maint Supv	1.0	1.0	1.0	1.0	1.0
	0838 Planning Team Leader	0.0	0.0	1.0	1.0	1.0
28	0854 Mgr Oper Analysis/Res/Sys	1.0	1.0	1.0	0.0	0.0
	1346 Mgr Service Planning	0.0	1.0	1.0	1.0	1.0
	1436 Manager Scheduling	1.0	1.0	1.0	1.0	1.0
	1695 Manager Facilities Configuration	0.0	1.0	0.0	0.0	0.0
29	0791 Mgr Central Facilities	1.0	1.0	1.0	1.0	1.0
	1621 Asst. Dir – Service Mgmt	1.0	1.0	0.0	0.0	0.0
30	0775 Director	1.0	1.0	1.0	1.0	1.0
99	9921 DGM Operations	1.0	1.0	1.0	1.0	1.0
Total		73.0	76.0	67.0	60.0	60.0



SERVICE QUALITY MANAGEMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES AND SCORECARD MEASURES

Supporting Continual Process Improvement and Voice of Customer, the Service Quality Management Department supports GCRTA's ability to Enhance Customer Experience and Increase Service Efficiency. Service Quality manages and reports On-Time Performance, and provides input for processes measured by Customer Satisfaction, and Miles between Service Interruptions.

2016 ACCOMPLISHMENTS

- Developed and implemented One Stop at a Time Initiative to improve safety, on time performance and communications with operators.
- Designed and began implementations of a new SQ Field Office at the Woodhill facility.
- In partnership with Safety, continued efforts to instill a Safety Culture orientation in SQ.
- Developed a 2016/17 Winter Service Plan.
- Developed a plan for SQ supervisors to conduct DriveCam coaching in the field.
- Collaborated with Service Management and ITS departments to adjust time points.
- Hired a Communications Specialist.
- Surveying process to accurately capture the measurement between bus stops based on GPS location, distance between stops, and compass direction was completed.
- Installation of 34 laptops in service vehicles used by SQ Managers and Field Supervisors.
- Successfully handled 13 major sporting events in downtown Cleveland over a duration of nine days.

2017 PRIORITIES

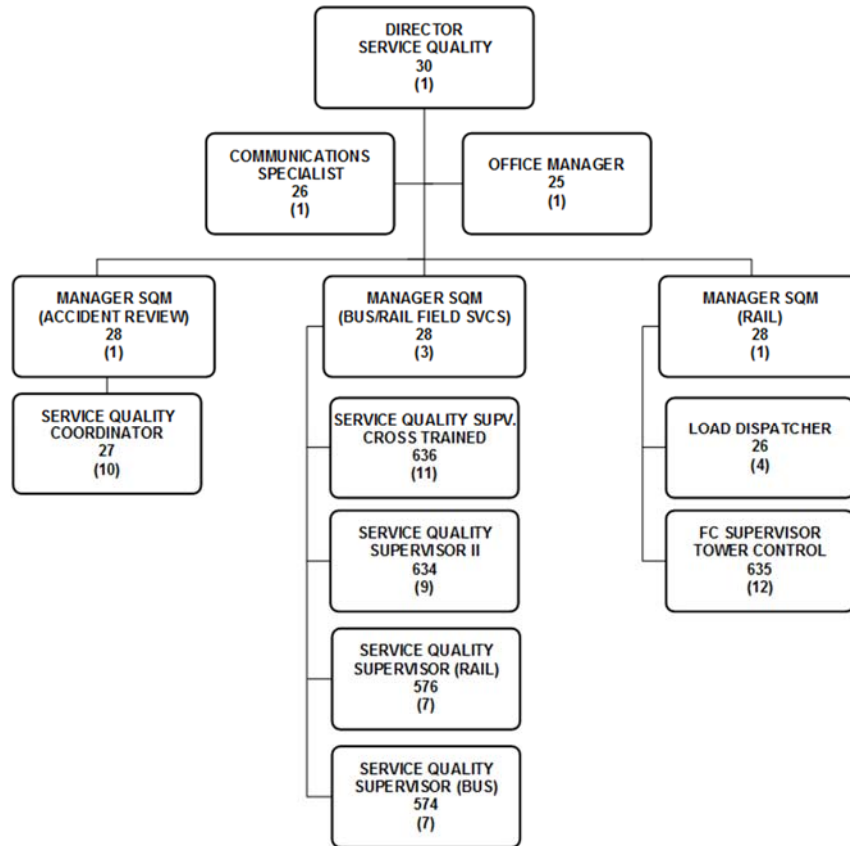
- Continued focus on the goals established for the TEAM Initiatives.
- Continued efforts for improving on-time service delivery.
- Continued focus on improving internal communications.
- Continue developing and implementing a certification program for all position classifications in SQ.
- Continue using 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 future.
- Continue using the Paladin System. This system allows for an audio and digital message directly sent from the ICC to the Red Line rail platforms.
- Implement the Strategic Plan that addresses modernization of the ICC with applicable ITS systems. The Plan includes implementation of the systems that are currently owned by the Authority, including: incident management and reporting, customer communications, service management, dynamic route planning, operator performance management, dashboards, etc.
- Continue text messaging for operators to reduce voice radio traffic (Rail).
- Continue to aggressively support and participate in the TransitStat program.
- Continue to support Brand Management activities.
- Develop and disseminate 2017/18 Winter Service Plan.
- Development and implementation of the "Decision Making Upgrade Campaign". The campaign consists of question and answer rounds, along with scenario exercises that require SQ personnel to know and understand RTA's ridership performance data, and how that information impacts their decision making.

SERVICE QUALITY MANAGEMENT DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees Payroll	62,573	11,048	0	0
501210	Overtime – Hourly Employees	85	4	0	0
501300	Labor Salaried Employees	4,154,803	2,992,482	4,581,042	4,674,067
501310	Overtime Salaried Employees	442,495	495,040	615,075	547,833
502000	Fringe Benefits	1,722,612	1,597,604	1,934,446	1,830,113
502071	W/C – Injuries & Damages	0	0	885	0
503000	Services	59,190	66,093	0	1,000
503052	Other Maintenance Contracts	0	0	2411	0
504000	Materials & Supplies	4,295	5,564	3,222	0
504050	Office Supplies	0	0	0	1,600
509000	Miscellaneous Expenses	3,567	6	4,346	350
509020	Travel, Training & Conferences	0	0	0	3,000
509022	Meals & Concessions	0	13	0	400
512000	Leases & Rentals	0	0	0	0
Total		6,449,621	5,167,854	7,141,427	7,058,362

SERVICE QUALITY MANAGEMENT DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
5	0574 Service Quality Supervisor	7.0	7.0	7.0	7.0
	0576 Service Quality Supervisor	7.0	7.0	7.0	7.0
6	0634 Service Quality Supervisor II	11.0	11.0	9.0	9.0
	0635 Supervisor Tower Control	12.0	12.0	12.0	12.0
	0636 Supervisor Cross Trained	9.0	11.0	11.0	11.0
25	1675 Office Manager	1.0	1.0	1.0	1.0
26	1137 Load Dispatcher	4.0	4.0	4.0	4.0
	0342 Communications Specialist	0.0	1.0	1.0	1.0
	1625 Performance Leader Ops	1.0	1.0	1.0	0.0
27	1147 Service Quality Coordinator	10.0	10.0	10.0	10.0
28	0890 Manager of Service Quality	5.0	5.0	5.0	5.0
30	Director of Service Quality	1.0	1.0	1.0	1.0
Total		68.0	69.0	69.0	68.0



FLEET MANAGEMENT DISTRICT

MISSION STATEMENT

The Fleet Management District 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.

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Fleet Management District plays a key supporting function to Increase Service Efficiency and Achieving a State of Good Repair through improving Vehicle Reliability. This includes predictive maintenance programs and asset management strategies that ensure the Operations Division meets or exceed performance with Preventative Maintenance Compliance, Predictive Maintenance implementation, and Miles between Service Interruptions.

2016 ACCOMPLISHMENTS

- Complete facility infrastructure improvements to accommodate CNG bus maintenance.
- Identified and led CWRU Lean Six Sigma project on new Power & Way Store Room.
- Successfully removed over \$600,000 of obsolete parts from Inventory.
- Supported the Predictive Maintenance Program (PMP) implementation at Hayden District and Electronic Repair.
- Successfully planned and executed the 2016 Inventory budget while achieving a 96% service level.
- Planned, engineered, and installed 8 turnstiles integrated with GFI fareboxes and station controller in support of Tower City Track 8 shut down.
- Completed and implemented predictive maintenance on GFI Odyssey Farebox product line.
- Inspected, received and successfully prepped 12 Gillig Trolley buses for revenue service before the start of the 2016 RNC.
- Inspected, received and successfully prepped 20 MV-1 Paratransit Vehicles for revenue service in less than 30 days from time of delivery to RTA property.
- Began resident inspection program for 16 CNG 40' bus build at Gillig.
- Began 5S organization of Unit Core Storage area.
- Completed installation of 34 Laptops into NRV vehicles.
- Disposed of 53 decommissioned buses and 46 NRV's on govdeals.com.
- Enrolled 10 employees into the Allison Transmission Training Program.
- Participated in the El Barrio Work Entry Program.
- Developed 12 Specifications for contract inventory items and performed follow-up Technical reviews of all contract bids.
- Developed Leased Vehicle specification for RFP.
- Developed and initiated Turn Warning System installation project for New Flyer 3200 fleet.
- Evaluated Tire Pressure Monitoring Systems (TPMS) for MCI fleet and began installations.
- Finalized contract purchase of batteries for RTV Energy Storage System (ESS) for Allison Hybrid system to keep program moving forward. Sourced relays/fuses for rebuild as the best price possible. 14 of 21 ESS rebuilds completed.
- Initiated and managed Triskett Fleetwatch DEF dispensing upgrade, so DEF usage can be tracked in Ultramain.
- Initiated and managed Paratransit Fleetwatch upgrades at fuel island for MV-1 fleet dispensing/tracking and Propane fleet mileage tracking in Ultramain.
- Warranty Recovery expected to end 2016 at \$300,000.
- QA item inspections expected to end 2016 at 310.
- Manage Problem Identification/Corrective Action (PICA) program (63 submitted in 2016).
- Facilities PM Maintenance On-Time performance estimated to be at 93%.

2017 PRIORITIES

- Develop and implement PMP for Electronic Repair's Xerox, Apollo, Trapeze, and Destination Sign product lines.
- Analyze the transactional integrity of parts demand in order to eliminate false or duplicate demand and help contain costs.
- Continue to support the Predictive Maintenance Program (PMP) at Hayden District. Assist in the implementation of PMP at Triskett.
- Implement QA/Warranty Inspection Program for new vehicles to help identify Warranty issues within first year on property in an effort to increase warranty recovery on new fleets.
- Manage the purchase of new vehicles and ensure the delivery of quality built vehicles that meet the needs of the Authority.
- Inspect and prep for service new buses and NRV's as required.
- Administer Quality Assurance/Warranty program to ensure the receipt of quality goods/services and warranty recovery.
- Provide engineering support on rail/bus projects and product evaluations to improve vehicle reliability and efficiency.
- Increase on-site engineering and QA presence at all districts to improve communication.
- Buy and install added pallet racks for continued shop organization.

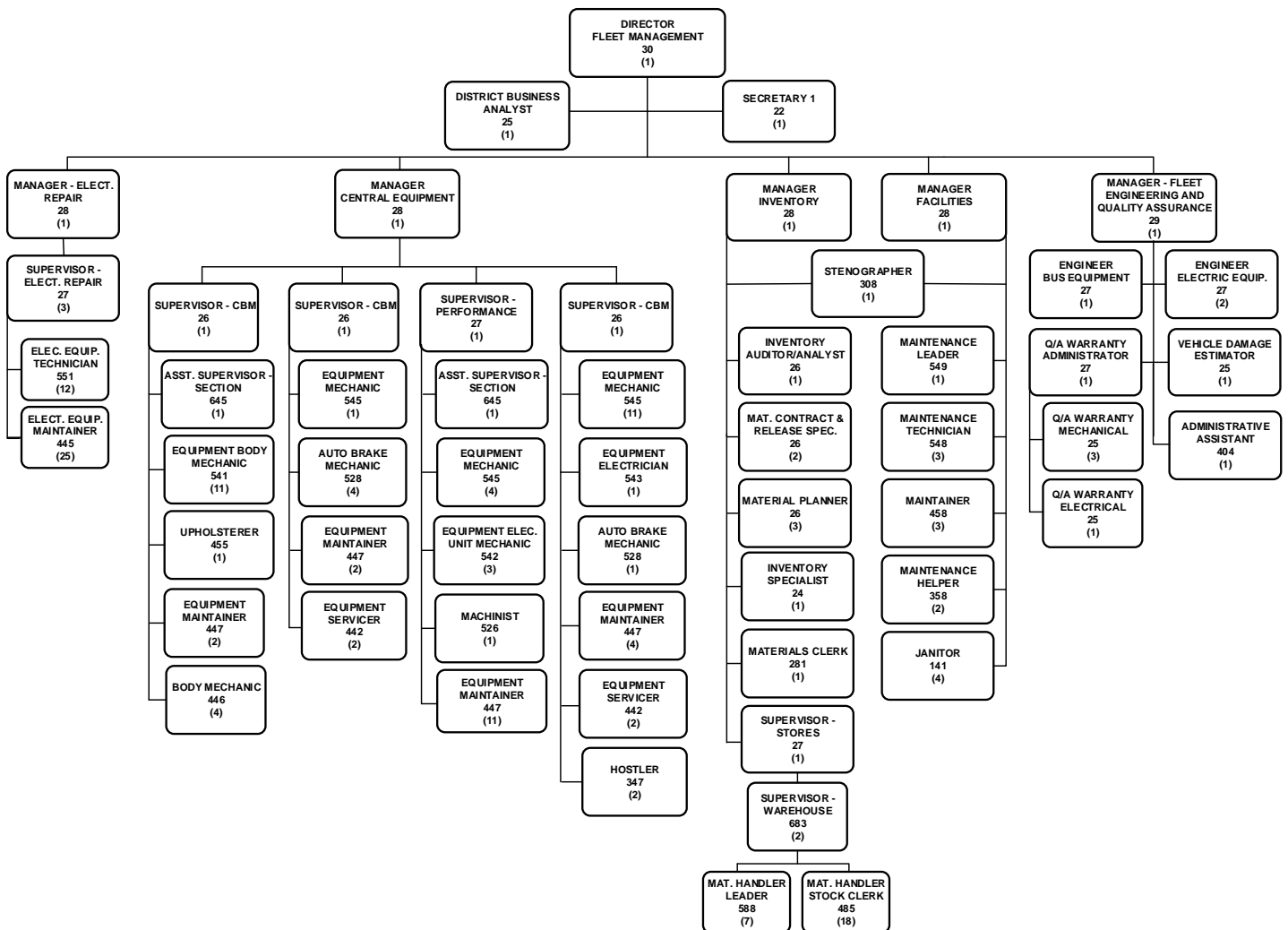
FLEET MANAGEMENT DISTRICT BUDGET

Obj. Class	Description	2014 Actual	2015 Actual	2016 Actual	2017 Budget
501200	Hourly Employees Payroll	6,358,093	6,488,402	7,798,170	8,628,096
501210	Overtime – Hourly Employees	335,062	237,326	339,070	283,500
501300	Labor – Salaried Employees	2,678,707	2,284,861	2,217,386	2,548,160
501310	Overtime – Salaried Employees	1,012	3,804	3,225	2,250
502000	Fringe Benefits	3,788,152	3,886,070	4,049,675	4,456,500
502071	W.C. – Injuries & Damages	5,200	406	3,106	0
503000	Services	204,823	138,479	105,538	263,564
503052	Other Maintenance Contracts	216,922	202,613	115,533	426,608
504000	Materials & Supplies	428,885	376,755	455,420	324,192
201009	Materials & Supplies – Inventory	11,799,004	13,959,663	13,382,318	17,499,818
504020	Diesel Fuel	14,138,836	10,963,941	8,660,356	7,743,236
504021	Compressed Natural Gas	0	0	0	0
504031	Gasoline	424,836	251,193	274,827	492,000
504090	Tires & Tubes	1,389,783	1,400,606	1,120,676	1,472,398
507050	State Fuel Tax	1,416,434	1,053,573	1,354,988	1,057,499
509000	Miscellaneous Expenses	67,997	33,391	71,203	78,652
509022	Meals and Refreshments	0	0	157	800
512000	Leases & Rentals	0	0	0	0
Total:		43,253,750	41,632,891	42,306,313	45,277,274
Total (Net Inventory):		31,454,746	27,673,228	28,923,995	27,777,456

FLEET MANAGEMENT DISTRICT STAFFING

Grade	Job Name	2013	2014	2015	2016	2017
01	0141 Janitor	4.0	4.0	4.0	4.0	4.0
02	0203 Clerk Typist	1.0	1.0	1.0	0.0	0.0
	0281 Materials Clerk	1.0	1.0	1.0	1.0	1.0
03	0308 Stenographer	1.0	1.0	1.0	1.0	1.0
	0347 Hostler	3.0	3.0	2.0	2.0	2.0
	0358 Maintenance Helper	2.0	2.0	2.0	2.0	2.0
04	0404 Administrative Assistant	1.0	1.0	1.0	1.0	1.0
	0442 Equipment Servicer	3.0	3.0	6.0	4.0	4.0
	0445 Elec Equipment Maintainer	21.0	25.0	25.0	25.0	25.0
	0446 Body Mechanic	3.0	3.0	4.0	4.0	4.0
	0447 Equipment Maintainer	21.0	18.0	19.0	19.0	19.0
	0455 Upholsterer	1.0	1.0	1.0	1.0	1.0
	0458 Maintainer	3.0	3.0	3.0	3.0	3.0
	0485 Mat Handler/Stock Clerk	8.0	9.0	18.0	18.0	18.0
05	0526 Machinist	1.0	1.0	1.0	1.0	1.0
	0528 Automotive Brake Mechanic	5.0	5.0	5.0	5.0	5.0
	0537 Administrative Assistant	0.0	0.0	0.0	0.0	0.0
	0541 Equipment Body Mechanic	11.0	11.0	11.0	11.0	11.0
	0542 Equip Elec Unit Mechanic	2.0	2.0	3.0	3.0	3.0
	0543 Equipment Electrician	1.0	1.0	1.0	1.0	1.0
	0545 Equipment Mechanic	16.0	16.0	16.0	16.0	16.0
	0548 Maintenance Technician	3.0	3.0	3.0	3.0	3.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0	1.0
	0551 Elec Equipment Technician	10.0	12.0	12.0	12.0	12.0
	0566 Certified Welder	0.0	0.0	0.0	0.0	0.0
	0588 Material Handler Leader	2.0	2.0	7.0	7.0	7.0
	0598 Material Mechanic Tech	0.0	0.0	0.0	0.0	0.0
06	0645 Asst Supervisor Section	2.0	2.0	2.0	2.0	2.0
	0683 Supervisor Warehouse	2.0	2.0	2.0	2.0	2.0
22	0721 Secretary I	1.0	1.0	1.0	1.0	1.0
24	1685 Inventory Specialist	0.0	0.0	1.0	1.0	1.0
25	1047 QA/Warranty Electrical	1.0	1.0	1.0	1.0	1.0
	1048 QA/Warranty Mechanical	3.0	3.0	3.0	3.0	3.0
	1062 Vehicle Damage Estimator	1.0	1.0	1.0	1.0	1.0
	1085 District Business Analyst	1.0	1.0	1.0	1.0	1.0
26	0837 Maintenance Planner	5.0	6.0	0.0	0.0	0.0
	0863 Mat Cont & Release Spec	2.0	2.0	2.0	2.0	2.0
	0874 Inventory Auditor/Analyst	1.0	1.0	1.0	1.0	1.0

	0889 Material Planner	3.0	3.0	3.0	3.0	3.0
	1258 Supervisor CBM	3.0	3.0	3.0	3.0	3.0
27	0753 Supervisor Elec Repair	3.0	2.0	3.0	3.0	3.0
	0883 Config Mgmt Eng Fac	0.0	0.0	0.0	0.0	0.0
	0884 Config Mgmt Eng Vehicles	1.0	1.0	0.0	0.0	0.0
	1050 Supervisor Performance	1.0	1.0	1.0	1.0	1.0
	1173 Supervisor Stores	1.0	1.0	1.0	1.0	1.0
	1251 QA/Warranty Administrator	1.0	1.0	1.0	1.0	1.0
	1327 Equip Engineer Electrical	1.0	2.0	1.0	1.0	1.0
	1341 Engineer Bus Equipment	1.0	1.0	2.0	2.0	2.0
28	0759 Mgr Central Equipment	1.0	1.0	1.0	1.0	1.0
	0761 Manager Facilities	1.0	1.0	1.0	1.0	1.0
	0774 Manager Inventory	1.0	1.0	1.0	1.0	1.0
	1686 Manager of Electronic Repair	0.0	0.0	0.0	1.0	1.0
29	0768 Mgr Fleet Planning & Eng	1.0	1.0	1.0	1.0	1.0
30	0779 Director	1.0	1.0	1.0	1.0	1.0
Total		165.0	173.0	167.0	181.0	181.0



PASS-THRUS DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

The Pass Thrus provide support for the Authority and its customers to meet the Voice of the Customer objective of the Strategic Plan.

2016 ACCOMPLISHMENTS

- Administered the agreement with the City of Brunswick (Brunswick Transit Alternative) and when necessary, the City of Medina (Medina County Public Transit), to ensure that Federal and State Financial Assistance is passed through for eligible projects.
- Signed a new 2-year agreement with Brunswick and Medina

2017 PRIORITIES

- Administer the new agreement with the City of Brunswick and Medina

DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
509100	Brunswick Operating Assistance	284,343	318,923	280,000	320,000
509107	Pass Through Medina – MCPT	370,000	63,160	0	0
Total		654,343	382,083	280,000	320,000

HAYDEN DISTRICT

MISSION STATEMENT

The mission of the Hayden District is to provide safe, reliable, clean, and courteous public transportation for the eastern and southeastern portions of the GCRTA service area.

STRATEGIC PLAN CHANGE INITIATIVES AND SCORECARD MEASURES

Supporting the Vital Few Objectives (VFOs) for Achieve a State of Good Repair and Achieve a Safety Culture, Hayden operations impacts GCRTA's ability to meet goals for Predictive Maintenance, Miles between Service Interruptions, Preventable Collisions, On-the-Job Injuries, and Driver Behavior using DriveCam as a key tool.

2016 ACCOMPLISHMENTS

- Vital Few Objective (VFO): Completed the first twelve Predictive Maintenance Vehicles (210K) Mid-Life
- Vital Few Objective (VFO): Achieved 11,288 miles between service interruptions for the year
- Achieved greater than 90% on-time revenue vehicle mileage PM compliance rate
- Achieved greater than 90% on-time Facilities Maintenance on-time compliance rate
- Implemented the DriveCam Risky Driver Matrix training program to address risk associated with repeated undesirable driving behavior
- Provided all increased service related to the Republican National Convention and Cavaliers Championship Parade
- On boarded the new Assistant Transportation Manager to facilitate greater accountability in operator performance

2017 PRIORITIES

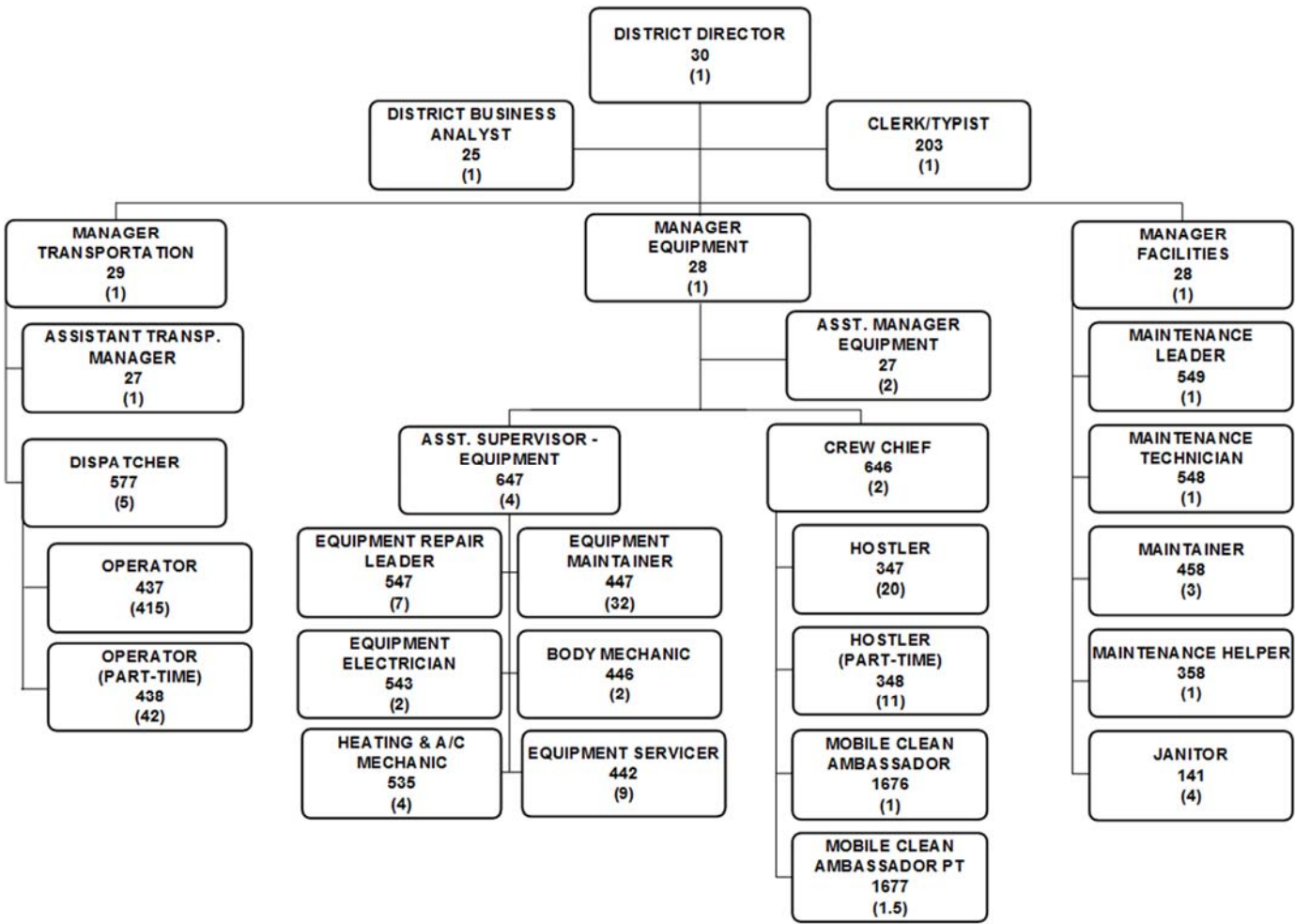
- Implement Predictive Maintenance Program on the remaining HealthLine fleet and continue Predictive Maintenance Program on the Gillig fleet.
- Complete remaining 12 HealthLine RTV Predictive Maintenance 210K Mid-Life Overhauls.
- Complete all Gillig Predictive Maintenance Services.
- Achieve 10,000 Miles Between Service Interruptions.
- Leverage the DriveCam Performance Monitoring System in order to achieve collisions and risky driving reductions.
- Reduce Preventable Collision rate to RTA TEAM goal
- Achieve vehicle cleanliness goal of 14 days between major cleans.

HAYDEN DISTRICT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501100	Operator Labor	23,497,749	22,127,777	22,118,714	22,462,405
50110	Operator Overtime	2,982,223	4,013,424	2,994,592	4,150,224
501200	Hourly Labor	5,690,754	5,780,341	5,226,673	5,682,853
501210	Hourly Overtime	702,437	307,912	235,984	472,057
501300	Labor Salaried Employees	1,145,143	1,173,036	1,281,036	864,157
501310	Overtime Salaried Employees	156,341	95,989	126,308	130,117
502000	Fringe Benefits	12,516,283	11,996,536	12,230,924	12,281,903
502071	W/C – Injuries & Damages	9,248	1,435	116	0
503000	Services	9,625	240,830	(116,537)	33,000
503052	Other Maintenance Contracts	0	0	0	0
504000	Materials & Supplies	112,226	106,789	96,695	126,720
504021	Compressed Natural Gas	0	0	251,871	314,000
504050	Office Supplies	0	0	0	500
509000	Miscellaneous Expenses	1,143	3,356	1,304	5,840
509020	Travel, Training & Conferences	0	0	0	3,000
509022	Meals & Concessions	0	0	1,352	600
512000	Leases & Rentals	0	0	500	700
Total		46,833,173	45,847,425	44,449,583	46,528,075

HAYDEN DISTRICT STAFFING

Grade	Job Name	2014	2015	2016	2017
01	0141 Janitor	4.0	4.0	4.0	4.0
	1676 Mobile Clean Ambassador	1.0	1.0	1.0	1.0
	1677 Mobile Clean Ambassador PT	1.5	1.5	1.5	1.5
02	0203 Clerk / Typist	1.0	1.0	1.0	1.0
03	0347 Hostler	21.0	21.0	21.0	20.0
	0348 Hostler PT	11.0	11.0	9.75	11.0
	0358 Maintenance Helper	1.0	1.0	1.0	1.0
04	0437 Operator	433.0	443.0	449.0	415.0
	0438 Operator PT	62.0	45.0	45.0	42.0
	0442 Equipment Servicer	12.0	12.0	11.0	9.0
	0446 Body Mechanic	2.0	2.0	2.0	2.0
	0447 Equipment Maintainer	29.0	30.0	32.0	32.0
	0458 Maintainer	3.0	3.0	3.0	3.0
	0485 Material Handler/Stock Clerk	3.0	3.0	0.0	0.0
05	0535 Heating A/C Mechanic	4.0	4.0	4.0	4.0
	0543 Equipment Electrician	2.0	2.0	2.0	2.0
	0547 Equipment Repair Leader	7.0	7.0	7.0	7.0
	0548 Maintenance Technician	1.0	1.0	1.0	1.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0577 Dispatcher	5.0	5.0	5.0	5.0
	0588 Material Handler Leader	1.0	1.0	0.0	0.0
06	0646 Crew Chief	2.0	1.0	2.0	2.0
	0647 Asst. Supervisor – Equipment	2.0	2.0	2.0	2.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
27	1705 Assistant Equipment Manager	2.0	2.0	2.0	2.0
	1088 Assistant Transportation Manager	0.0	0.0	1.0	1.0
28	0761 Manager – Facilities	1.0	1.0	1.0	1.0
	0851 Manager – Equipment	1.0	1.0	1.0	1.0
29	0786 Manager – Transportation	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
Total		618.5	611.5	613.3	576.5



TRISKETT DISTRICT

MISSION STATEMENT

The mission of the Triskett District is to provide safe, reliable, clean, and courteous public transportation throughout the GCRTA service area.

STRATEGIC PLAN CHANGE INITIATIVES AND SCORECARD MEASURES

Supporting the Vital Few Objectives (VFOs) for Achieve a State of Good Repair and Achieve a Safety Culture, Triskett operations impacts GCRTA's ability to meet goals for Predictive Maintenance, Miles between Service Interruptions, Preventable Collisions, On-the-Job Injuries, and Driver Behavior using DriveCam as a key tool.

2016 ACCOMPLISHMENTS

- ◆ Aggressively worked with operators to reduce collisions, preventable collision rate YTD Nov at 1.19 below TEAM goal of 1.40
- ◆ Monitor Drive Cam events and aggressively work with operators to reduce the frequency of events caused by risky behavior.
- ◆ Reduced vehicle tows below goal of 15 per month (14 YTD Nov) by evaluating each tow and road call as not to duplicate towing
- ◆ Achieved vehicle cleanliness goals of less than 14 days between interior washes (13.1)
- ◆ Maintained and ensured on time service for the new CSU line.
- ◆ Effectively Managed Overtime to cover staffing deficiency
- ◆ Continued vehicle cleanliness goals
- ◆ In serviced New Trolley Fleet
- ◆ Entered service plans for New Trolley Fleet and 3200s into the Ultramain /Citme
- ◆ Trained operator, hostlers and mechanics on New Trolley coaches
- ◆ Vital Few Objective (VFO) Increase on time reliable service. Grow Passenger Satisfaction
- ◆ Achieved 8,000+ miles between service interruptions throughout the year 2016
- ◆ In Service new Trolley Fleet (12)
- ◆ Support the RTA Mission, Vision, Values
- ◆ Below are budget and staffing highlights of the Triskett District Department

2017 PRIORITIES

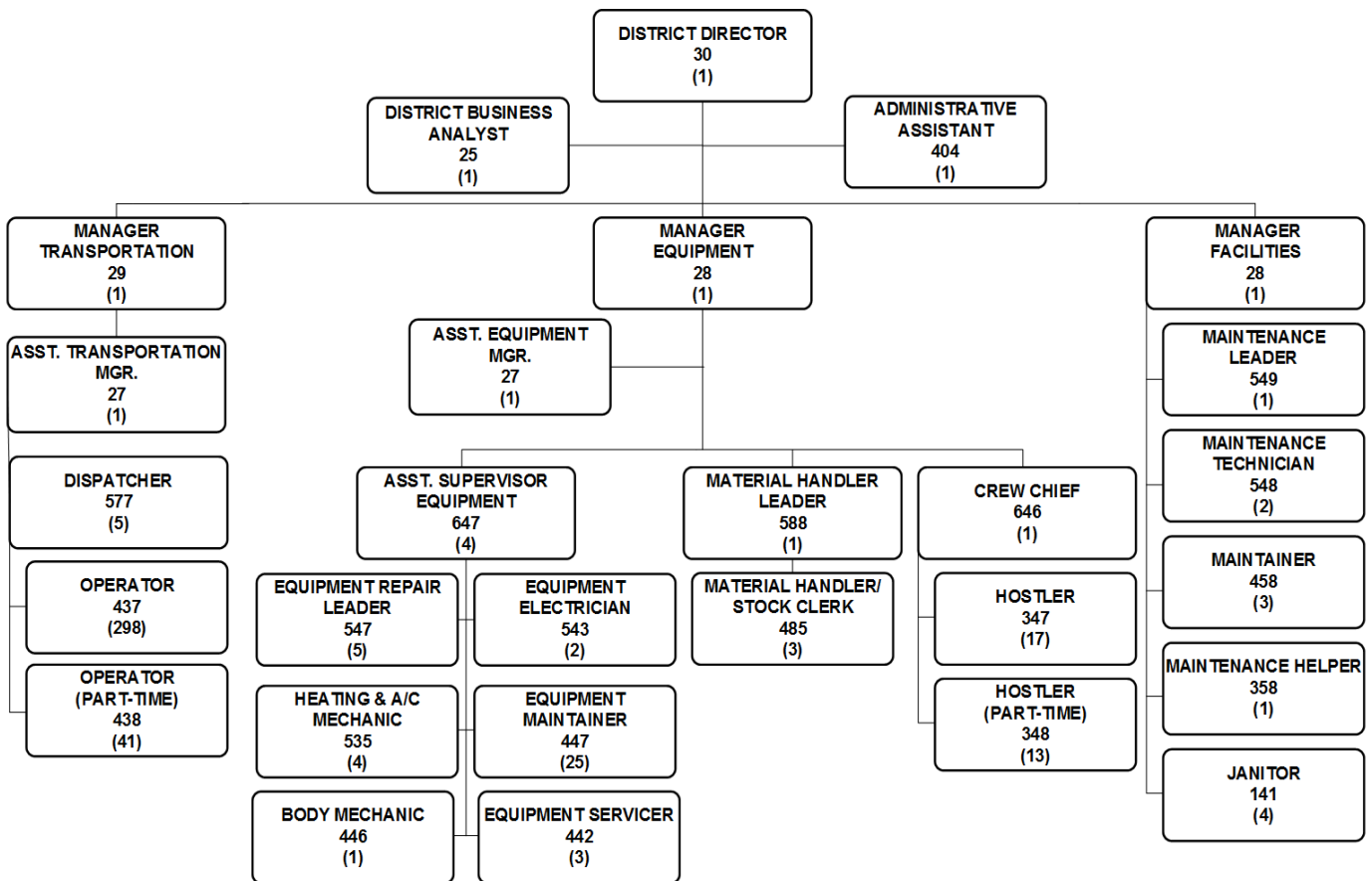
- Continue to instill a Safety Culture orientation within all Operations Division organizational units.
- Support participation in TransitStat program to reduce costs and improve the Authority's business practices and services.
- Reduce On-The-Job Injury Rate through analysis and follow through
- Reduce Non-Revenue accidents and continue to effectively manage Revenue collision rates
- Continue to aggressively enforce energy conservation and sustainability initiatives.
- Continue monitoring of Drive Cam Events.
- Continue priority focus on improving customer communications and service delivery.
- Support the Operations Division initiatives and projects as assigned.

TRISKETT DISTRICT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501100	Operator Labor	15,425,028	14,946,020	15,351,224	15,996,436
501110	Operator Overtime	1,579,920	2,470,492	2,832,508	2,576,092
501200	Hourly Labor	4,124,459	4,340,804	4,272,085	4,187,267
501210	Hourly Overtime	574,560	226,432	336,359	380,981
501300	Labor Salaried Employees	1,108,211	1,083,722	1,097,463	1,290,788
501310	Overtime Salaried Employees	128,057	102,306	160,524	121,049
502000	Fringe Benefits	8,502,003	8,306,509	9,092,595	9,004,035
502071	W/C – Injuries & Damages	3,519	3,650	1,405	0
503000	Services	36,098	65,958	53,567	32,300
503052	Other Maintenance Contracts	0	0	0	36,000
504000	Materials & Supplies	89,633	88,841	68,016	77,600
504050	Office Supplies	0	0	0	400
509000	Miscellaneous Expenses	1,765	1,657	4,330	6,000
509020	Travel, Training & Conferences	0	0	0	3,000
509022	Meals & Concessions	0	0	150	400
512000	Leases & Rentals	0	0	400	1,000
Total		31,570,199	31,636,391	33,270,627	33,713,349

TRISKETT DISTRICT STAFFING

Grade	Job Name	2014	2015	2016	2017
01	0141 Janitor	4.0	4.0	4.0	4.0
03	0347 Hostler	17.0	17.0	17.0	17.0
	0348 Hostler PT	13.0	13.0	13.25	15.0
	0358 Maintenance Helper	1.0	1.0	1.0	1.0
04	0404 Administrative Assistant	1.0	1.0	1.0	1.0
	0437 Operator	292.0	297.0	299.0	301.0
	0438 Operator PT	44.0	30.0	30.0	30.0
	0442 Equipment Servicer	4.0	3.0	4.0	4.0
	0446 Body Mechanic	1.0	1.0	1.0	1.0
	0447 Equipment Maintainer	25.0	25.0	24.0	23.0
	0458 Maintainer	3.0	3.0	3.0	3.0
	0485 Material Handler/Stock Clerk	3.0	3.0	0.0	0.0
05	0535 Heating/AC Mechanic	4.0	4.0	4.0	4.0
	0543 Equipment Electrician	1.0	2.0	2.0	2.0
	0547 Equipment Repair Leader	6.0	5.0	5.0	5.0
	0548 Maintenance Technician	2.0	2.0	2.0	2.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0577 Dispatcher	5.0	5.0	5.0	5.0
	0588 Material Handler Leader	1.0	1.0	0.0	0.0
06	0646 Crew Chief	1.0	1.0	1.0	1.0
	0647 Asst Supervisor Equip	4.0	4.0	4.0	4.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
27	1088 Asst Transportation Mgr	0.0	0.0	1.0	1.0
	1705 Asst Equipment Mgt	0.0	1.0	1.0	1.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0851 Manager Equipment	1.0	1.0	1.0	1.0
29	0786 Manager Transportation	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
Total		438.0	429.0	428.3	431.0



INTELLIGENT TRANSPORTATION SYSTEMS

MISSION STATEMENT

The Intelligent Transportation Systems (ITS) Department manages and supports the Operations and Intelligent Transportation Systems (ITS). ITS strives for continuous improvement and anticipates the needs of customers. ITS takes ownership of and resolves issues. ITS is committed to delivering superior customer service while supporting the Authority's Mission, Vision, Values, and Strategic Plan.

STRATEGIC PLAN CHANGE INITIATIVES AND SCORECARD MEASURES

Supporting the Vital Few Objectives (VFOs) for Voice of Customer through Enhancing Customer Experience and Increasing Service Efficiency; and Continual Process Improvement through Achieving State of Good Repair and Advance and Improve Technology.

2016 ACCOMPLISHMENTS

- ◆ Aggressively worked with operators to reduce collisions, preventable collision rate YTD Nov at 1.19 below TEAM goal of 1.40
- ◆ Monitor Drive Cam events and aggressively work with operators to reduce the frequency of events caused by risky behavior.
- ◆ Reduced vehicle tows below goal of 15 per month (14 YTD Nov) by evaluating each tow and road call as not to duplicate towing
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- ◆ In Service new Trolley Fleet (12)
- ◆ Support the RTA Mission, Vision, Values
- ◆ Below are budget and staffing highlights of the Triskett District Department

2017 PRIORITIES

- ICC Modernization
 - Developed the ICC Modernization Strategic Plan
 - Mapped 25 SQ Processes
 - Performed SWOT Analysis and selected top 4 areas to complete
 - Implemented the TransitMaster Incident Report to replace the Access Database
 - Enhanced the operator canned messages
 - Installed base station radios at Woodhill
 - Implemented headsets for the ICC
- Revenue/Ridership Reporting
 - Began managing the GenFare software
 - Purged the software of more than 1,000 stale records
 - Utilizing canned reports for maintenance
- Real-Time Information
 - Completed Bus Route Survey
 - Implemented process for stop updates
 - Purchasing GTFIS Module

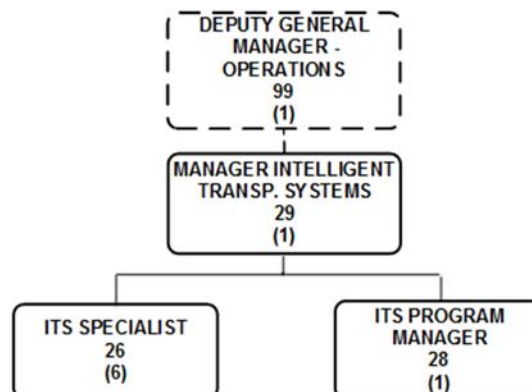
- Other
 - Manage Paladin software in-house
 - Paladin screen advertising
 - Replaced Paratransit Recorder (other districts in process)
 - Vehicle flash card upgrade
 - Audio advertising on buses/trains
 - Implemented Ultramain training program and Enhanced User/District Outreach
 - Implemented automated NTD trip generation

INTELLIGENT TRANSPORTATION SYSTEMS DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	0	0	296,816	550,595
501310	Overtime Salaried Employees	0	0	0	0
502000	Fringe Benefits	0	0	96,110	205,097
503000	Services	0	0	0	0
503052	Other Maintenance Contracts	0	0	226,017	319,000
504000	Materials & Supplies	0	0	70,559	175,000
504050	Office Supplies	0	0	0	700
509000	Miscellaneous Expenses	0	0	20,330	600
509020	Travel, Training & Conferences	0	0	0	12,600
509022	Meals & Concessions	0	0	264	250
512000	Leases & Rentals	0	0	0	0
Total		0	0	710,097	1,263,842

INTELLIGENT TRANSPORTATION SYSTEMS DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
26	1691 ITS Specialist	0.0	0.0	5.0	6.0
	1625 Operations Performance Leader	0.0	0.0	1.0	0.0
28	1706 ITS Program Manager	0.0	0.0	1.0	1.0
29	1726 ITS Manager	0.0	0.0	1.0	1.0
Total		0.0	0.0	8.0	8.0



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FINANCE & ADMINISTRATION DIVISION

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.

DIVISION STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

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

2016 ACCOMPLISHMENTS

- Expedited procurement and delivery of goods and services to user departments utilizing a functional work team structure.
- Monitored procurement processes to reduce time required to process payments to vendors and employees by revising the payments process and streamlining procedures.
- Continued implementation of Fare Collection System.
- Maintained and improved cash handling processes, fare collection security and vaulting process.
- Received Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) from the Government Finance Officer's Association (GFOA).
- Assisted in the completion of the Single Audit.
- Assisted in the implementation of the new Report Writer.
- Administered the Authority's Disadvantaged Business (DBE) Program, and developed 2016-2018 DBE goal, certified firms as DBE contractors and monitored compliance with federal regulations.
- Managed the Authority's Records Management Program.
- Assisted with Energy Price Risk Management Program.
- Administered 2016 Capital Grant Application process.
- Completed sale of Sales Tax Supported Refunding Bonds.
- Implemented process improvements within Finance & Administration Division.

2017 PRIORITIES

- Implement process improvements that support the Authority's Mission, Vision and Values.
- Continue to expedite procurement and delivery of goods and services to user departments utilizing a functional work team structure.
- Continue to monitor procurement processes to streamline procedures.
- Support and maintain Fare Collection System.
- Continue to maintain and improve cash handling processes, fare collection security and vaulting process.
- Prepare Comprehensive Annual Financial Report (CAFR) conforming to the requirements outlined by the Government Finance Officers' Association (GFOA).
- Assist in the completion of the Single Audit.
- Administer the Authority's Disadvantaged Business (DBE) Program.
- Assist departments in minimizing the Authority's overall administration costs.

- Continue management of Authority's Records Management Program.
- Continue to assist with Energy Risk Management Program.
- Administer 2017 Capital Grant Application process.
- Participate in management of Enterprise Business Suite Information Systems.
- Implement process improvements within Finance & Administration Division.
- Participate in development of Authority's strategic initiatives.

LIST OF DEPARTMENTS

Department Number	Department Name
10	Office of Business Development
60	Accounting
62	Support Services
64	Procurement
65	Revenue

OFFICE OF BUSINESS DEVELOPMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

<Support Procurement in Action Plan of improved specification writing to ensure dept. mission statement>

2016 ACCOMPLISHMENTS

DBE Certifications

- New Certifications 9
- Re-Certifications 56
- On-Site Certification Visits 26

Program Compliance

- Contract Goal Setting 68
- Project Field Monitoring 9
- Certified Payrolls Reviewed 124

Outreach and Community Engagement

- Hosted DBE Forum at Burk Lake Front on certification process and doing business with RTA
- Participated on over 10 programs and panels related to DBE Certification and doing business with GCRTA
- Attended well over 20 events designed to support, train and inform DBE firms and certifying agencies on contracting process and opportunities

2017 PRIORITIES

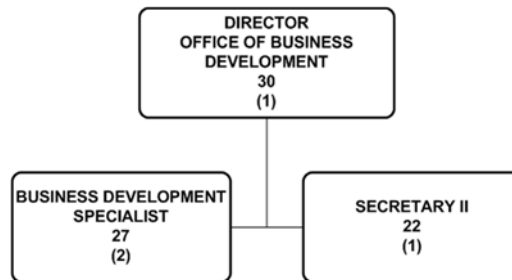
- Administer GCRTA's Disadvantaged Business Enterprise (DBE) program to include certification of firms as a DBE contractor, establishing goals on contracts and ensuring compliance with Federal regulations.
- Encourage strong business ties between GCRTA and women - and minority-owned firms by supporting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

OFFICE OF BUSINESS DEVELOPMENT DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	251,604	290,181	294,175	296,571
501310	Overtime Salaried Employees	(41)	0	0	0
502000	Fringe Benefits	97,331	111,083	115,595	110,473
503000	Services	0	0	250,000	250,000
503052	Other Maintenance Contracts	0	50	0	1,100
504000	Materials & Supplies	1,051	4,125	0	200
504050	Office Supplies	0	0	0	300
509000	Miscellaneous Expenses	2,330	2,040	5,101	1,400
509020	Travel, Training & Conferences	0	0	0	2,550
509022	Meals & Concessions	0	100	0	150
512000	Leases & Rentals	0	0	0	0
Total		352,274	408,030	664,871	662,743

OFFICE OF BUSINESS DEVELOPMENT DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
22.A	0723 Secretary II	1.0	1.0	1.0	1.0
27.A	0879 Business Dev Specialist	2.0	2.0	2.0	2.0
30.A	0872 Director	1.0	1.0	1.0	1.0
Total		4.0	4.0	4.0	4.0



ACCOUNTING DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Accounting Department plays a key role in implementing Action Plans and ensuring TEAM Goals are met. Initiatives include rate of audit compliance with various regulatory entities, and the progress rate of completing a myriad of process improvement action plans.

These Action Plans include compliance and implementation of the Super-Circular, maintaining Legal & Regulatory Updates, a standardized process for financial management reconciliations between OMB and Accounting, and the standardized and improved processes for collection of funds for contractual services and activities, and improved financial reporting.

2016 ACCOMPLISHMENTS

- Reduced time required to process payments to vendors and employees by revising the payments process and streamlining procedures.
- Improved department performance to eliminate audit citations and expedite workflow
- Prepared Comprehensive Annual Financial Report (CAFR), conforming to the requirements outlined by the Government Finance Officers Association.
- Completed the 2015 Financial Audit.
- Completed the Single Audit Report.
- Received the Auditor of State Award of Distinction.
- Completed Grant Reconciliations of Capital Grants.
- Regular monthly closing and generation of internal use financial statements.

2017 PRIORITIES

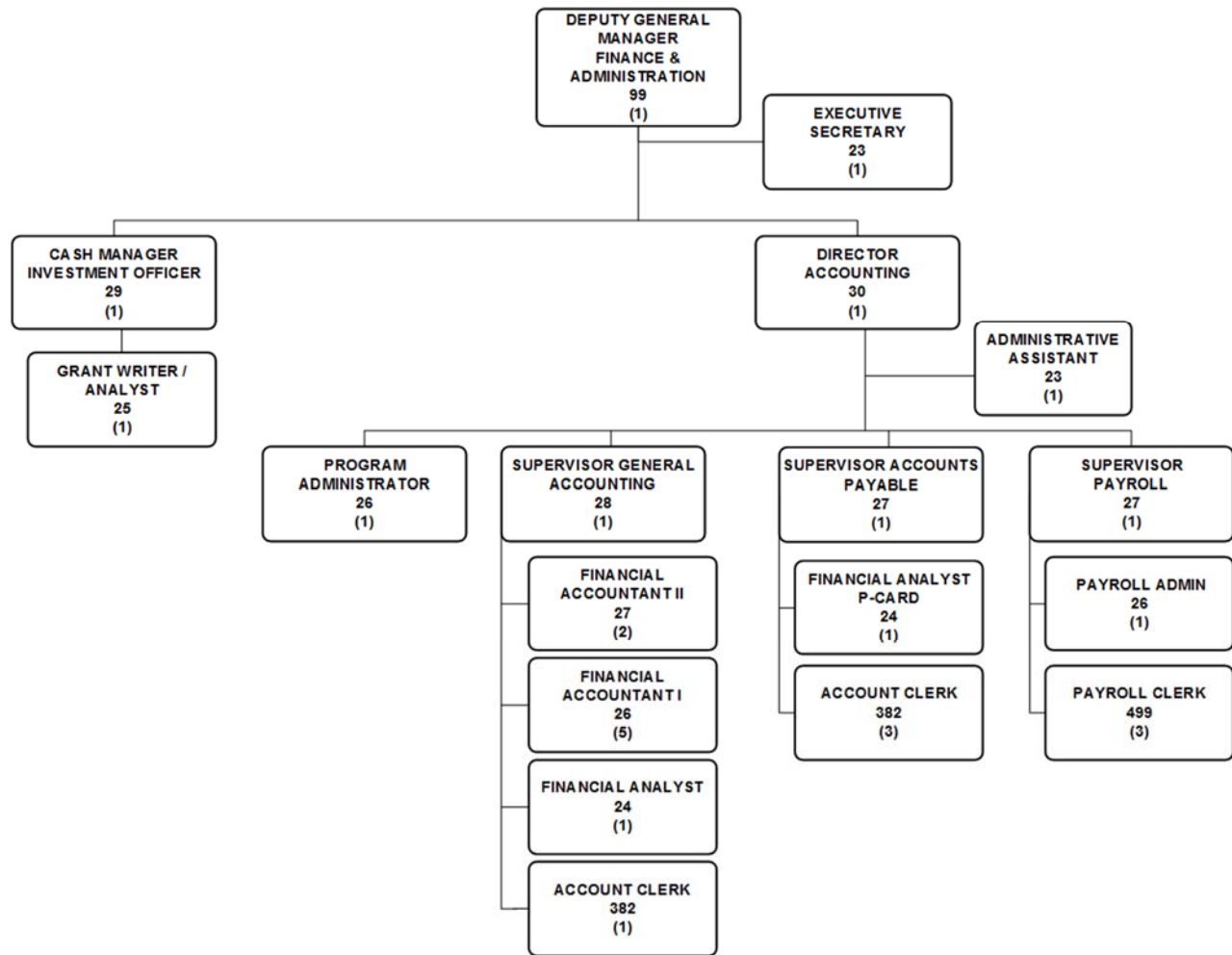
- Continue to reduce time required to process payments to vendors and employers by revising payment processes and streamlining procedures.
- Continue to improve department performance to eliminate audit citations and expedite workflow.
- Coordinate completion of the 2016 Financial Audit
- Prepare and submit Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association (GFOA).
- Submit financial statements, footnotes and statistical tables to the Local Government Services (LGS)
- Coordinate the completion of the 2016 Single Audit Report.
- Complete Grant Reconciliations of Capital Grants.
- Coordinate the purchase requisition approval process change to include the Accounting department.
- Re-evaluate the Oracle based expense report for travel as an online process
- Continue efforts in improving and increasing internal financial reporting.
- Continue to centralize contracts and agreements for leases and other revenue generating opportunities.

ACCOUNTING DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	1,556,293	1,528,163	1,656,717	1,817,471
501310	Overtime Salaried Employees	43,206	39,793	42,987	36,850
502000	Fringe Benefits	521,826	520,685	603,581	682,996
503000	Services	72,122	32,554	128,771	76,500
503052	Other Maintenance Contracts	24,485	40,451	45,482	0
504000	Materials & Supplies	10,081	10,220	8,008	14,500
504050	Office Supplies	0	0	0	1,650
509000	Miscellaneous Expenses	27,209	24,646	20,276	10,700
509020	Travel, Training & Conferences	0	0	0	10,275
509022	Meals & Concessions	150	0	500	1,000
512000	Leases & Rentals	0	0	0	0
Total		2,255,371	2,196,511	2,506,322	2,651,942

ACCOUNTING DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
03	0382 Account Clerk	4.0	4.0	4.0	4.0
04	0499 Payroll Clerk	3.0	3.0	3.0	3.0
05	0587 Senior Accountant	1.0	0.0	0.0	0.0
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
	0757 Administrative Assistant	1.0	1.0	1.0	1.0
24	1959 Financial Analyst	2.0	2.0	2.0	2.0
25	0765 Grants Writer / Analyst	1.0	1.0	1.0	1.0
26	1080 Financial Accountant	6.0	0.0	0.0	0.0
	1080 Financial Accountant I	0.0	6.0	5.0	5.0
	1725 Program Administrator/Financial Accountant	1.0	1.0	1.0	1.0
	0857 Payroll Administrator	0.0	0.0	1.0	1.0
27	1162 Supervisor Accounts Payable	1.0	1.0	1.0	1.0
	1163 Supervisor Payroll	1.0	1.0	1.0	1.0
	1086 Financial Accountant II	0.0	2.0	2.0	2.0
28	1161 Supervisor General Accounting	1.0	1.0	1.0	1.0
	1670 Financial Modules Manager	1.0	0.0	0.0	0.0
29	1263 Cash Manager, Investment Officer	1.0	1.0	1.0	1.0
30	1427 Director	1.0	1.0	1.0	1.0
99	9941 DGM Finance & Administration	1.0	1.0	1.0	1.0
Total		27.0	27.0	27.0	27.0



SUPPORT SERVICES DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

By the nature of its Mission, Support Services addresses strategic considerations for internal controls and process support and improvements. Effective internal controls and process improvements lead by Support Services would include automated printing processes, electronic documentation and records management, and revenue-generating contract opportunities for materials recycling and repurposing.

2016 ACCOMPLISHMENTS

- Developed Request for Proposal for Enterprise Content Management consultant.
- Continued efforts in Records Management Program by updating GCRTA Records Retention Schedules and coordinating the purging of obsolete records to reduce storage cost.
- Provided printing services for timetables and other corporate printing needs including the Republican National Convention, Cleveland Cavaliers’ Championship Parade, and Cleveland Indians playoff and World Series games.
- Identified audio and visual equipment upgrades for the Board Room.

2017 PRIORITIES

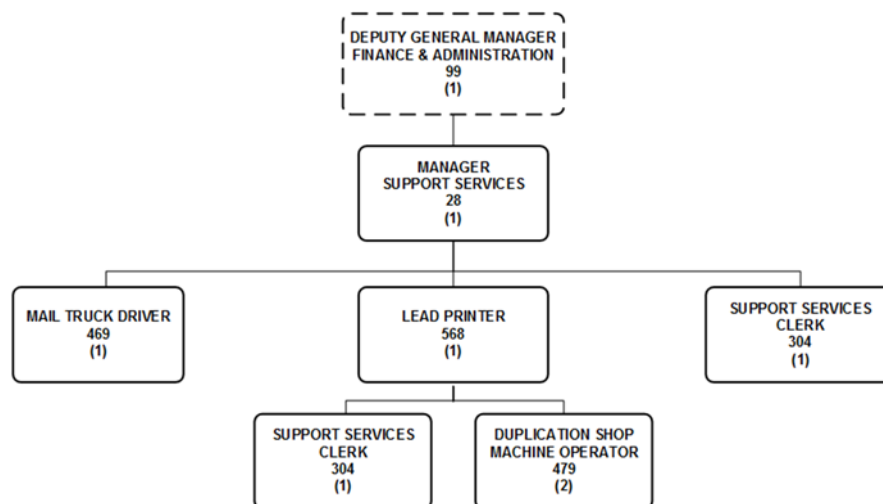
- Provide support services for the Authority.
- Records Management Program – Continuous efforts to update GCRTA Records Retention Schedules; Convert to electronic system; coordinate purging of obsolete records to reduce storage cost.
- Implement Enterprise Content Management System.
- Manages the Authority’s mail service.
- Reduce cost of support services by evaluation and assessment of current processes and needs relevant to postage, printing services, & office paper use. Coordinate efforts with all departments.
- Provide printing service for timetables and other corporate printing needs.
- Implement ways to optimize efficiency and educate with emphasis on Reduce, Reuse, Recycle congruent with our sustainability initiatives.
- Provide high-tech duplicating services, mail management, mail and package delivery to our facilities and other business establishments.
- Provide other support services for the Authority; vending machine services, office furniture, office supplies.

SUPPORT SERVICES DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	56,355	55,480	57,565	58,892
501310	Overtime Salaried Employees	18	0	28	1,000
502000	Fringe Benefits	300,109	305,827	298,500	331,679
503000	Services	1,164	2,783	3,181	5,000
503052	Other Maintenance Contracts	137,293	138,773	141,639	146,462
504000	Materials & Supplies	235,069	151,875	175,235	13,600
504050	Office Supplies	22,455	21,550	5,650	134,000
509000	Miscellaneous Expenses	39,867	56,353	21,375	74,500
509020	Travel, Training & Conferences	0	0	0	100
509022	Meals & Concessions	84,370	90,130	83,785	96,250
512000	Leases & Rentals	49,961	33,969	99,938	89,000
Total		965,710	914,910	930,371	1,011,382

SUPPORT SERVICES DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
03	0304 Support Services Clerk	1.0	1.0	2.0	2.0
	0395 Mailroom Clerk	1.0	1.0	0.0	0.0
04	0469 Mail Truck Driver	1.0	1.0	1.0	1.0
	0479 Dup Shop Machine Operator	2.0	2.0	2.0	2.0
05	0568 Lead Printer	1.0	1.0	1.0	1.0
28	0868 Mgr Building Support Serv	1.0	1.0	1.0	1.0
Total		7.0	7.0	7.0	7.0



PROCUREMENT DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

Implementation of Procurement Policies and Procedures ensures the organization can achieve the Vital Few Objective to Enhance Fiscal Responsibility. Adhering to Board Policy, Federal Regulations, State Law, and other best practices supports the scorecard measure of progress and quality of Audits Completed and Compliance maintained. An Action Plan is in place to improve the specification writing process to establish better evaluation and selection practices to procure goods, services, and capital improvements for GCRTA.

2016 ACCOMPLISHMENTS

- Implemented I supplier
- Perfect Triennial review
- Implemented ne report writer
- Saved \$3,000,000
- Processed 7,077 Purchase orders valued at \$88,848,405.35

2017 PRIORITIES

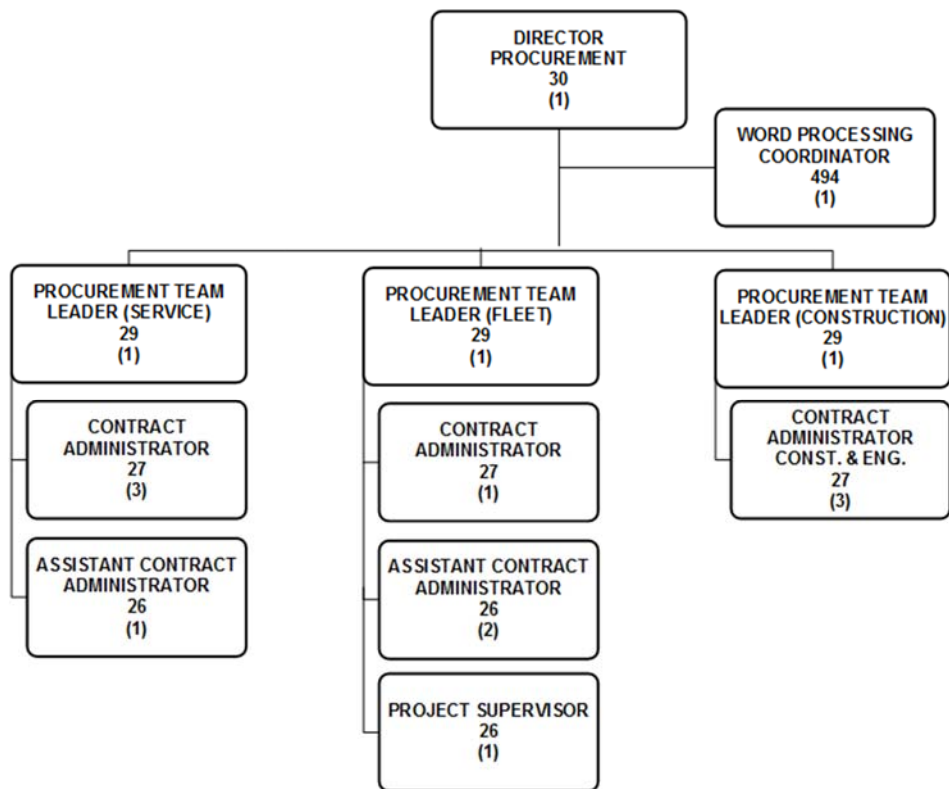
- Implement, monitor and improve procurement acquisition process to reduce procurement turnaround time.
- Expedite procurement and delivery of goods and services to user departments utilizing a functional work team structure.
- Finalize the dashboard development for RTA.
- Implement National Institute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

PROCUREMENT DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	1,152,774	1,165,124	1,153,990	1,205,659
502000	Fringe Benefits	446,686	447,697	457,845	449,108
503000	Services	5,386	5,547	5,700	5,700
503020	Advertising Fees	17,434	16,689	17,632	16,500
503052	Other Maintenance Contracts	14,600	(357)	0	0
504000	Materials & Supplies	4,514	4,964	5,023	0
504050	Office Supplies	0	0	0	5,000
509000	Miscellaneous Expenses	19,430	7,524	12,960	5,000
509020	Travel, Training & Conferences	0	0	0	6,975
509022	Meals & Concessions	0	0	0	150
Total		1,660,827	1,647,188	1,653,149	1,694,092

PROCUREMENT DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
04	0494 Word Processing Coord.	1.0	1.0	1.0	1.0
26	1138 Project Supervisor	1.0	1.0	1.0	1.0
	0830 Assistant Contract	3.0	3.0	3.0	3.0
27	1160 Contract Administrator	3.0	3.0	3.0	3.0
	1160 Contract Administrator	1.0	1.0	1.0	1.0
	1171 Contr Admin Const & Eng	3.0	3.0	3.0	3.0
29	0787 Procurement Team Leader	1.0	1.0	1.0	1.0
	0787 Procurement Team Leader	1.0	1.0	1.0	1.0
	0787 Procurement Team Leader	1.0	1.0	1.0	1.0
30	1609 Director	1.0	1.0	1.0	1.0
	Total	16.0	16.0	16.0	16.0



REVENUE DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Revenue Department plays a key role in achieving the Vital Few Objective to Enhance Fiscal Responsibility with impact on the scorecard measure of Passenger Fares, which is a TEAM Goal. Excellent performance in this indicator has implications on Operating Revenue, and correlates with Ridership and Customer Satisfaction.

2016 ACCOMPLISHMENTS

- Supported additional fare collection needs and distribution of specialty/commemorative passes for the Authority on St. Patrick's Day, during the NBA Playoffs and Finals, NBA Championship Parade, RNC, MLB Playoffs and World Series and all Cleveland Browns home games.
- Successfully implemented the U-Pass program with several area colleges and the student pass program with the Cleveland Metropolitan School District.
- In conjunction with the support of the Information Technology department launched the pilot program for Mobile Ticketing.
- Assisted with the revised fare collection process with the closure of tracks at the Tower City Station.
- On a monthly basis provided ridership numbers to the Marketing Department for distribution to the Executive Team.
- Continue to work with other GCRTA departments and vendors on the implementation of the GFI/ACS fare collection system.
- Fielded and resolved numerous customer issues regarding the fare collection system.

2017 PRIORITIES

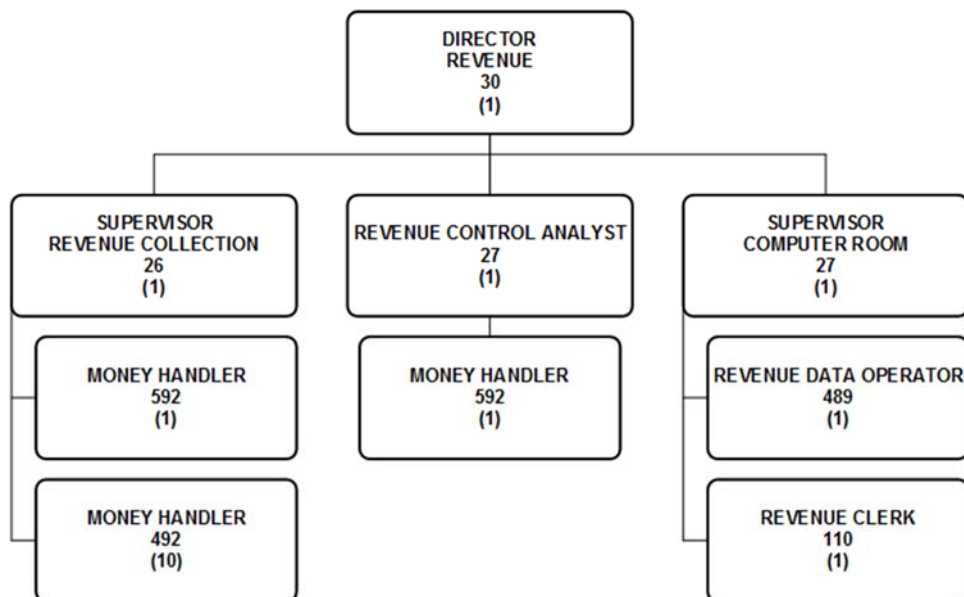
- Continue to prepare employee transition plan to include, but not limited to, the assistance of an MDP team member.
- Continue to work with both GFI and ACS toward the successful completion of the installation of the automated fare collection equipment, software, and peripherals.
- Ensure that fare-cards and passes are available for distribution to outlets and the general public and work as intended.
- Work on continuous improvement of the cash handling, fare collection equipment security, and the fare-box vaulting process.
- Direct implementation of fare policies and continue to seek ways to improve education to the public.
- Continue to streamline the process and agreement with Cleveland Metropolitan School District.
- Monitor activity of all TVM's and CSK's throughout the system and look for any abnormalities and report them to the appropriate team members.
- Support the Authority in their effort to streamline fare collection for special events.

REVENUE DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	1,024,460	1,026,369	1,065,984	1,100,062
501310	Overtime Salaried Employees	26,424	30,644	28,290	34,600
502000	Fringe Benefits	402,241	401,292	429,389	415,395
503000	Services	408,496	413,017	395,859	0
503052	Other Maintenance Contracts	0	0	0	439,000
504000	Materials & Supplies	268,814	272,556	274,743	305,500
504050	Office Supplies	0	0	0	400
509000	Miscellaneous Expenses	5,736	5,477	765	1,500
509020	Travel, Training & Conferences	0	0	0	2,825
509022	Meals & Concessions	0	0	100	50
Total		2,136,171	2,149,355	2,195,130	2,299,332

REVENUE DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
01	0110 Revenue Clerk	1.0	1.0	1.0	1.0
04	0489 Revenue Data Operator	1.0	1.0	1.0	1.0
	0492 Money Handler	10.0	10.0	10.0	10.0
05	0592 Money Handler	2.0	2.0	2.0	2.0
26	0955 Supv Revenue Collection	1.0	1.0	1.0	1.0
27	0750 Revenue Control Analyst	1.0	1.0	1.0	1.0
	0832 Supervisor Computer Room	1.0	1.0	1.0	1.0
30	1429 Director	1.0	1.0	1.0	1.0
Total		18.0	18.0	18.0	18.0



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ENGINEERING & PROGRAM MANAGEMENT DIVISION

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.

DIVISION STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Engineering and Project Management Division is responsible for RTA's planning, real estate, and capital project design and construction administrative activities. The Engineering Division plays a key support role to Asset & Configuration Management in achieving goals for the Vital Few Objective (VFO) to Achieve a State of Good Repair (SoGR). Progress and impact are measured by completion of SoGR priorities, and the change in the Asset Management Rating of all assets under the scope of the Asset Management Program.

2016 ACCOMPLISHMENTS

- Completed replacement of the Tower City escalators prior to the RNC.
- Completed the Tower City Track 7 Platform and Track 8 Reconstructions.
- Completed the Red Line West 117th Street Track Rehabilitation.
- Completed construction of the Warrensville Green Line Station ADA platforms.
- Completed the East 81st and East 83rd Street Track Bridge Rehabilitations.
- Completed construction of Phase 2 Green Line Grade Crossings-Main St. (WFTL), Southington & West Park.
- Completed construction of the Red Line over East Boulevard Bridge rehabilitation.
- Completed construction of the Rail Car Wash Rack and Transfer Table projects.
- Completed the design of the East 34th Street Station ADA Rehabilitation.
- Completed design of Phase 3 Light Rail Grade Crossings-Courtland Blvd. (Green Line), Kenmore Rd. and Onaway Rd. (Blue Line).
- Completed inspection, including underwater of the Central Viaduct Truss Bridge.
- Completed Executive Summary for the Red Line / HealthLine Extension.
- Continued construction of the Brookpark Station Rehabilitation.
- Continued construction of the Triskett outdoor bus storage area.
- Continued construction of the Hayden and CBMF CNG Building Modifications.
- Began construction of the East 92nd Truss Bridge Rehabilitation over CSX Railway.
- Began construction of the Light Rail Retaining Wall Rehabilitation – Phase 1.
- Began construction of the Lee-Shaker Station ADA Rehabilitation.
- Began construction of the Mayfield Road Enhancements
- Began the design of the Farnsleigh Station ADA rehabilitation.
- Began inspections of Fracture Critical Bridges.
- Began public art installation at the Brookpark Station reconstruction.
- Received replacement proposals for West 65th, West 117th, and Puritas Substations.
- Supported the activities of the Cuyahoga County Trails Leadership Network.
- Promoted transit elements in various TLCI studies throughout Cuyahoga County.
- Facilitate construction coordination with various ODOT and City of Cleveland projects.
- Obtained ISO 14001 Recertification for the Central Bus Maintenance Facility.
- Began the ISO 14001 documentation for Hayden and Triskett Bus Garages.
- Obtained competitive OTPPP, CMAQ and Bridge grants from ODOT.

2017 PRIORITIES

- Complete construction of the Brookpark Station Rehabilitation.
- Complete construction of the Hayden and CBMF CNG Building Modifications.
- Complete construction of the Lee-Shaker Station ADA Rehabilitation.
- Complete construction of the Mayfield Road Enhancements.
- Complete construction of the East 92nd Truss Bridge Rehabilitation over CSX Railway.
- Complete construction of deck replacement on E. 37th Bridge
- Complete construction of the Light Rail Retaining Wall Rehabilitation – Phase 1.
- Complete construction of Phase 3 Light Rail Grade Crossings-Courtland Blvd. (Green Line), Kenmore Rd. and Onaway Rd. (Blue Line).
- Complete construction of the Triskett outdoor bus storage areas.
- Complete construction of the ADA ramps on the Tower City Light Rail platforms.
- Complete construction of repairs to Ambler Bridge.
- Complete demolition of WB CRMF Access Bridge over Norfolk Southern.
- Complete the replacement of Tower City Turnout #125 at the west end of Track 8.
- Complete public art installations for the Brookpark Station and Clifton projects.
- Complete Healthline (Euclid Ave.) to Red Line Fiber Optic Connection.
- Complete design and construction of the Red Line West 30th to W. 98th Street Track Rehabilitation.
- Complete design for West Park NS Diamond Crossing Diamond Removal.
- Complete design for Buckeye-Woodhill Bridge Track Restoration.
- Complete design for Red Line Fiber Optic Communication System Replacement.
- Complete design for the Light Rail Retaining Wall Rehabilitation - Phase 2.
- Complete design for Triskett Garage CNG Upgrades.
- Complete the design of the Farnsleigh Station ADA rehabilitation.
- Complete design for E. 116th Bridge Rehabilitation.
- Complete Catenary Inspection Program and Signal System Evaluation.
- Complete inspections of the Fracture Critical Bridges.
- Begin construction of the East 34th Street Station ADA Rehabilitation.
- Begin construction the East 116th St. Station.
- Begin design of Tower City Track 10 and Track 13 Rehabilitation including associated platform work and Catenary Sectionalization.
- Begin design for Cuyahoga Viaduct Rehabilitation.
- Begin replacement of the West 65th, West 117th, and Puritas Substations.
- Support the activities of the Cuyahoga County Trails Leadership Network.
- Promote transit elements in various TLCI studies throughout Cuyahoga County.
- Continue supporting the ISO 14001 programs at CBMF, Hayden and Triskett.
- Facilitate construction coordination with various ODOT and City of Cleveland projects.
- Obtain competitive grants from FTA, ODOT, and NOACA.

LIST OF DEPARTMENTS

Department Number	Department Name
55	Project Support
57	Programming & Planning
80	Engineering & Project Development

PROJECT SUPPORT DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

Supporting the Vital Few Objectives (VFOs) for Continual Process Improvement and Fiscal Responsibility. The Project Support Department impacts GCRTA's ability to achieve a State of Good Repair and Advance and Improve Technology, as well as Enhancing Fiscal Responsibility by providing quality and safety oversight and program reviews of projects.

2016 ACCOMPLISHMENTS

- Completed (8) Quality Assurance / Safety Audits
- Reviewed 23 Quality control Plans, Reports, and Specifications
- Conducted 18 Field and Manufacturing site visits
- Completed 2 major engineering audits
- Held 11 Project meetings
- Reviewed 7 Third-Party plans

2017 PRIORITIES

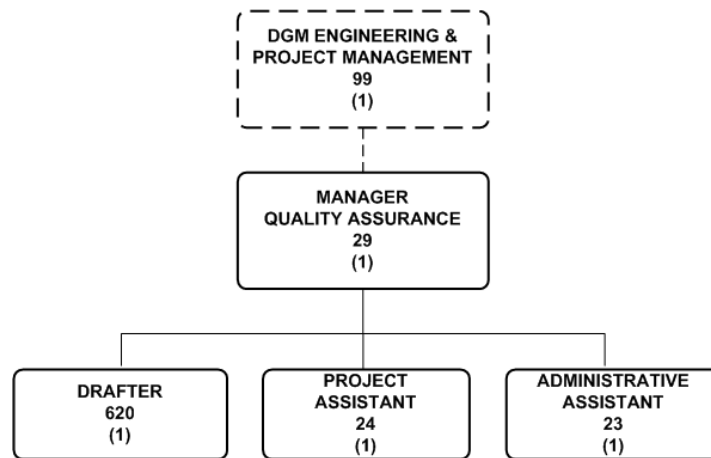
- Conduct quality assurance audits.
- Review GCRTA plans and specifications for construction projects.
- Review third party plans and specifications for construction crossing or adjoining GCRTA facilities.
- Provide engineering assistance as needed.
- Develop procedures to track on call service contracts.
- Coordinate work of support staff.
- Support the authority's ISO 14001 efforts.

PROJECT SUPPORT DEPARTMENT BUDGET

Obj. Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor – Salaried Employees	261,835	239,926	257,381	248,988
501310	Overtime – Salaried Employees	9,612	1,145	1,089	20,000
502000	Fringe Benefits	101,715	92,004	101,770	95,998
503000	Services	0	725	0	4,000
503049	Temporary Help	3,040	16,374	0	0
504000	Materials & Supplies	10,232	17,056	5,442	0
504050	Office Supplies	0	0	0	300
509000	Miscellaneous Expenses	1,291	759	1,100	300
509020	Travel & Conferences	0	0	0	650
509022	Meals & Concessions	0	0	100	100
Total:		387,726	367,990	366,882	370,336

PROJECT SUPPORT DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
06	0620 Drafter	1.0	1.0	1.0	1.0
23	0757 Administrative Assistant	1.0	1.0	1.0	1.0
24	0860 Project Assistant	1.0	1.0	1.0	1.0
29	1439 Mgr. – Quality Assurance	1.0	1.0	1.0	1.0
Total		4.0	4.0	4.0	4.0



PROGRAMMING & PLANNING DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

Supporting the Vital Few Objectives (VFOs) for Voice of Customer (Expanding Advocacy and Enhancing Customer Experience) and Continual Process Improvement (Achieving State of Good Repair and Advance & Improve Technology). The Programming and Planning Department impacts GCRTA's ability to meet goals for advocacy, public art, transportation studies, and receiving competitive grants for the capital improvement program.

2016 ACCOMPLISHMENTS

- Completed 2 Planning Studies, 2 TWE Projects, and 3 Public Art Projects
- Continued to represent RTA at UCI, NOACA, City of Cleveland Transportation Planning Projects, TLCI Projects and others as requested
- Executed the Strategic Plan while promoting development along Priority Corridors
- Continued implementation of the Transit Waiting Environment (TWE) program
- Continued implementation of new enhancement programs and projects
- Submitted and received competitive capital grant for capital improvement program
- Implemented 3 Public Art Projects and continued implementation of Public Art Program throughout RTA
- Continued Environmental Compliance documentation including Section 106 for construction projects

2017 PRIORITIES

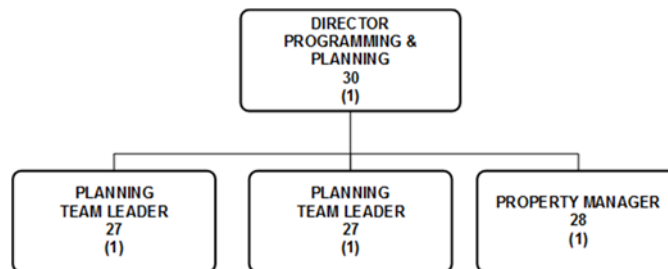
- Continue representing RTA at UCI, NOACA, City of Cleveland transportation Planning Projects, TLCI Projects and others as requested.
- Execute Strategic Plan while promoting development along Priority Corridors.
- Begin creating goals and implementation plan for upcoming Strategic Plan Update.
- Continue implementation of the Transit Waiting Environment (TWE) Program.
- Continue implementation of new enhancement programs and projects.
- Continue implementation of the Public Art Program.
- Submit competitive grants for capital improvement program funding.
- Complete Environmental Compliance documentation including Section 106 for construction projects.
- Analyze and create funding split allocations of Federal Formula Funds for the NOACA Transit Council.
- Complete land acquisition for proposed construction projects, which include various Stations and Substations.
- Continue marketing RTA real estate assets for lease, sale, and joint development activities.
- Complete the Opportunity Corridor – Phase I enhanced Station Areas.

PROGRAMMING AND PLANNING DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	273,053	300,591	299,733	326,403
502000	Fringe Benefits	104,237	115,939	120,129	121,585
503000	Services	18,392	10,850	16,705	26,300
504000	Materials & Supplies	686	524	200	0
504050	Office Supplies	0	0	0	400
507030	Property Taxes	108,505	160,298	269,350	482,477
509000	Miscellaneous Expenses	11,391	17,172	18,959	16,070
509020	Travel & Conferences	0	0	0	3,200
509022	Meals & Concessions	384	0	25	100
512000	Leases & Rentals	122,092	118,624	85,239	122,568
Total		638,741	723,997	810,430	1,099,103

PROGRAMMING AND PLANNING DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
27	0838 Planning Team Leader	2.0	2.0	2.0	2.0
28	0794 Property Manager	1.0	1.0	1.0	1.0
30	0788 Director	1.0	1.0	1.0	1.0
	Total	4.0	4.0	4.0	4.0



ENGINEERING & PROJECT DEVELOPMENT DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

Implementation of the Engineering Projects and Project Development ensures that the Authority can achieve the Vital Few Objectives for Fiscal Responsibility (Enhancing Fiscal Responsibility) through planning, design, and construction activities for capital projects, as well as Continual Process Improvement through Achieving a State of Good Repair on the Authority’s infrastructure and facilities.

2016 ACCOMPLISHMENTS

- E. 92nd Truss Bridge over CSX Railway (100% complete)
- Tower City Escalator Replacement (100% complete)
- Red Line Track Rehabilitation at W. 117th (100% complete)
- ADA Reconstruction at E. 34th St. Station, Warrensville Green Line Station (100% complete)
- Red Line Track Bridge over E. Boulevard Rehabilitation (100% complete)
- Tower City Track 7 Platform and Track 8 Replacement (100% complete)
- Light Rail Grade Crossing – Phase 2 (100% complete)
- Hayden and CBMF CNG Building Modifications (90% complete)
- Triskett CNG Building Modification Design (90% complete)
- Brookpark Station Reconstruction (80% complete)
- Replace deck of CRMF Access Bridge over E. 37th St. (20% complete)
- Lee Shaker Station ADA Rehabilitation (10% complete)

2017 PRIORITIES

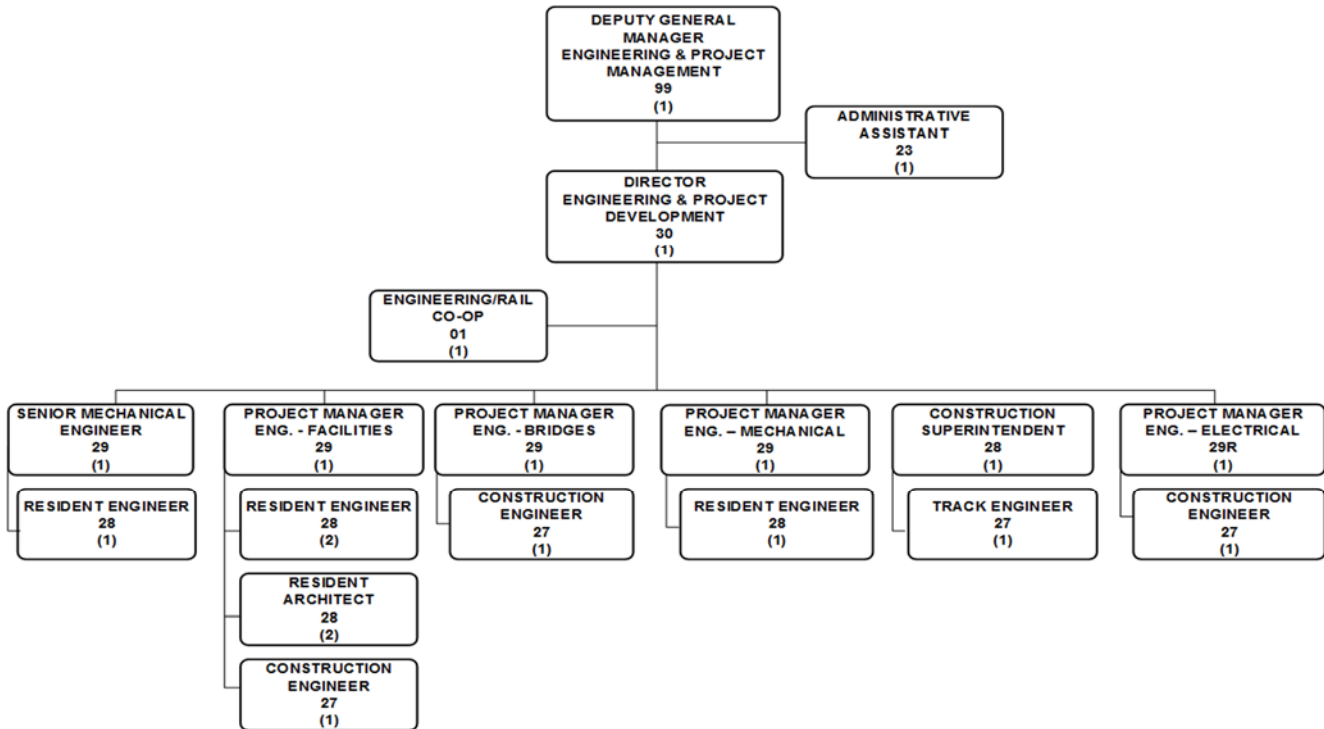
- Manage design and construction of capital projects.
- Provide project support, quality assurance, and program management services in support of capital projects and development activities.

ENGINEERING & PROJECT DEVELOPMENT DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees	8,903	31,220	30,922	31,200
501300	Labor Salaried Employees	1,246,053	1,420,495	1,458,747	1,641,281
502000	Fringe Benefits	442,773	519,956	569,031	611,377
503000	Services	19,666	4,500	2,932	50,000
504000	Materials & Supplies	2,397	1,393	2,485	1,100
504050	Office Supplies	0	0	0	1,850
509000	Miscellaneous Expenses	20,521	28,342	45,302	20,400
509020	Travel & Conferences	0	0	0	14,100
509022	Meals & Concessions	0	0	38.25	1,300
Total		1,740,312	2,005,907	2,109,457	2,372,608

ENGINEERING & PROJECT DEVELOPMENT DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
01	9942 Engineering Intern	1.0	1.0	1.0	1.0
23	0725 Executive Secretary	1.0	1.0	0.0	0.0
	0757 Administrative Assistant	0.0	0.0	1.0	1.0
27	1192 Construction Engineer	3.0	2.0	3.0	3.0
	1509 Track Engineer	0.0	0.0	1.0	1.0
28	1250 Supt Construction	1.0	1.0	1.0	1.0
	1355 Resident Engineer	6.0	6.0	6.0	6.0
29	0796 Manager Eng. Project	2.0	3.0	3.0	3.0
	1660 Senior Mechanical Engineer	1.0	1.0	1.0	1.0
	1329 Project Manager – Electrical	1.0	1.0	1.0	1.0
	1518 Senior Engineer – Signal	1.0	1.0	0.0	0.0
30	0789 Director – Engineering & Project Dev	1.0	1.0	1.0	1.0
99	9931 DGM Eng & Project Mgmt	1.0	1.0	1.0	1.0
	Total	19.0	19.0	20.0	20.0



LEGAL AFFAIRS DIVISION

MISSION STATEMENT

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

DIVISION OVERVIEW

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

The Legal Department provides legal counsel and representation to the Board of Trustees and the Authority. Legal represents the GCRTA on major projects, personal injury, property damage, employment, labor, civil rights, debt collection, and contract matters. It also advises on procurement, general contract, real estate, personnel, liability, and labor matters.

The Office of Equal Opportunity ensures EEO/ADA and workplace harassment policy compliance.

The Safety Department provides accident prevention, bus system safety, industrial safety, facilities, and rail system safety program.

The Risk Management Department provides Workers' Compensation, as well as insurance expertise for the Authority and manages the purchases of both liability and property insurance consistent with GCRTA's level of self-insurance.

2016 ACCOMPLISHMENTS

- Provided efficient and cost-effective legal representation in all GCRTA litigation, transactional, and administrative matters
- Continued legal information program to apprise GCRTA departments of public sector legal issues that affect the Authority
- Supported construction projects and energy management initiatives
- Developed safety performance measures for managers and supervisors
- Continued a proactive approach to reducing bus and rail incidents
- Continued the management of the Authority's EEO/ADA programs to ensure compliance with Federal, State, and local laws regarding employment practices, facilities, and services
- Continued to investigate allegations of discrimination or non-compliance with equal opportunity policies and procedures
- Supported the Authority's Affirmative Action Plan
- Worked to ensure compliance with all Federal, State, and local legislation and regulations and served as a liaison between the Authority and regulatory agencies
- Reduced Workers' Compensation on-the-job injuries
- Supported the implementation of MAP-21 and ISO 14001 programs
- Supported and enhanced the skills of the Claims employees through training opportunities

2017 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 and energy management initiatives
- Continue safety performance measures for managers and supervisors
- Continue a proactive approach to reducing bus and rail incidents

- Continue the management of the Authority's EEO/ADA programs to ensure compliance with Federal, State, and local laws regarding employment practices, facilities, and services
- Continue to investigate allegations of discrimination or non-compliance with equal opportunity policies and procedures
- Continue to develop and monitor the Authority's Affirmative Action Plan
- Continue to ensure compliance with all Federal, State, and local legislation and regulations and serve as a liaison between the Authority and regulatory agencies
- Continue the implementation of the Workers' Compensation Action Plan with a focus on strengthening and expanding the Remain-At-Work program
- Continue to negotiate the best terms and conditions available in the marketplace and most cost-effective renewal of GCRTA insurance programs
- Continue to monitor data entry and reporting requirements
- Support the implementation of MAP-21 and ISO 14001 programs
- Continue to update and improve our claims handling process
- Continue to review the claims process and procedures to produce best practices
- Continue to create a positive working environment that emphasizes teamwork and goal setting
- Continue to enhance the skills of all Claims employees through training opportunities

LIST OF DEPARTMENTS

Department Number	Department Name
15	Safety Department
21	Legal Department
	EEO/ADA
	Claims
22	Risk Management Department
	Workers' Compensation

SAFETY DEPARTMENT

MISSION STATEMENT

The Safety Department's Mission is to lead a proactive approach in decreasing On-the-Job injuries and preventable collisions. The safety of our passengers, our employees, and the general public is always our top priority.

STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

Implementation of Safety policies, procedures, and training ensures the Authority can achieve the Vital Few Objective of Learning & Innovation to Achieve a Safety Culture. Through these practices and development of corrective actions, the Vital Few Objective of Voice of the Customer of Enhancing the Customer Experience can be achieved.

2016 ACCOMPLISHMENTS

- Performed off-shift inspections for a more comprehensive view of bus and rail safety evaluations
- Provided training on TSI certification for Safety Department personnel
- Enhanced safety procedures and training involving alternative fuels
- Continued enhancement of a safety culture within the Authority
- Developed corrective actions from audits and incidents
- Assisted with implementation of ISO 14001 at Hayden and Triskett Districts
- Determined areas for improvement in bus and audit bus similarly to rail
- Continued participation of Safety and Security Certification of Rail Transit projects
- Enhanced and provided safety efforts during the CAVS Championship games and parade, Republican National Convention, and Indian's Championship and World Series games

2017 PRIORITIES

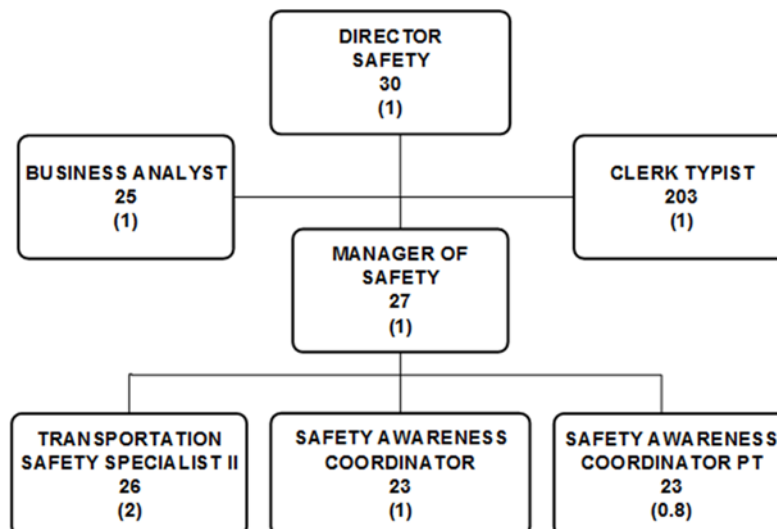
- Continue Safety procedures and training involving alternative fuels
- Continue enhancement of a safety culture within the Authority
- Develop corrective actions from audits and incidents
- Continue assistance with ISO 14001 at Hayden and Triskett Districts
- Identify areas of improvement with bus and bus audits
- Continue performing off-shift inspections of bus and rail safety evaluations
- Continue participation of Safety and Security Certification of Rail Transit projects
- Continue TSI certification and training of Safety Department personnel

SAFETY DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees Payroll	1,773	19,133	275	25,125
501300	Labor - Salaried Employees	398,661	431,740	462,219	476,982
501310	Overtime - Salaried Employees	1,900	2,351	3,106	0
502000	Fringe Benefits	152,876	177,700	186,801	187,035
503000	Services	124,040	150,685	146,257	67,800
503049	Temporary Help	0	18,900	18,664	0
503052	Other Maintenance Contracts	61,500	54,783	63,002	194,162
504000	Material & Supplies	12,848	27,609	15,836	31,300
504050	Office Supplies	0	0	0	500
509000	Miscellaneous Expenses	42,771	34,835	41,898	35,800
509020	Travel And Conferences	0	0	0	9,000
509022	Meals & Concessions	636	0	427	1,000
Total		797,005	917,737	938,485	1,028,704

SAFETY DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
04	0404 Administrative Assistant	1.0	1.0	1.0	1.0
23	1151 Safety Awareness Coordinator PT	0.0	0.5	0.5	0.8
	1151 Safety Awareness Coordinator	1.0	1.0	1.0	1.0
25	1085 Business Analyst	1.0	1.0	1.0	1.0
26	1196 Transportation Safety Specialist II	2.0	2.0	2.0	2.0
27	0872 Manager of Safety	1.0	1.0	1.0	1.0
30	1443 Director	1.0	1.0	1.0	1.0
Total		7.0	7.5	7.5	7.8



LEGAL DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

Through legal counsel, EEO/ADA services, and claims processing, the Legal Department ensures the Authority can achieve the Vital Few Objective of Learning and Innovation through Improving Employee Development and VFO Fiscal Responsibility through Enhancing Fiscal Responsibility by providing comprehensive and effective services.

2016 ACCOMPLISHMENTS

- Provided legal service to the Authority including tort and contract claims; Workers' Compensation cases and associated lawsuits; Federal, State, and local administrative proceedings and hearings; grievance hearings, and labor negotiations
- Conducted training sessions on significant legal topics affecting the Authority
- Conducted investigations on all EEO and ADA allegations
- Provided legal support for all phases of development projects, land use, and acquisition
- Provided legal support for the development, drafting, and revision of policies and procedures, including those for Procurement, contract, and personnel forms
- Provided legal services to the Authority for the Republican National Convention (RNC)

2017 PRIORITIES

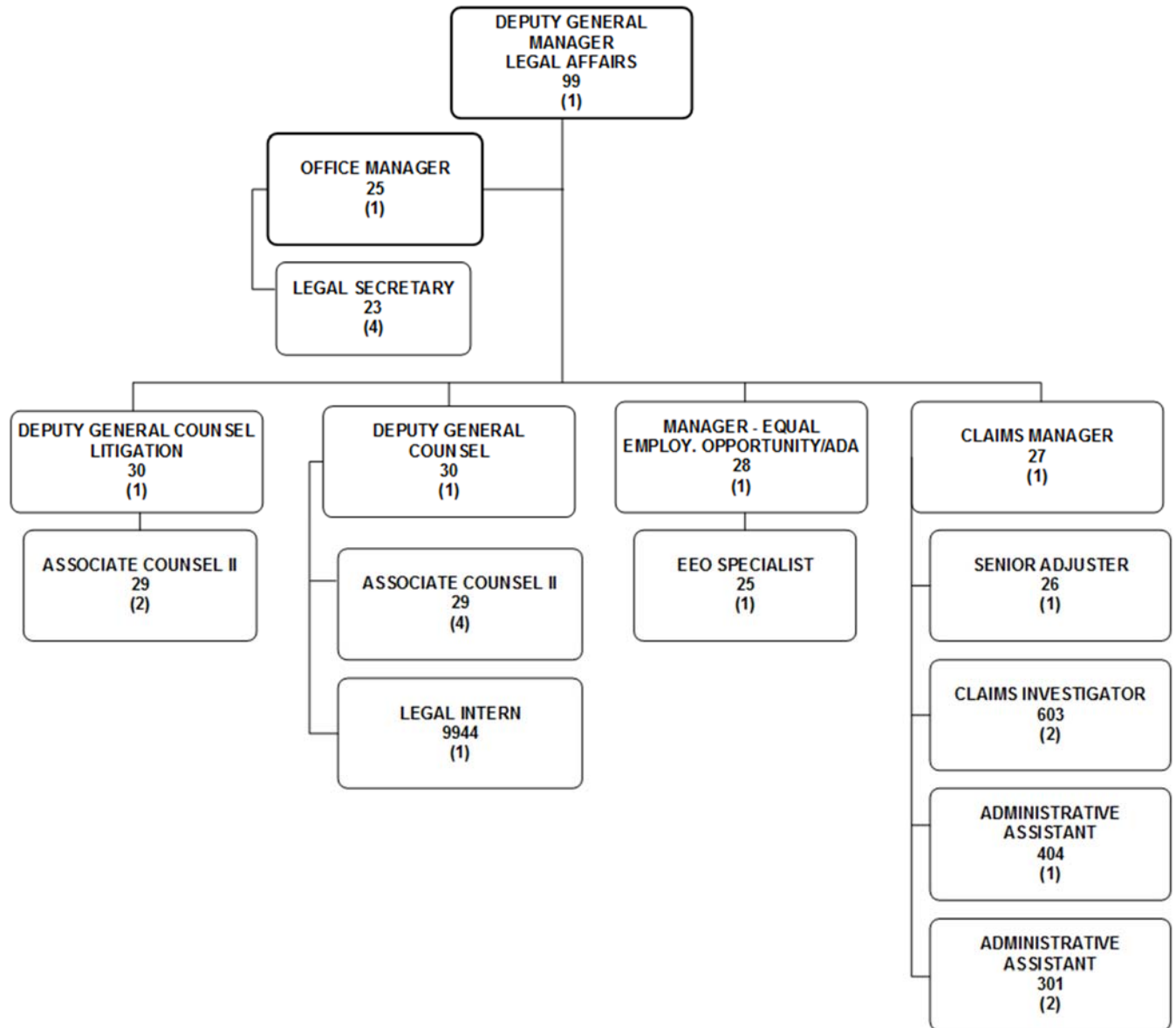
- Provide legal service to the Authority including tort and contract claims; Workers' Compensation cases and associated lawsuits; Federal, State, and local administrative proceedings and hearings; grievance hearings, and labor negotiations
- Conduct training sessions on significant legal topics affecting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

LEGAL DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees Payroll	26,359	21,377	29,791	31,200
501210	Hourly Overtime	0	0	6	0
501300	Labor - Salaried Employees	1,233,788	1,635,941	1,679,369	1,759,544
501310	Overtime - Salaried Employees	345	3,295	4,643	4,125
502000	Fringe Benefits	448,553	601,030	665,846	667,723
503000	Services	154,245	153,688	181,064	131,000
503049	Temporary Help	32,814	24,576	103,290	0
503052	Other Maintenance Contracts	0	0	0	180,000
504000	Material & Supplies	3,371	4,098	8,303	2,500
504050	Office Supplies	0	0	0	5,950
506040	Liabilities & Property Claims	484,463	1,039,527	1,183,233	1,575,000
509000	Miscellaneous Expenses	21,184	24,462	25,767	10,250
509020	Travel And Conferences	0	0	0	11,550
509022	Meals & Concessions	0	0	770	2,500
512000	Leases & Rentals	14,960	16,137	35,512	38,000
Total		2,420,062	3,524,130	3,917,594	4,419,342

LEGAL DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
01	9944 Legal Intern	1.0	1.0	1.0	1.0
03	0301 Administrative Assistant	2.0	2.0	2.0	2.0
04	0404 Administrative Assistant	1.0	1.0	1.0	1.0
06	0603 Claims Investigator	3.0	2.0	2.0	2.0
23	0724 Legal Secretary	3.0	4.0	4.0	4.0
25	1675 Office Manager	1.0	1.0	1.0	1.0
	1720 EEO & ADA Specialist	1.0	1.0	1.0	1.0
26	0876 Senior Adjuster	1.0	1.0	1.0	1.0
27	0773 Manager Claims	1.0	1.0	1.0	1.0
28	0880 Manager EEO/ADA	1.0	1.0	1.0	1.0
29	1440 Associate Counsel II	6.0	6.0	6.0	6.0
30	1618 Deputy Counsel – Litigation	1.0	1.0	1.0	1.0
	1680 Deputy General Counsel	1.0	1.0	1.0	1.0
99	9951 DGM Legal Affairs	1.0	1.0	1.0	1.0
Total		24.0	24.0	24.0	24.0



RISK MANAGEMENT DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

Through risk identification and analysis, and well as managing the Authority's insurance programs, the Risk Management Department ensures the Authority can achieve the Vital Few Objective of Learning and Innovation through Improving Employee Development and VFO Fiscal Responsibility through Enhancing Fiscal Responsibility by providing comprehensive and effective services.

2016 ACCOMPLISHMENTS

- Provided Risk Management expertise to Legal, Procurement, and Engineering Departments for on-going construction projects and procurements
- Held the focus on workplace injuries and the frequency and cost reductions, as well as the increased accountability by District personnel
- Negotiated the best terms and conditions available in the market place and most cost effective renewal for property/casualty insurance programs for GCRTA
- Continued Risk Assessment exercises for cyber liability risk exposures for the Authority via completion of insurance application along with IT, other stakeholders and Casualty Insurance Broker
- Worked with Casualty Insurance Broker to finalize W/C and Liability Claim audits and implement recommendations for improvement of W/C and Liability claim processes and results to ensure alignment with industry best practices
- Provided risk assessment services to the Authority for the Republican National Convention (RNC)

2017 PRIORITIES

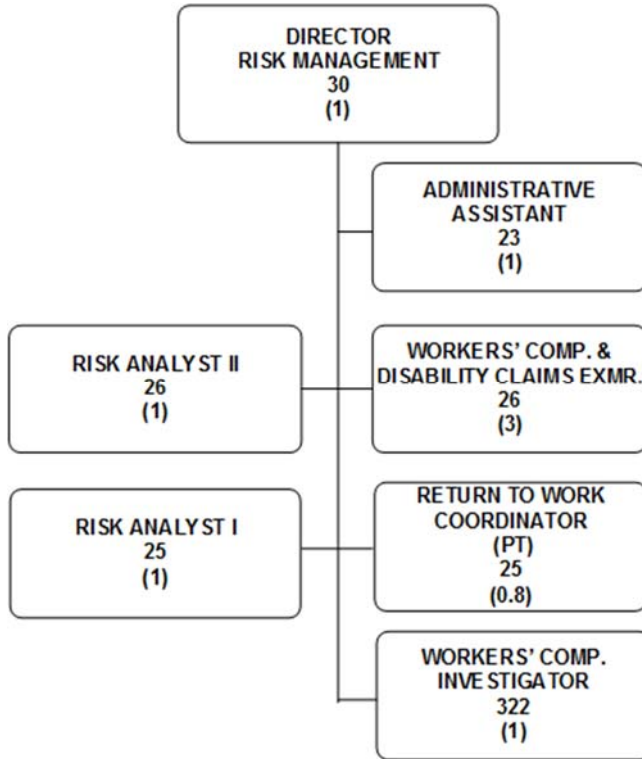
- Provide Risk Management expertise to Legal, Procurement, and Engineering Departments for on-going construction projects and procurements
- Hold the focus on workplace injuries and the frequency and cost reductions, as well as the increased accountability by District personnel
- Negotiate the best terms and conditions available in the market place and most cost effective renewal for property/casualty insurance programs for GCRTA
- Complete Risk Assessment exercises for cyber liability risk exposures for the Authority via completion of insurance application along with IT, other stakeholders and Casualty Insurance Broker
- Work with Casualty Insurance Broker to finalize W/C and Liability Claim audits and implement recommendations for improvement of W/C and Liability claim processes and results to ensure alignment with industry best practices

RISK MANAGEMENT DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees Payroll	4,848	922	2,914	49,000
501300	Labor - Salaried Employees	706,919	487,596	464,337	512,025
501310	Overtime - Salaried Employees	5,084	24	51	1,375
502000	Fringe Benefits	272,994	189,073	187,412	209,205
502071	W/C – Injuries & Damages	1,148,095	1,200,000	925,413	1,300,000
502082	W/C – Medical Payments	653,910	800,000	535,890	1,000,000
503000	Services	497,759	314,125	176,784	299,500
503030	W/C Administration Fee	372,300	341,757	397,537	399,504
503049	Temporary Help	96,667	8,186	13,310	0
504000	Material & Supplies	4,550	2,855	1,518	2,520
504050	Office Supplies	0	0	0	1,820
506000	Casualty & Liability Costs	345,897	361,996	449,633	454,691
506010	Physical Damage Insurance	618,348	571,522	543,825	683,082
506040	Liability & Property Claims	1,087,269	0	(450)	0
506200	W/C – Settlement & Lawsuit Expense	160,547	215,000	62,000	215,000
509000	Miscellaneous Expenses	22,167	4,043	2,850	285
509020	Travel And Conferences	0	0	0	2,950
509022	Meals & Concessions	0	0	0	50
Total		5,997,252	4,497,099	3,763,024	5,131,006

RISK MANAGEMENT DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
03	0322 Workers' Comp Clerk	1.0	1.0	1.0	1.0
23	0757 Administrative Assistant	1.0	1.0	1.0	1.0
25	0885 Risk Analyst I	1.0	1.0	1.0	1.0
	1627 RTW – Transitional Coordinator	0.5	0.5	0.8	0.8
26	0905 Risk Analyst II	1.0	1.0	1.0	1.0
	1165 Workers' Comp/Dis Claim Examiner	3.0	3.0	3.0	3.0
30	0771 Director	1.0	1.0	1.0	1.0
Total		8.5	8.5	8.8	8.8



HUMAN RESOURCES DIVISION

MISSION STATEMENT

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

DIVISION STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Human Resources Division champions the VFO to Improve Employee Development, as a component of Strategic Focus Area for Innovation & Learning. This includes regular improvements, management, and reporting on Employee Satisfaction & Engagement, Employee Performance Management, Workforce Turnover and Training, Attendance, completed trainings, and on-time completion of Performance Evaluations across the workforce. The key Change Initiative addresses continued development and improvements to the Succession Planning Program, where promotion, skill development, and better tools for evaluation are established and monitored.

2016 ACCOMPLISHMENTS

- Successfully completed Public Transit Management Academy Cohort Four (30 Employees, six Group Projects Completed) as part of the FTA Ladders of Opportunity- Innovative Workforce Development Grant.
- Successfully completed Lean Six Sigma Green Belt Certification Training (19 employees, four group projects completed) as part of the Lean Ohio Local Government Efficiency Program Grant.
- Developed and implemented the Midwest Transit Leadership Exchange with eight transit agencies from Ohio, Pennsylvania, and New York to promote best practices for succession planning and leadership development.
- Implemented University Hospital HMO plan design option for employees.
- Launched Employee Promotability Pilot class enhancing job search and interview skills in an effort to increase internal promotions.
- Continued to track and monitor attendance trends and comply with revised Family Medical Leave Act (FMLA), thereby reducing absence duration and lowering employer costs. Implemented Kronos FMLA tracking module.
- Continued enhancements of Oracle Standard Benefits and Employee Self-Service modules to provide policy information and decision support information to employees and managers in a timely fashion.
- Continued Positive Discipline and Labor Relations supervisory training.
- Continued 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.
- Continued high potential Succession Planning Program where 5 out of 16 applicants were selected. Participants continue with execution of individual development plans.

2017 PRIORITIES

- Begin Negotiations for a cost effective contract with the FOP and ATU.
- Launch 2nd Succession Planning Program selection process for potential participants
- Complete second group of process maps identified as a part of the Process Mapping Initiative
- Continue performance appraisal/management enhancements, including adding the use of digital signatures and piloting an appraisal review board concept
- Review and recommend changes to Non-Bargaining Salary Structure and Compensation Plan

LIST OF DEPARTMENTS

Department Number	Department Name
14	Human Resources
18	Labor & Employee Relations
30	Training & Employee Development

HUMAN RESOURCES DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Human Resources Department plays a critical role in achieving the VFO for Improve Employee Development. Key strategies for recruitment and retention have significant impact on the Change Initiative for Development and Succession Planning across all workforce segments. Partnering with Training & Employee Development, Human Resources is charged with monitoring turnover, defining capability & capacity needs, and information action plans to improve bench strength throughout the workforce.

2016 ACCOMPLISHMENTS

- Implemented University Hospital HMO plan design option for employees
- Continued enhancements of Oracle Standard Benefits and Employee Self-Service modules to provide policy information and decision support information to employees and managers in a timely fashion
- Continued 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
- Continued high potential Succession Planning Program where 5 out of 16 applicants were selected. Participants continue with execution of individual development plans

2017 PRIORITIES

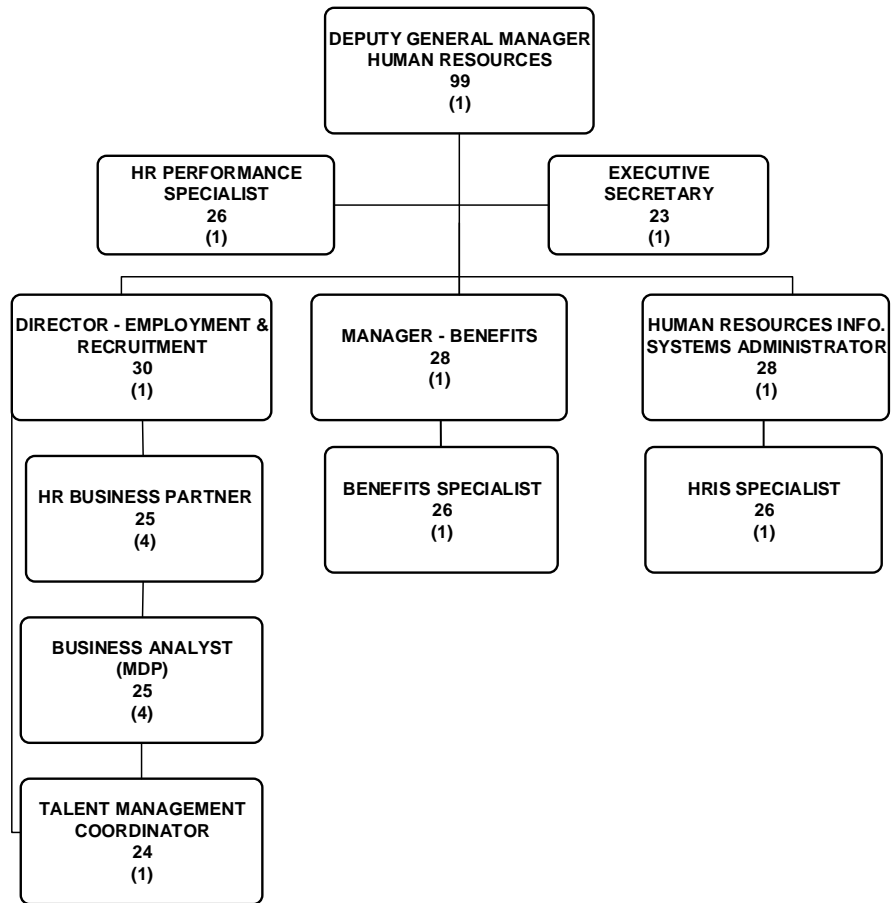
- Continue to explore and implement improvements to the performance management process for non-represented personnel, to include but not limited to: continued alignment with Mission, Vision, Values and Vital Few Objectives.
- Continue development of the HR Business Partner to include the expansion of individual HR job responsibilities, to provide prompt, efficient, and personalized service to the Operating Districts.
- Continue to partner with directors, managers, and supervisors to implement succession planning activities that prepare employees to fill future leadership positions (e.g. Management Development Program).
- Continue development and monitoring of Oracle system security plan and enhancing Quality Assurance metrics.
- Continue training for Oracle HRMS, Kronos, and EIS users in the areas of reporting, data analysis, metrics, and increased functionality.
- Achieve optimal Operator staffing levels to improve service.
- Continue increasing HR's visibility throughout Authority.
- Increase recruitment outreach activities by attending at least two events per month on average.
- Streamline process of filling vacancies by eliminating redundancies and non-value added activities.
- Continue to improve new hire orientation and onboarding practices of new employees
- Continue the implementation and improvements of succession planning initiatives to include, but not limited to: the Career Pathways Program, Management Development Program, Signals Training Consortium, Rail Car Training Consortium and Apprenticeships and Midwest Transit Leadership Exchange.

HUMAN RESOURCES DEPARTMENT BUDGET

Obj. Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees	0	80,266	97,044	264,900
501204	Hourly Employees/Light Duty Wages	91,299	3,500	0	60,000
501210	Overtime – Hourly Employees	298	236	0	0
501300	Labor – Salaried Employees	1,031,278	1,052,672	934,869	1,093,889
502000	Fringe Benefits	381,036	399,325	385,353	528,499
503000	Services	242,992	247,297	149,313	159,000
503020	Advertising Fees	(8,339)	12,473	10,951	20,000
503049	Temporary Help	27,676	22,520	(32)	0
504000	Materials & Supplies	14,508	18,716	22,550	21,000
509000	Miscellaneous Expenses	13,038	12,064	15,000	10,200
509020	Travel and Conferences	0	0	0	6,850
509022	Meals & Concessions	320	0	250	800
Total:		1,794,106	1,849,070	1,615,298	2,166,889

HUMAN RESOURCES DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
24	1636 Talent Management Coordinator	0.0	0.0	0.0	1.0
25	1081 Business Analyst	4.0	5.0	4.0	4.0
	1640 HR Business Partner	4.0	4.0	5.0	4.0
26	1624 HR Performance Specialist	1.0	1.0	1.0	1.0
	1690 HRIS Specialist	1.0	1.0	1.0	1.0
	1700 Benefits Specialist	1.0	1.0	1.0	1.0
27	0904 HRIS Manager	1.0	1.0	1.0	1.0
28	0842 Mgr Employment & Recruitment	0.0	0.0	0.0	0.0
	0844 Benefits Manager	1.0	1.0	1.0	1.0
30	1444 Director of Employment & Recruitment	1.0	1.0	1.0	1.0
99	9971 DGM Human Resources	1.0	1.0	1.0	1.0
Total		16.0	17.0	17.0	17.0



LABOR AND EMPLOYEE RELATIONS DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVE & SCORECARD MEASURES

Labor & Employee Relations supports the Improve Employee Development VFO in managing the TEAM Goals of Attendance. Attendance is reported monthly as an Authority-wide percentage, and is tracked by workforce segment (verify).

2016 ACCOMPLISHMENTS

- Continued to track and monitor attendance trends and comply with revised Family Medical Leave Act (FMLA), thereby reducing absence duration and lowering employer costs
- Implemented Kronos FMLA tracking module
- Continued Positive Discipline and Labor Relations supervisory training
- Continued preparations for 2017 union negotiations with FOP and ATU
- Administered unemployment compensation benefits process and monitored funds
- Ensured Operators received biennial exams prior to the expiration
- Performed drug tests and alcohol tests on safety-sensitive employees
- Administered Drug & Alcohol policies and processed all FMLA requests
- Implemented Get Fit Wellness Program and increased wellness education

2017 PRIORITIES

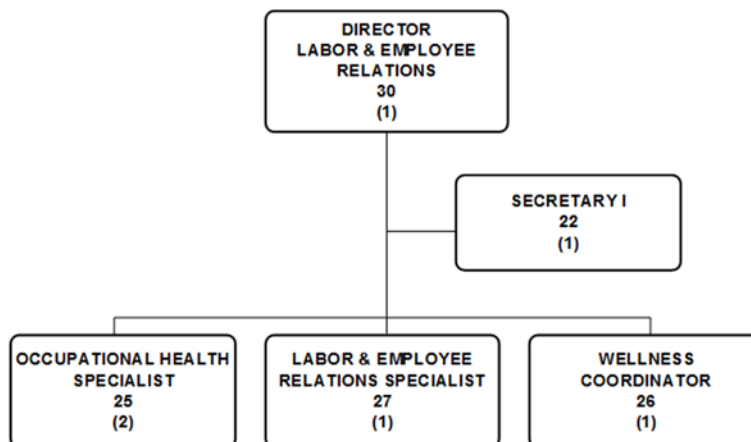
- Continue development of a long-term strategic plan to continue to lower healthcare costs and optimize benefits design and wellness activities
- Provide advice, training, and counsel to managers, supervisors, and employees on discipline, grievances, policies, contracts, and labor laws
- Negotiations with both unions
- Serve as last step grievance hearing officer, prior to arbitration
- Administer unemployment compensation benefits process and monitor funds
- Ensure Operators receive biennial exams prior to their expiration
- Perform drug tests on at least 25% and alcohol tests on at least 10% of safety-sensitive pool
- Administer Drug & Alcohol policies and process all FMLA requests
- Continue to enhance performance management under the Positive Discipline Policy through training and communication
- Chair or facilitate various Labor Management committees
- Continue to engage employees with the Get Fit Wellness Program and increase wellness education, e.g. toolbox wellness information
- Continue development of a long-term strategic plan to continue to lower healthcare costs and optimize benefits design and wellness activities
- Continue to administer and monitor the on line uniform ordering process
- Continue to ensure compliance with ACA
- Review possible updates to RTA's Section 125 Plan
- Provide FMLA Training to Supervisors

LABOR & EMPLOYEE RELATIONS DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	308,421	339,067	347,962	393,260
502000	Fringe Benefits	93,778	109,461	118,476	146,489
502070	Unemployment Compensation	75,855	80,887	99,414	300,000
503000	Services	264,402	360,789	360,301	140,000
503049	Temporary Help	0	0	(7,289)	0
503052	Other Maintenance Contracts	0	0	0	295,633
504000	Materials & Supplies	495	1,654	1,549	0
504050	Office Supplies	0	0	0	750
509000	Miscellaneous Expenses	9,670	11,050	10,300	2,100
509020	Travel, Training & Conferences	0	0	0	2,550
509022	Meals & Concessions	7,079	4,579	3,500	7,750
Total		759,699	907,496	934,213	1,288,533

LABOR & EMPLOYEE RELATIONS DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
22	0721 Secretary I	1.0	1.0	1.0	1.0
25	0899 Occupational Health Specialist	2.0	2.0	2.0	2.0
26	0902 Labor & Employee Relations Specialist	1.0	1.0	1.0	1.0
26	1963 Wellness Coordinator	0.0	1.0	1.0	1.0
30	1342 Director	1.0	1.0	1.0	1.0
	Total	5.0	6.0	6.0	6.0



TRAINING AND EMPLOYEE DEVELOPMENT DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

Training & Employee Development plays a critical role in achieving a variety of metrics around Learning & Innovation and obtaining goals for the Vital Few Objective of Improving Employee Development. The key Change Initiative is the continued development of the Succession Planning program, to include projects that address the promotion process, improving "bench strength", and improving the Non-Bargaining Performance Management & Evaluation process.

Training & Employee Development has in place a "Promotability Training" course, supports the Director of Employment & Recruiting with the Employee Satisfaction & Engagement Survey, Performance Management Evaluations, and maintains key training programs for the GCRTA workforce.

2016 ACCOMPLISHMENTS

- Successfully completed Public Transit Management Academy Cohort Four (30 Employees, 6 Group Projects) as part of the FTA Ladders of Opportunity – Innovative Workforce Development Grant
- Successfully completed Lean Six Sigma Green Belt Certification Training (19 employees, 4 Group Projects) as part of the Lean Ohio Local Government Efficiency Program Grant
- Developed and implemented the Midwest Transit Leadership Exchange with 8 Transit Agencies from Ohio, Pennsylvania, and New York to promote best practices for succession planning and leadership development
- Launched Employee Promotability Pilot class enhancing job search and interview skills in an effort to increase internal promotions

2017 PRIORITIES

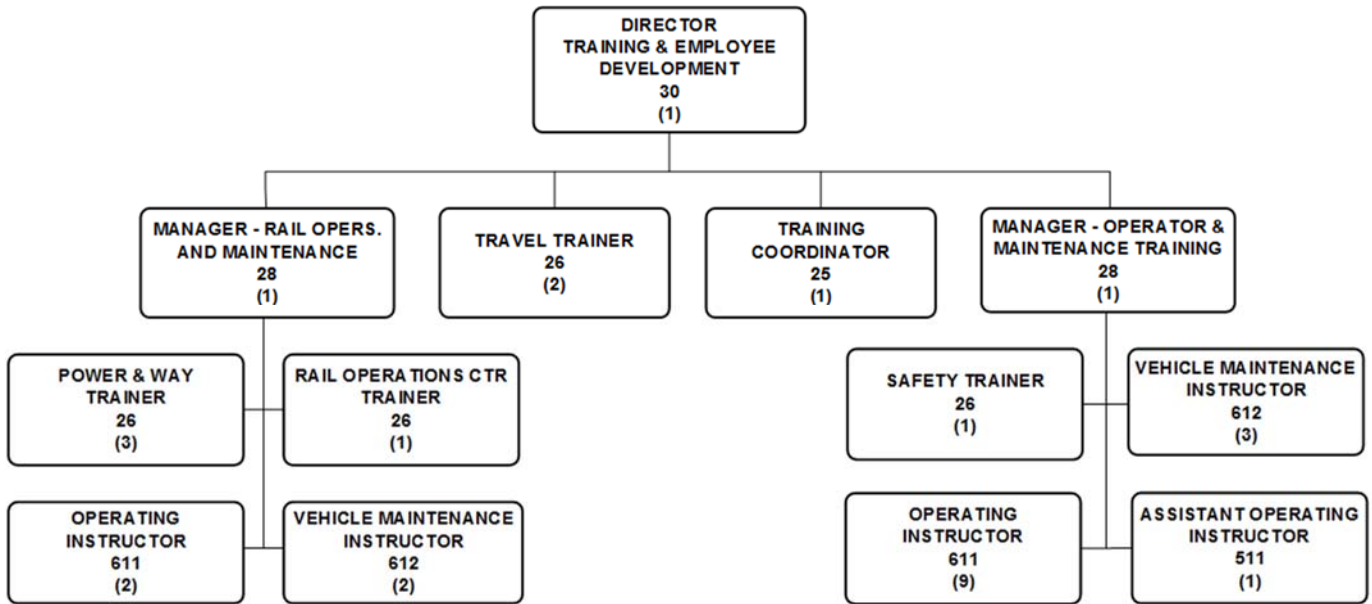
- Continue the deployment of workforce engagement initiatives through employee engagement survey and action plans for improved organizational communication
- Continue the implementation of technology and experiential learning to enhance employees training experiences in the classroom, field, and on the job.
- Continue the implementation and improvements of succession planning initiatives to include, but not limited to: the Career Pathways Program, Management Development Program, Signals Training Consortium, Railcar Training Consortium and Apprenticeships and Midwest Transit Leadership Exchange.
- Implement Operator Mentoring Program.
- Development and Implementation of management and supervisory skills training.

TRAINING & EMPLOYEE DEVELOPMENT DEPARTMENT BUDGET

Obj. Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees	1,306	2,637	32,148	96,000
501300	Labor – Salaried Employees	1,639,719	1,735,572	1,883,210	1,927,083
501310	Overtime – Salaried Employees	42,600	72,922	79,088	49,500
502000	Fringe Benefits	640,753	683,933	787,330	761,642
502148	Tuition Reimbursement	51,205	79,937	80,000	80,000
503000	Services	36,000	261,085	251,700	91,700
503049	Temporary Help	0	0	(3,951)	0
503052	Other Maintenance Contracts	0	0	2,654	260,350
504000	Materials & Supplies	12,339	15,418	9,000	15,000
504050	Office Supplies	0	0	0	1,100
509000	Miscellaneous Expenses	261,466	286,778	313,608	572,900
509020	Training & Conferences	0	0	0	5,225
509022	Meals and Refreshments	0	16	750	1,500
Total:		2,685,388	3,138,297	3,435,538	3,862,000

TRAINING & EMPLOYEE DEVELOPMENT DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
05	0511 Assistant Operating Instructor	2.0	2.0	2.0	1.0
06	0611 Operating Instructor	9.0	9.0	11.0	11.0
	0612 Vehicle Maintenance Instructor	5.0	5.0	5.0	5.0
25	1658 Training Coordinator	1.0	1.0	1.0	1.0
26	1194 Safety Trainer	1.0	1.0	1.0	1.0
	1619 Travel Trainer	2.0	2.0	2.0	2.0
	1622 Power/Way Rail Trainer	2.0	2.0	3.0	3.0
	1631 Rail Ops Ctr Trainer	1.0	0.0	0.0	0.0
	1631 Service Quality Trainer	0.0	1.0	1.0	1.0
28	0870 Manager Oper/Maint Training	1.0	1.0	1.0	1.0
	0886 Manager Training Rail Oper	1.0	1.0	1.0	1.0
30	1430 Director	1.0	1.0	1.0	1.0
	Total	26.0	26.0	28.0	28.0



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EXECUTIVE DIVISION

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Executive Division drives the Vital Few Objective to Expand Advocacy and Enhance Customer Experience. Growing advocacy efforts requires engaging newly elected leaders, educating ridership on the value and benefits of public transportation, and engaging communities and partners through the Speaker's Bureau.

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.

2016 ACCOMPLISHMENTS

STRONG FINANCIAL MANAGEMENT

- Finished the year \$18 million better than budget, with an ending balance of \$24 million.
- Had a "clean" audit and received the Auditor of State's *Award with Distinction*.
- Completed a successful FTA Triennial Review.
- Awarded a grant from Ohio Department of Transportation (ODOT) to purchase and deploy 12 new Trolley buses in time for the Republican National Convention (RNC).
- Placed orders for 43 additional CNG buses, which when in service, will further reduce fuel costs and improve service reliability.
- Received Government Finance Officers Association (GFOA) Award for Certificate of Achievement for Excellence for the 28th consecutive year.

GCRTA SUCCESS WITH REPUBLICAN NATIONAL CONVENTION (RNC)

- Recognized as a critical regional asset that was significant to the site-selection decision to host the RNC.
- Provided outstanding service to 50,000 national delegates and guests during the RNC.
- Worked with the City to complete public art installations (inter-urban) along rail lines.
- Completed the total replacement of the four escalators in Tower City prior to the start of the convention.

CUSTOMER SAFETY AND SECURITY

- Received two Federal Transportation Administration (FTA) grants to develop collision avoidance technology to enhance pedestrian safety.
- Received US Department of Defense awards in recognition of RTA's emergency transportation plan.
- Recorded outstanding achievements by Transit Police as we realized a significant drop in serious crimes, continuing a three-year trend.

CUSTOMER SERVICE

- Received accolades from customers, civic partners, and the media for outstanding service during the CAV's parade day, the highest known ridership day in RTA history.
- Served Cleveland Indians fans during an outstanding MLB regular season, playoff games, and World Series games.
- Launched a Mobile Ticketing pilot program in time for the RNC and the MLB post-season.
- Significantly improved "Real-Time" customer information through the "Transit App".

INFRASTRUCTURE IMPROVEMENTS

- Opened the modernized and ADA-compliant Warrensville Station on the Green Line.
- Continued construction of the ADA-compliant Brookpark Station on the Red Line.
- Began construction of the ADA-compliant Lee Road Station on the Green Line.
- Completed the reconstruction of Tower City's Track 8, without rail service interruptions.
- Worked with ODOT to upgrade the E. 105 Street Station as part of the Opportunity Corridor project.
- Began construction on enhanced pedestrian access to the Little Italy – University Circle Station.

STRATEGIC INITIATIVES

- Submitted the second application for the Baldrige Award in support of process improvements and organizational excellence.
- Maintained ISO certification for the Central Bus Maintenance Facility, and completed nearly 45 percent ISO 14001 certification at Triskett and Hayden Facilities.
- Completed the Annual Sustainability Report per Global Reporting Initiative G4 Standards.

AWARDS AND RECOGNITION

- Received the Commission on Economic Inclusion's *Commission 50 Award*, as well as the *Workforce Diversity Award*.
- Re-appointed Joe Calabrese to the USDOT Intelligent Transportation System (ITS) Advisory Committee by Secretary Anthony Foxx.
- Graduated 30 employees from the Public Transit Management Academy (PTMA) at Cleveland State University (CSU).
- Received the *Three-Star Ohio Green Fleet Award* from Clean Fuels Ohio for work to improve air quality and health, reduce pollution, and strengthen Ohio's economy.

2017 PRIORITIES

- Support and drive the Mission, Vision, and Values of the Authority
- Continue to improve the Balanced Scorecard Vital Few Objectives:
 - Fiscal Responsibility
 - Voice of the Customer
 - Continual Process Improvement
 - Learning & Innovation
- Investigate additional strategies to increase our productivity and reduce costs
- Identify additional funding for infrastructure needs and state of good repair initiatives
- Deliver a creative marketing plan to promote the RTA and maximize ridership
- Continue our positive relationship with civic leaders, elected officials, and the media
- Continue to educate about the benefits of public transit and RTA
- Encourage Transit Supportive Developments
- Focus on Employee Development and Succession Planning programs

LIST OF DEPARTMENTS

Department Number	Department Name
12	Executive Department
16	Secretary/Treasurer - Board of Trustees
19	Internal Audit
53	Marketing & Communications
61	Information Technology
67	Office of Management & Budget
99	Fund Transfers

EXECUTIVE DEPARTMENT

MISSION STATEMENT

Under the direction of the CEO/General Manager, it is the responsibility of the Executive Staff to implement the policies and mandates established by the GCRTA Board of Trustees, and develop and work towards the achievement of the Authority's Strategic Plan, Balanced Scorecard initiatives, and Vital Few Objectives.

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Executive Department drives the Vital Few Objectives to Expand Advocacy and Enhance Customer Experience. Growing advocacy efforts requires engaging newly elected leaders, educating ridership on the value and benefits of public transportation, and engaging communities and partners through the Speaker's Bureau.

2016 ACCOMPLISHMENTS

- Finished the year \$18 million better than budget, with an ending balance of \$24 million
- Had a "clean" audit and received the Auditor of State's *Award with Distinction*.
- Completed a successful FTA Triennial Review
- Recognized as a critical regional asset that was significant to the site-selection decision to host the RNC.
- Provided outstanding service to 50,000 national delegates and guests during the RNC.
- Worked with the City to complete public art installations (inter-urban) along the rail lines
- Completed the total replacement of four escalators in Tower City prior to the start of the convention
- Received U.S. Department of Defense awards in recognition of RTA's emergency transportation plan
- Received accolades from customers, civic partners, and the media for outstanding service during the CAV's parade day, the highest known ridership day in RTA history.
- Served Cleveland Indians' fans during an outstanding MLB regular season, playoff games, and World Series games
- Launched a Mobile Ticketing pilot program in time for the RNC and the MLB post-season
- Significantly improved "Real-Time" customer information through the "Transit App"
- Submitted the second application for the Baldrige Award in support of process improvements and organizational excellence
- Maintained ISO certification for the Central Bus Maintenance Facility, and completed nearly 45 percent ISO 14001 certification at Triskett and Hayden Districts
- Received the Commission on Economic Inclusion's *Commission 50 Award*, as well as the *Workforce Diversity Award*.
- Re-appointed Joe Calabrese to the USDOT Intelligent Transportation System (ITS) Advisory Committee by Secretary Anthony Foxx.
- Received the Three-Star Ohio Green Fleet Award from Clean Fuels Ohio for work to improve air quality and health, reduce pollution, and strengthen Ohio's economy

2017 PRIORITIES

- Implement policies and procedures to maintain critical services
- Maximize ridership
- Continue sales-focus transition of the Authority
- Achieve:
 - Revenue increase in passenger fares
 - Performance improvements in safety
 - Performance improvements in number of miles between service interruptions
 - Performance improvements in on-time performance
 - Decrease in employee unscheduled absences
- Continue culture change efforts with focus on identifying efficiencies and better practices to improve customer service
- Promote policies at the local, state, and federal levels that support transit
- Develop and implement a strategy to bring discretionary dollars at both state and federal levels to the Authority

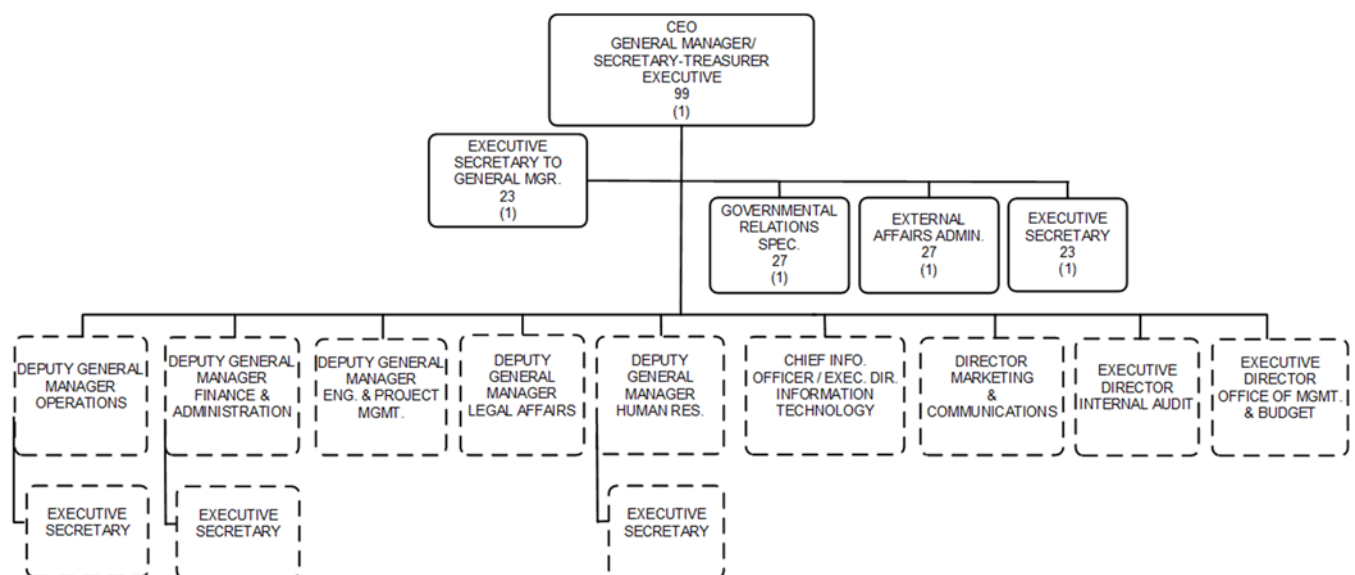
- Develop strong working relationships with elected officials at the local, state, and federal levels
- Support increases of transit dollars during budget cycles at both the state and federal levels
- Cultivate contacts with civic, business, and community leaders and groups

EXECUTIVE DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	489,256	439,881	483,854	524,597
502000	Fringe Benefits	204,388	186,587	215,027	195,412
503000	Services	14,758	2,876	(2,822)	16,000
503049	Temporary Help	2,800	8,497	0	0
504000	Materials & Supplies	913	1,561	916	0
504050	Office Supplies	0	0	0	1,800
509000	Miscellaneous Expenses	163,065	175,754	161,947	163,250
509020	Travel, Training & Conferences	0	0	0	22,050
509022	Meals & Concessions	221	3,823	2,211	22,500
Total		875,401	818,978	861,134	945,609

EXECUTIVE DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
23	0711 Secretary to GM/Sec Treasurer	1.0	1.0	1.0	1.0
	0725 Executive Secretary	1.0	1.0	1.0	1.0
27	0862 Government Relations Specialist	1.0	1.0	1.0	1.0
	1330 External Affairs Administrator	0.0	0.0	1.0	1.0
99	9929 General Manager	1.0	1.0	1.0	1.0
	Total	4.0	4.0	5.0	5.0



SECRETARY/TREASURER – BOARD OF TRUSTEES DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Secretary/Treasurer – Board of Trustees Department assists the Authority in overseeing the Vital Few Objective to Expand Advocacy and Enhance Customer Experience. Growing advocacy efforts requires engaging newly elected leaders, educating ridership on the value and benefits of public transportation, and engaging communities and partners.

2016 ACCOMPLISHMENTS

- Had a “clean” audit and received the Auditor of State’s *Award with Distinction*.
- Recognized as a critical regional asset that was significant to the site-selection decision to host the RNC.
- Provided outstanding service to 50,000 national delegates and guests during the RNC.
- Received accolades from customers, civic partners, and the media for outstanding service during the CAV’s parade day, the highest known ridership day in RTA history.
- Received the Commission on Economic Inclusion’s *Commission 50 Award*, as well as the *Workforce Diversity Award*.
- Re-appointed Joe Calabrese to the USDOT Intelligent Transportation System (ITS) Advisory Committee by Secretary Anthony Foxx.

2017 PRIORITIES

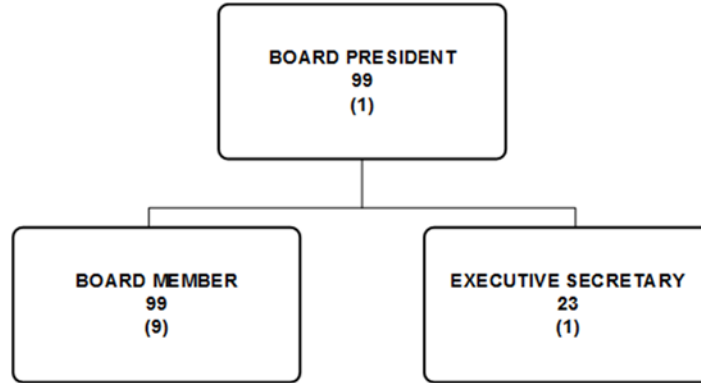
- Secure and complete independent outside audit of the Authority
- Enforce policies on governance and demand accountability from management and staff
- Achieve the maximum rate of return on investments consistent with policy guidelines
- Continue legislative and policy-making role: achievement of key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

SECRETARY/TREASURER – BOARD OF TRUSTEES DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor Salaried Employees	130,504	94,803	96,844	98,787
502000	Fringe Benefits	48,038	36,685	38,557	36,798
503000	Services	103,355	91,707	100,881	113,000
504000	Materials & Supplies	13,656	745	700	900
504050	Office Supplies	0	0	0	250
509000	Miscellaneous Expenses	17,431	24,850	35,115	3,000
509020	Travel, Training & Conferences	0	0	0	33,000
509022	Meals & Concessions	424	826	687	2,000
Total		313,410	249,616	272,784	287,736

SECRETARY/TREASURER – BOARD OF TRUSTEES DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
23	0725 Executive Assistant	1.0	1.0	1.0	1.0
99	9901 Board Member	10.0	10.0	10.0	10.0
	Total	11.0	11.0	11.0	11.0



INTERNAL AUDIT DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

The Internal Audit Department helps to oversee and drive the Strategic Plan and Vital Few Objectives throughout the Authority through evaluation and audits.

2016 ACCOMPLISHMENTS

- Established a risk-based Audit Plan aligned with the GCRTA Strategic Plan and Vital Few Objectives
- Evaluated the reliability and integrity of information
- Evaluated the means of safeguarding assets
- Evaluated the systems and processes established to ensure compliance with policies
- Provided assurance and advisory services
- Coordinated and follow-up with internal and external audits and 3rd party reviews
- Provided resources to management on steering committees, evaluation panels, performance management forums and task forces

2017 PRIORITIES

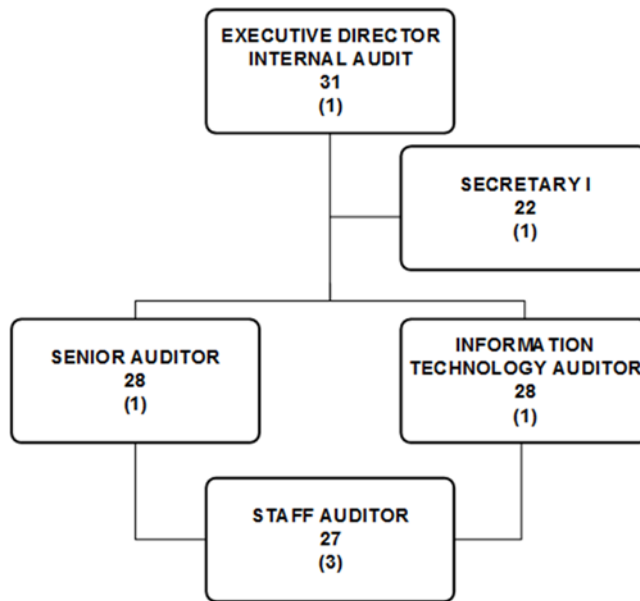
- Establish a risk-based Audit Plan for 2017 aligned with the GCRTA Strategic Plan and Vital Few Objectives
- Continue evaluating the reliability and integrity of information
- Continue evaluating the means of safeguarding assets
- Continue evaluating the systems and processes established to ensure compliance with policies
- Provide assurance and advisory services
- Coordinate and follow-up with internal and external audits and 3rd party reviews
- Provide resources to management on steering committees, evaluation panels, performance management forums and task forces

INTERNAL AUDIT DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees Payroll	0	5,880	223	9,600
501300	Labor Salaried Employees	487,008	443,026	454,367	520,628
502000	Fringe Benefits	187,289	171,902	185,806	197,438
503000	Services	(64,197)	18,211	(34,633)	101,500
503049	Temporary Help	0	0	(357)	0
504000	Materials & Supplies	(537)	1,600	1,293	1,000
504050	Office Supplies	0	0	0	650
509000	Miscellaneous Expenses	(4,829)	19,673	9,060	10,600
509020	Travel, Training & Conferences	0	0	0	16,275
509022	Meals & Concessions	0	0	81	750
Total		604,734	660,292	615,841	858,441

INTERNAL AUDIT DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
22	0721 Secretary I	1.0	1.0	1.0	1.0
27	0957 Staff Auditor	3.0	3.0	3.0	3.0
28	1202 Information Technology Auditor	1.0	1.0	1.0	1.0
	1261 Senior Auditor	1.0	1.0	1.0	1.0
31	1522 Executive Director	1.0	1.0	1.0	1.0
	Total	7.0	7.0	7.0	7.0



MARKETING & COMMUNICATION DEPARTMENT

MISSION STATEMENT

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

STRATEGIC PLAN CHANGE INITIATIVES & SCORECARD MEASURES

Implementation of the Marketing Plan ensures the Authority can achieve the Vital Few Objectives of Voice of Customer, specifically Enhance the Customer Experience and Increase Service Efficiency.

2016 ACCOMPLISHMENTS

- Provided outstanding service to 50,000 national delegates and guests during the RNC
- Received numerous accolades from customers, civic partners, and the media for outstanding service during the CAV's Championship games and parade, which held the highest known ridership day in RTA history
- Served Cleveland Indians' fans during an outstanding MLB regular season, playoff games, and World Series games
- Launched a Mobile Ticketing pilot program in time for the RNC and the MLB post-season
- Significantly improved "Real-Time" customer information through the "Transit App"
- Developed marketing strategies to support the Authority's Strategic Plan, Mission, Vision, and Values
- Developed and conducted a series of research programs to gauge customer satisfaction
- Maximized revenue sources including transit advertising, asset sponsorship and on-site vending opportunities
- Continued to establish and nurture relationships with transit coalition partners, including business and community leaders and elected officials

2017 PRIORITIES

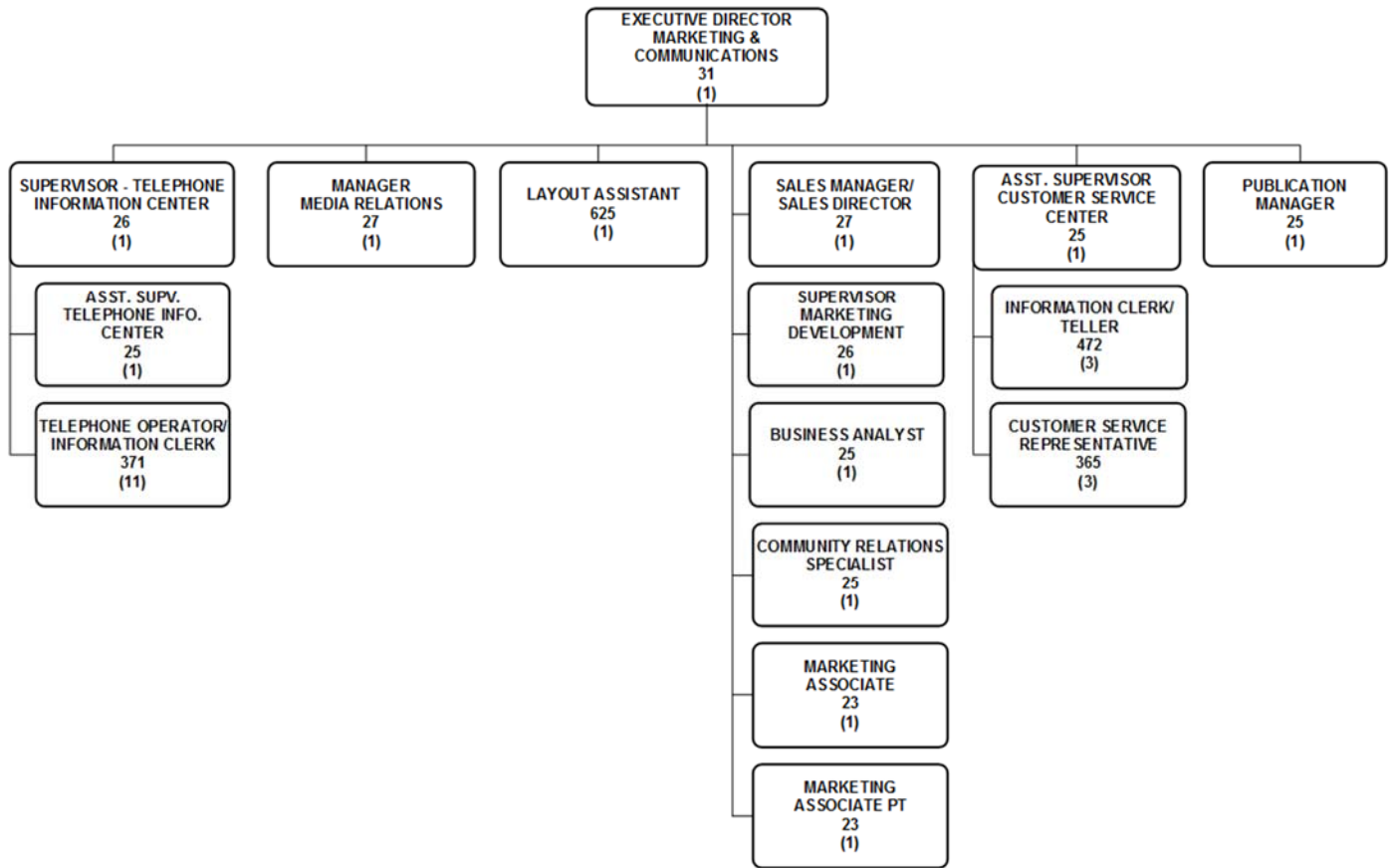
- Deliver a creative marketing plan to promote the Authority and maximize ridership, while focusing on the Strategic Plan, Mission, Vision, and Values
- Continue to establish and nurture relationships with transit coalition partners, including business and community leaders and elected officials
- Continue to educate about the benefits of public transit and RTA
- Encourage Transit Supportive developments
- Continue to conduct research programs to gauge customer satisfaction
- Assess the effectiveness of current internal communications and develop strategies to improve employee directed communications

MARKETING & COMMUNICATIONS DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501200	Hourly Employees Payroll	14,316	225	27,028	42,078
501300	Labor Salaried Employees	1,528,870	1,625,156	1,513,835	1,678,913
501310	Overtime Salaried Employees	8,259	15,588	33,655	25,000
502000	Fringe Benefits	597,553	626,437	615,143	645,132
503000	Services	217,238	166,717	135,028	200,503
503020	Advertising Fees	840,636	872,317	878,521	879,500
503049	Temporary Help	7,898	0	0	0
504000	Materials & Supplies	31,152	22,140	24,831	15,100
504050	Office Supplies	0	0	0	1,500
509000	Miscellaneous Expenses	16,630	5,829	10,312	900
509020	Travel, Training & Conferences	0	0	0	4,200
509022	Meals & Concessions	15,883	7,246	6,751	10,000
512000	Leases & Rentals	5,761	7,284	8,987	15,000
Total		3,284,195	3,348,839	3,254,091	3,517,377

MARKETING & COMMUNICATIONS DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
03	0365 Customer Service Rep	3.0	3.0	3.0	3.0
	0371 Telephone Operator/Info Clerk	11.0	11.0	11.0	11.0
04	0472 Information Clerk/Teller	3.0	3.0	3.0	3.0
06	0625 Layout Assistant	1.0	1.0	1.0	1.0
23	0740 Marketing Associate	1.0	1.0	1.0	1.0
	1650 Marketing Assistant PT	0.0	0.0	1.0	1.0
25	0713 Publications Manager	1.0	1.0	1.0	1.0
	0831 Community Relations Specialist	1.0	1.0	1.0	1.0
	0966 Assistant Supervisor Telephone Info	1.0	1.0	1.0	1.0
	1067 Assistant Supervisor Customer Service	0.0	0.0	1.0	1.0
	1085 Business Analyst	1.0	1.0	1.0	1.0
26	1061 Supervisor Marketing Dev	1.0	1.0	1.0	1.0
	1184 Supervisor Telephone Info Ctr	1.0	1.0	1.0	1.0
	1246 Supv Customer Service Center	1.0	1.0	0.0	0.0
27	0859 Sales Manager/Sales Director	1.0	1.0	1.0	1.0
28	1144 Manager Media Relations	1.0	1.0	1.0	1.0
31	0784 Executive Director	1.0	1.0	1.0	1.0
	Total	29.0	29.0	30.0	30.0



INFORMATION TECHNOLOGY DEPARTMENT

MISSION STATEMENT

The mission of the Information Technology Department is to partner with all internal divisions to enhance the efficiency and reliability of GCRTA's services to its employees and customers through innovative, quality technology solutions.

STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

The Information Technology Department is focused on maintaining a reliable information systems infrastructure, replacing necessary assets and components as dictated by various asset lifecycles. To monitor improvement, the IT State of Good Repair (SoGR) Rating, under the VFO Continual Process Improvement, the target percentage is 15 percent improvement across all systems and projects. This rate of IT-SoGR improvement includes completion of various Action Plans, including the completion and reporting of Dashboard Metrics, Phone System Upgrade, Network Upgrade, Data Center Improvements, Back-up/Storage Replacement, IVR, CitrixFarm, Mobile Ticketing, & various End-User Priorities.

2016 ACCOMPLISHMENTS

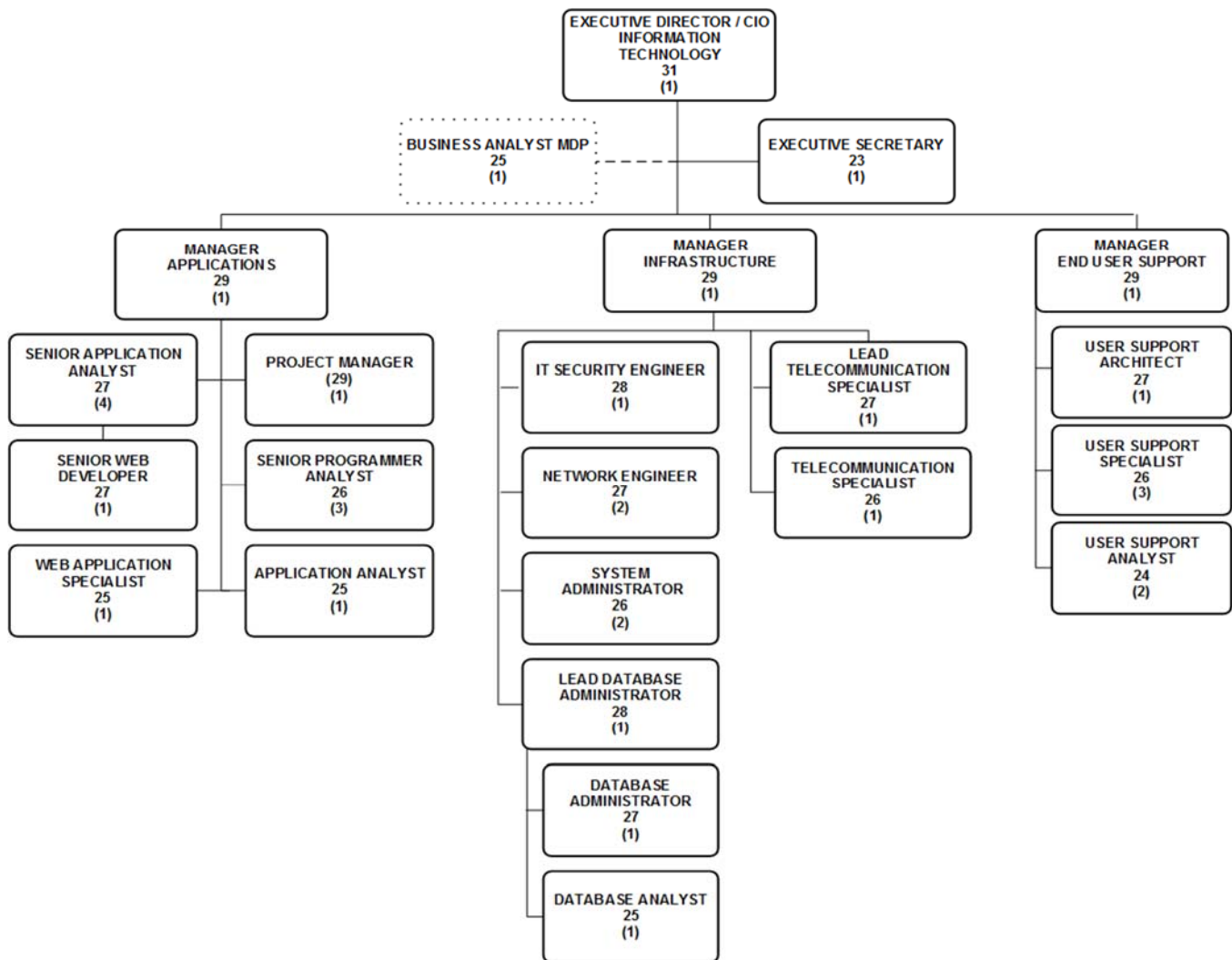
- Reduced the number of networked printers and personal printers in private offices
- Launched a Mobile Ticketing pilot program in time for the RNC and MLB post-season
- Improved "Real-Time" customer information through the "Transit App"
- Completed Phase 1 of the Mobile Device Management Project
- Created Service and Operating Level Agreements
- Initiated First Phase of IT Security Project
- Finalizing Trapeze module updates
- Documented Incident Management Processes and COOP for IT
- Implemented the Service Desk Incident Management System
- Completed roll-out of GroupWise Expansion project
- Finalizing Phase 1 of the replace phone system

2017 PRIORITIES

- Complete the replace phone system
- Continue upgrades to the Authority's Network Infrastructure
- Complete enhancements of data storage capacity for projects
- Implement SQL server upgrade and Citrix farm replacement
- Complete next phase of the IT Security Project
- Educate IT and End User customer base on ITIL methodologies and best practices
- Improve processes related to planning, procurement, implementation, and support of IT technologies
- Implement and Complete upgrade of Intranet

INFORMATION TECHNOLOGY DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor - Salaried Employees	1,510,895	1,908,848	2,160,676	2,326,545
501310	Overtime - Salaried Employees	450	3,200	600	1,500
502000	Fringe Benefits	569,286	743,546	860,924	866,882
503000	Services	328,051	66,857	8,115	153,750
503049	Temporary Help	(16,000)	0	0	0
503052	Other Maintenance Contracts	2,335,156	3,107,017	2,856,685	3,786,143
504000	Material & Supplies	161,791	148,713	95,434	158,600
504050	Office Supplies	0	0	0	2,950
505022	Telephone	669,637	612,519	551,539	719,400
509000	Miscellaneous Expenses	9,311	26,680	41,646	4,950
509020	Travel And Conferences	0	0	0	10,100
509022	Meals & Concessions	0	0	392	750
512000	Leases & Rentals	18,416	90,699	85,980	101,200
Total		5,586,994	6,708,079	6,661,990	8,132,770



INFORMATION TECHNOLOGY DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
23	0725 Executive Secretary	1.0	1.0	0.0	1.0
24	1646 User Support Analyst	2.0	2.0	2.0	2.0
25	0751 Network Administrator	2.0	0.0	0.0	0.0
	0760 Database Analyst	1.0	1.0	1.0	1.0
	0960 User Support Specialist	3.0	0.0	0.0	0.0
	1647 Web Application Specialist	1.0	1.0	1.0	1.0
	1961 Applications Analyst	0.0	2.0	1.0	1.0
26	0960 User Support Specialist	0.0	3.0	3.0	3.0
	1072 Telecom Specialist	2.0	1.0	1.0	1.0
	1077 Senior Web Developer	1.0	1.0	1.0	1.0
	1082 System Administrator	0.0	2.0	2.0	2.0
	1155 Sr. Programmer Analyst	3.0	3.0	3.0	3.0
27	0756 Network Engineer	2.0	2.0	2.0	2.0
	1070 Database Administrator	1.0	1.0	1.0	1.0
	1632 User Support Architect	0.0	1.0	1.0	1.0
	1745 Lead Telecommunications Specialist	0.0	1.0	1.0	1.0
	1960 Senior Application Analyst	3.0	4.0	4.0	4.0
28	1633 IT Security Engineer	0.0	0.0	1.0	1.0
	1648 Lead Database Administrator	1.0	1.0	1.0	1.0
29	0783 Manager ITS/End User Support	1.0	1.0	1.0	1.0
	1321 Manager of Infrastructure	1.0	1.0	1.0	1.0
	1325 Manager of Applications	1.0	1.0	1.0	1.0
	1655 Project Manager – Systems	0.0	1.0	1.0	1.0
	1726 Manager – ITS	1.0	0.0	0.0	0.0
31	1730 CIO/Executive Director	1.0	1.0	1.0	1.0
Total		28.0	32.0	31.0	32.0

OFFICE OF MANAGEMENT & BUDGET

MISSION STATEMENT

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

STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

Fiscal Responsibility is the main driver of the Strategic Plan for the Office of Management and Budget. Operating revenue performance is the key driver of managing revenue growth. It is crucial to manage Fare Revenue, Sales & Use Tax, and Reimbursed Expenditures. Outlining capital needs defines funds needed to invest in maintaining assets and infrastructure. To meet operational needs, capital funds from Formula and Competitive Grants are critical. Limiting and reducing annual operating expenses is evident of organizational efficiency and effectiveness. Enhancing Fiscal Responsibility is also part of the strategic plan for OMB. A key indicator of operating efficiency is the farebox recovery ratio. This is the percentage of operating expenses met by paid passenger fares. Other initiatives include rate of audit compliance with various regulatory entities and the progress rate of completing process improvement action plans.

2016 ACCOMPLISHMENTS

- Submitted the application for The Partnership for Excellence (TPE) for the Baldrige Award
- Executed the 2016 – 2018 Strategic Plan and updated VFOs
- Ended the year with a Fund Balance in excess of \$24 million, with a 30-Day Operating Reserve
- Successfully completed the 2015 National Transit Database submission
- Continued the Energy Price Risk Management program to control and stabilize diesel and CNG fuel costs
- Continued to execute energy management initiatives in electricity, natural gas, water, and sewer
- Created and executed the 2016 TransitStat Engagement Survey
- Standard & Poor's reaffirmed AAA credit rating; Moody's reaffirmed Aa1 rating
- Held Preventive Maintenance reimbursed expenditures to General Fund to less than \$22 million
- Coordinated the Authority's participation in American Bus Benchmarking Group (ABBG) to identify and share best practices

2017 PRIORITIES

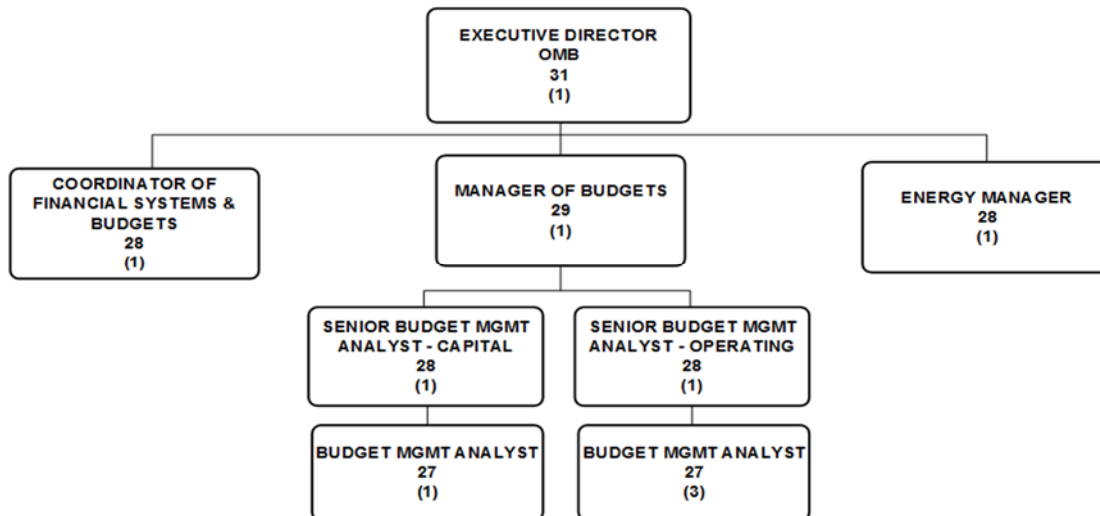
- Coordinate The Partnership for Excellence Site Visit for the Baldrige Award
- Expand the TransitStat program to improve processes, enhance service, and further reduce costs
- Continue to execute the Energy Management initiatives in electricity, natural gas, water, and sewer
- Continue to execute the Energy Price Risk Management program to control and stabilize diesel fuel and natural gas costs
- Lead the National Transit Database reporting and submittal
- Continue to implement an agency-wide initiative to improve operations through the Partnership for Excellence, ISO 14001, and ABBG
- Continue to reprioritize the capital program and coordinate the funding and system implications

OFFICE OF MANAGEMENT & BUDGET DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
501300	Labor - Salaried Employees	851,849	778,959	757,994	782,630
502000	Fringe Benefits	429,532	299,113	302,358	291,530
503000	Services	60,914	242,302	179,909	78,000
503020	Advertising Fees	474	600	300	600
503052	Other Maintenance Contracts	0	0	0	179,000
504000	Material & Supplies	943	1,665	12,171	0
504021	Compressed Natural Gas	0	0	913,296	1,044,000
504050	Office Supplies	0	0	0	6,050
505018	Natural Gas	957,626	1,440,125	705,029	887,000
505020	Water	338,214	349,418	374,765	450,000
505021	Electricity	2,075,246	2,263,547	1,690,333	2,229,200
509000	Miscellaneous Expenses	27,247	26,980	29,377	45,025
509020	Travel And Conferences	0	0	0	5,100
509022	Meals & Concessions	631	162	1,200	1,650
Total		4,742,684	5,402,869	4,966,732	5,999,784

OFFICE OF MANAGEMENT & BUDGET DEPARTMENT STAFFING

Grade	Job Name	2014	2015	2016	2017
27	0958 Budget Management Analyst	4.0	4.0	4.0	4.0
28	0767 Sr. Budget Mgmt Analyst	2.0	2.0	2.0	2.0
	0871 Coord Finan Syst & Budgets	1.0	1.0	1.0	1.0
	1626 Energy Manager	1.0	1.0	1.0	1.0
29	0869 Manager of Budgets	1.0	1.0	1.0	1.0
	1655 Project Manager – Systems	1.0	0.0	0.0	0.0
31	1437 Executive Director	1.0	1.0	1.0	1.0
Total		11.0	10.0	10.0	10.0



FUND TRANSFERS DEPARTMENT

MISSION STATEMENT

The mission of the Fund Transfers Department is to ensure adequate set-aside funding is available to meet the needs of the Authority.

STRATEGIC PLAN CRITICAL ISSUES AND INDICATORS

The Fund Transfers Department supports the VFO of Fiscal Responsibility and ensures funding for set-asides will be in policy compliance.

2016 ACCOMPLISHMENTS

- Bond Retirement Fund transfer: Ending Balance: \$2.1 million > 1/12th of subsequent years debt service requirements
- Insurance Fund: Ending Balance = \$5.1 million > \$5 million minimum ending balance
- Supplemental Pension Fund: Ending Balance: \$1.3 million > last assessed value
- Capital Improvement Fund transfer: 14.3% of Sales & Use Tax Funding transferred to Capital (within goal of 10-15%)

2017 PRIORITIES

- Bond Retirement Fund: Year-End balance > 1/12th of subsequent years debt service requirements
- Insurance Fund: Year-End Balance > \$5 million
- Supplemental Pension Fund: Ending Balance > last assessed value
- Capital Improvement Fund: transfer of Sales & Use Tax to Capital between 10 – 15%
- Reserve Fund transfer: 10% of year-end balance above \$10 million or 5% of year-end balance if under \$10 million

FUND TRANSFERS DEPARTMENT BUDGET

Object Class	Description	2014 Actual	2015 Actual	2016 Estimate	2017 Budget
510050	Transfers to/from Reserve Fund	0	0	0	426,483
510065	Transfers to/from Pension Fund	100,000	100,000	100,000	75,000
510075	Transfers to/from RTA Capital	15,874,745	15,693,139	9,472,060	13,276,394
510085	Transfers to/from Bond Retirement Fund	20,480,914	22,273,402	21,882,300	19,284,420
510090	Transfers to/from Insurance Fund	900,000	1,500,000	500,000	2,400,000
Total		37,355,659	39,566,541	31,954,360	35,462,297

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2017 – 2021 CAPITAL IMPROVEMENT PLAN

INTRODUCTION

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

The proposed 2017–2021 Capital Improvement Plan (CIP) continues the Authority's ongoing process to align available financial resources with programmed capital projects directed towards achieving a State of Good Repair (SGR) throughout its vehicle fleets, capital assets, and infrastructure. Effective planning helps facilitate this process by providing a framework to schedule capital improvements based on the condition or SGR of capital assets, the availability of financial resources, and the evaluation of requested capital projects. The current process prioritizes capital infrastructure requests and needs and aligns its ongoing capital program with available Federal, State, Local and non-traditional funding resources.

The financial demands to meet a SGR throughout the Authority's capital assets remain at a high level, but the decision to balance scheduled activities with funding limits the number of budgeted projects in any given year end, in essence, has moved the CIP from a five to an eight-year plan. The 2017-21 CIP presented here includes the first five programmed years of the Authority's Capital Program, with out-year projects, covering 2022–2024, under preliminary development.

ORGANIZATION OF THE CAPITAL IMPROVEMENT PLAN

This chapter contains the 2017-2021 Capital Improvement Plan of the Authority. The first year reflects the Board approved RTA Capital and RTA Development Fund budget appropriations for the FY 2017 capital projects. The following four years of the CIP highlight planned, but not yet approved, out-year capital projects of the Authority. Capital projects and their associated budgets included in these out-years are subject to change based on financial circumstances, revised project time lines or in capital priorities.

A summary of the Authority's capital assets will help put these projects into perspective. The size, age, and service requirements of the bus and rail fleets are used in support of capital projects including the ongoing Bus Improvement Programs and maintenance needs of the Rail Fleets. Similarly, the age, purpose and maintenance history of the RTA's facilities provide a basis for reconstruction and rehabilitation decisions as the CIP is developed. Development of a Transit Asset Management (TAM) database that will assist in refining this process by providing a basis to prioritize the needs of capital assets based on their condition remains underway.

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

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

The final section is devoted to the details of the 2017 Capital Improvement Budget and the four out-years of the overall 2017-2021 CIP. Smaller locally funded projects included in the RTA Capital Fund are listed in Department order, while the larger, grant and/or locally funded capital projects included in the RTA Development Fund projects are organized by capital project categories and reflect specific funding sources, supporting those projects.

CAPITAL ASSETS

The principal share of expenditures planned within the 2017–21 CIP focuses on attaining a State of Good Repair (SGR) for the Authority’s capital assets. Highlights include completion of the ADA Key Station program, an on-going track rehabilitation plan, reimbursement of preventive maintenance and other expenses generated within the Operating Budget, and the maintenance and upgrade of capital assets throughout the Authority. It continues to emphasize the backlog of needed capital improvements throughout the Authority’s infrastructure and facilities. The age of the Authority’s primary facilities, including their history in terms of original in-service dates, rehabilitations, and additions are shown below in Figure 95. These facilities and others are briefly discussed on the following pages.

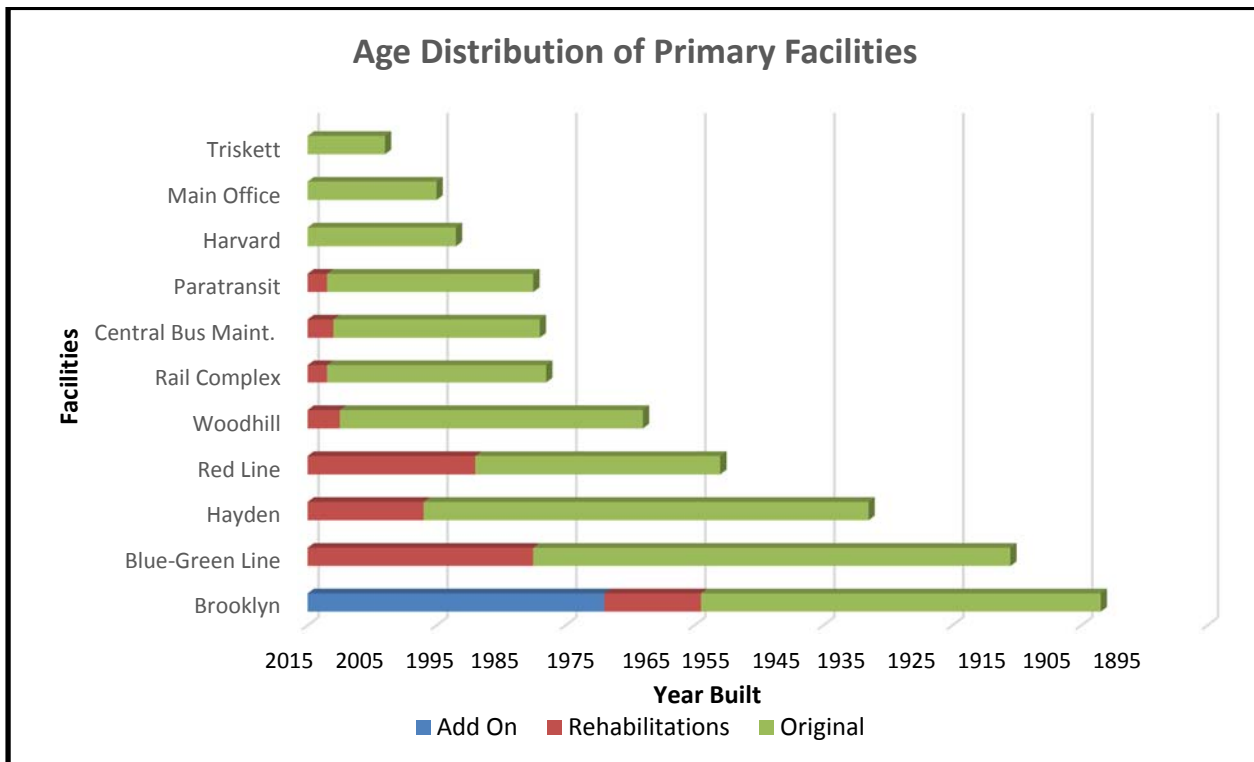


Figure 95: Age Distribution of GCRTA Primary Facilities

FACILITIES

BROOKLYN GARAGE FACILITY

The Brooklyn Garage was originally built in 1895 with additions in both 1955 and 1969. It remained in service as a bus facility until 2003. The facility is under a regular maintenance schedule and awaiting a potential buyer.

BUS DISTRICT GARAGE FACILITIES

The Authority has two active large bus district garages:

TRISKETT GARAGE is located at 13405 Lakewood Heights Boulevard. It was originally put into service in 1958 with a new replacement garage opening in 2005 at this location. West side service and trolley operations are operated from this garage.

HAYDEN GARAGE at 1661 Hayden Avenue was constructed in 1932, with two major additions in 1952 and 1968. It was rehabilitated in 1998 and a SGR project that included the replacement of six hydraulic lifts, fire suppression and HVAC systems, and 16 overhead doors was completed in FY 2014. Installation of a CNG fueling station was completed in FY 2015 and work is underway to address remaining CNG related building improvements with completion scheduled in FY 2017. East side service and the Health Line buses are operated from this garage.

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, bus service & maintenance area, and central inventory stores. Various facilities improvements and lift replacements, funded from a Federal SGR grant award, were completed in 2014. Work is underway on remaining CNG building improvements at this facility with completion scheduled in FY 2017.

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 has not been used as an operating district since 2010. In FY 2014, the Authority entered a License Agreement with Cuyahoga County renting a portion of the facility to help defray cost. The facility is under regular schedule maintenance and currently being used to store transit vehicles and host training classes.

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 Central 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. In FY 2014, a propane fueling station was installed at the Paratransit Garage and in FY 2015 related propane related building enhancements and a 24-month rehabilitation project, including various facilities and equipment upgrades were completed.

PARK-N-RIDE LOTS

One objective of the GCRTA is to provide rail and/or bus Park-N-Ride services for all major commuter corridors within Cuyahoga County. As such, the GCRTA provides over 8,300 parking spaces at 21 of its rapid stations and operates seven bus Park-N-Ride lots in Berea, Brecksville, Rocky River, Strongsville, North Olmsted, Euclid and Westlake with more than 1,680 parking spaces.

PASSENGER SHELTERS

There are approximately 1,400 bus shelters located throughout the Authority's bus system at the close to 6,100 bus stops that are cleaned, maintained or replaced on a regular basis throughout the year.

RAIL DISTRICT COMPLEX

The Rail District Complex, located at 6200 Grand Avenue, went into service in late 1982. It houses Rail Headquarters, the Central Rail Maintenance Facility (CRMF), which handles all mechanical, body, and electrical repairs for the rail fleet, the Central Rail Service Building, the RTA Rail Yards, and is the location of the Authority's Transit Police Headquarters. In FY 2014, a total roof replacement project for these facilities was completed, in FY 2015, a multi-year Central Rail Lift Rehab program was implemented to replace and upgrade rail car lifts at this facility to ensure safety and to meet operational needs. In FY 2016, the Exterior Carwash and Track Crossing was repaired and replaced to ensure continual operation of the car wash bay and transfer table, minimizing service interruptions.

TRANSIT CENTERS

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

WOODHILL GARAGE FACILITY

The Woodhill Garage opened in 1966 as a bus garage and remained in service until 1998. It is currently being used as a training facility and houses the Authority's Print Shop operations. In 2015, this facility underwent rehabilitation to remodel a portion of the facility to expand work areas for the electronic repair shop, operators training classroom, and print shop equipment enhancements.

RAIL SYSTEM

RIGHT-OF-WAY

RTA owns 65 miles of rail lines (32.5 miles of joint rail) used for the operation of its rapid transit system including twenty-seven miles of light rail and thirty-eight miles of heavy rail track. To address potential issues related to MAP-21 and the new FAST Act requirements, the Authority is involved in a multi-year program that will establish SGR needs throughout its rail system that will help to prioritize on-going rehabilitation programs. The right-of-way of the Rail System includes 63 track bridges, 53 passenger stations, 17 propulsion power substations, overhead electrical catenary wires, signals, switches, and associated rail infrastructure all of which are included in a regular maintenance program to maintain a state of good repair.

BLUE, GREEN & WATERFRONT LINES (LIGHT RAIL)

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

Most of the 13.5-mile LR lines, with the exception of the 2.2-mile Waterfront Line extension added in 1996, were originally constructed between 1913 and 1920. The Authority's Light Rail System has 35 stations; including three it shares with the Red Line at Tower City, 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.

In FY 2013, a reconstructed Woodhill Station was opened, in FY 2015 a completed reconstruction of Lee/Van Aken Station, and the phase two of the Light Rail Crossings rehabilitation of three crossings one on the Green Line at Southpark Blvd and

two on the Waterfront line at Robert Lockwood Dr. and St. Clair Avenue, and the completion of the multi-year Shaker Square Crossings and Junctions rehabilitation project. In FY 2016, three additional Light Rail Crossings were completed at Main Street on the Waterfront Line, at Southington Road and West Park Boulevard on the Green Line, which also included completed construction of two Green Line Stations at Warrensville/Shaker Blvd. and Lee Road/Shaker Blvd. and the reconstruction of East 116th St. Light Rail Trunk Line Station.

RED LINE (HEAVY RAIL)

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

Since 2000 the Authority has completely renovated or reconstructed ten of its Red Line Station, with two, Cedar – University and Little Italy – University Circle Rapid Station recently completed. In FY 2015 other infrastructure projects that were finished including the rehabilitation of Red Line track from the S-Curve to W. 117th St. Station and from Kinsman Ave. to the Cedar-University Station. During FY 2016 completion of track reconstruction of Track 7 & 8 at Tower City Station; and work commenced on a \$15.1 million reconstruction of Brookpark Station, and a combined budget of \$10.7 million is programmed for heavy rail projects including the first of two years for the East 34th Street Station reconstruction for \$4.5 million and \$6.2 million for improvements at the Brookpark, Puritas and W. 65th Substations.

The 2017-21 CIP of the Authority continues to commit a significant amount of resources towards achieving a SGR in its Light & Heavy Rail Systems infrastructure including the reconstruction, rehabilitation and upgrades to train stations, power substations and electrical systems, train controls, and its on-going track and station rehabilitation programs.

BRIDGES/TUNNELS

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

Since 2000, 18 track bridges, seven street bridges, including the shared Light Rail Trunk Line Bridge, and the Airport Tunnel have been completely rehabilitated and the closed Rockefeller Bridge demolished. In FY 2015, the rehabilitation of CRMF Road Bridge at East 37th and East 81st & 83rd Street were completed. After completion of engineering & design services programmed in prior year for track bridges, construction work began on three track bridges in FY 2016 including a combined \$10.5 million for the reconstruction of track bridges at East Blvd., East 92nd Street, and completion of Phase I rehabilitation work on the Viaduct Track Bridge- Concrete & Repairs. The out-years of this CIP includes engineering & design services and reconstruction work on five track bridges, the first construction phase on the Viaduct Bridge, track bridge rehabilitation of W.117th Street, Ambler Avenue, Canal Road, Lorain Avenue and an on-going inspection program to monitor the condition of each track bridge owned by the Authority.

TOWER CITY STATION

The Tower City Station, is the only downtown station for both the Heavy (Red Line) and Light Rail (Blue, Green, and Waterfront Lines) systems and operates as the main connection point for the Authority's rail lines. Originally constructed and opened in 1930 for passenger rail service, modified in 1955 to accommodate the Authority's rail services, it was completely reconstructed in the late eighties as part of an overall re-development of the entire Tower City complex.

In FY 2016, \$8.90 million was programmed for the rehabilitation of Platform 7 (to serve as a temporary station) and the reconstruction of Track 8 (west-bound track) located under Tower City was completed at 2016 fiscal year end. Construction work was also completed at Tower City Station to replace two sets of escalators (long and short) in time to host the Republican National Convention in mid-2016.

REVENUE VEHICLE FLEETS

CONVENTIONAL BUSES

There were 496 vehicles in the GCRTA bus fleet at the end of 2016. Compared to the prior year, 68 vehicles have been retired or are in the process of being replaced under the bus improvement program. During FY 2015, 90 new 40-FT CNG vehicles were placed in daily operation, and in FY 2016, 12 Trolleys were placed into services at mid-year programming an additional 16 40ft CNG buses and 29 diesel vehicles to arrive late 2017. The Authority's current fleet includes 218 40-foot transit buses; 40-foot articulated diesel buses; 24 60-foot articulated hybrid bus rapid transit (BRT) vehicles; 23 45-foot commuter buses; 12 29-foot trolley buses; and 90 40-foot CNG vehicles. The FTA defines the useful life of a bus to be the lesser of 12 years or 500,000 miles and the average age of the large bus fleet was 7.6 years at the end of FY 2016. The age distribution of the Authority's large bus fleet is shown in Figure 96 on the next page.

The Authority's goal is to replace approximately 1/14 of its large bus fleet every year (30 to 35 buses) and to accommodate any increases in peak vehicle requirements. This hasn't been possible until recent budget years due to the lingering impact of the recession and other higher priority capital needs of the Authority, but the 2017– 21 CIP continues a planned bus replacement program, begun in 2013, that should average close to 35 buses per year over a five-year period.

A regular bus replacement program will:

- Reduce operating maintenance costs;
- Improve the reliability of the fleet;
- Distribute maintenance efforts more evenly;
- Reduce the Authority's vulnerability to large groups of bus defects; and
- Prevent one-time large purchases.

Age Distribution of Large Bus Fleet End of 2016

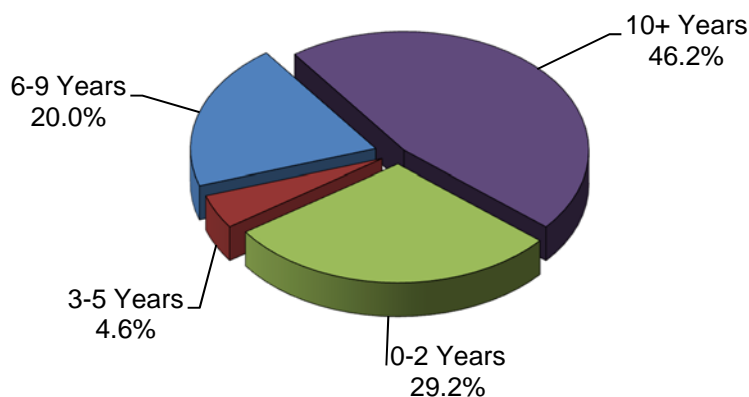


Figure 96: Age Distribution of Bus Fleet

Programmed orders in future years of this CIP depends upon the availability of non-formula funding, but they are expected to further lower the average age of the Authority's big bus fleet to approximately 6.4 years at the end of 2020. All current and future ordered GCRTA buses are compliant with the Americans with Disabilities Act (ADA) and, with the exception of the trolley buses and BRT vehicles, are equipped with bicycle racks.

PARATRANSIT BUSES

The Authority's Paratransit Program transports senior citizens and disabled persons on an advanced reservation basis. Including twenty propane fueled vehicles there are 89 ADA compliant, wheelchair-equipped buses in active service in the Paratransit fleet with an average age of 4.9 years at the end of FY 2016. In mid FY 2016, 20 MV-1 vehicles was delivered and placed into service. If the replacement of buses continue at this rate, it is anticipated that the average age of Paratransit fleet will be approximately 2.4 years by the end of FY 2018. In 1991, the Board adopted a policy to provide for the integration of fixed rail and bus services with Paratransit services into a network of services comparable to what is available to the general public. This continuing policy is designed to maintain full system accessibility and provide compliance with ADA and U.S. Department of Transportation Regulations.

RAIL VEHICLES

RTA owns a combined 108 heavy and light rail vehicles for its rail operations. The average age of the Authority's combined rail fleet at the end of 2016 was 35 years old. In recent years a midlife overhaul of the Authority's Light Rail (LR) and Heavy Rail (HR) fleets was completed, and in prior year 2015 an interior overhauls was implemented and completed. Both mid-life projects were initiated to economically extend the useful life of the Authority's rail vehicle fleets approximately 12 years beyond their normal expected operating life of 25 to 30 years, but in the near future, the Authority will be facing significant replacement costs for both of its rail fleets.

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

CAPITAL IMPROVEMENT PLANNING CYCLE

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

The Calendar of Events, Figure 97 on the next page, depicts the revised Capital Improvement and TIP planning cycles for the 2017-21 Capital Improvement Plan (CIP). The process began in March, 2016 when the Office of Management and Budget (OMB) reviewed the budgeting policies and set the parameters for the Capital Budget, and concluded in August with the Board Adoption of the recommended 2017-21 CIP followed by submission to NOACA for inclusion in the TIP/STIP.

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

In May, June and early July, OMB staff and the Capital Program Working Group (CPWG) reviewed all submitted capital project requests for consistency with the needs of the Authority's infrastructure, funding availability, the Authority's Long Range Plan, the current Transportation Improvement Plan (TIP), and the annual strategic planning process. Projects were then prioritized in accordance with RTA's capital priority areas- state of good repair, health & safety, mandates, efficiencies, environmental impact, and ridership transit oriented development and in turn forwarded to the Capital Program Oversight Committee (CPOC) which includes the Executive Management Team of the Authority. The CPOC was formed to develop

and monitor the Capital Program and to authorize the five-year Capital Program with projected grant, local and non-traditional revenue sources. After initial meetings with the Department Directors at the division level and with the General Manager and the Executive Management Team at the organizational level, the recommended Capital Budgets for the 2017-21 CIP were finalized.

This was followed, in July, by a comprehensive mid-year review that assessed the status of the current year's Capital Improvement Budget. Based on the mid-year review, the CIP for 2017-21 was finalized and presented to the Board of Trustees' Finance Committee in August for discussion and review at which time approval was given.

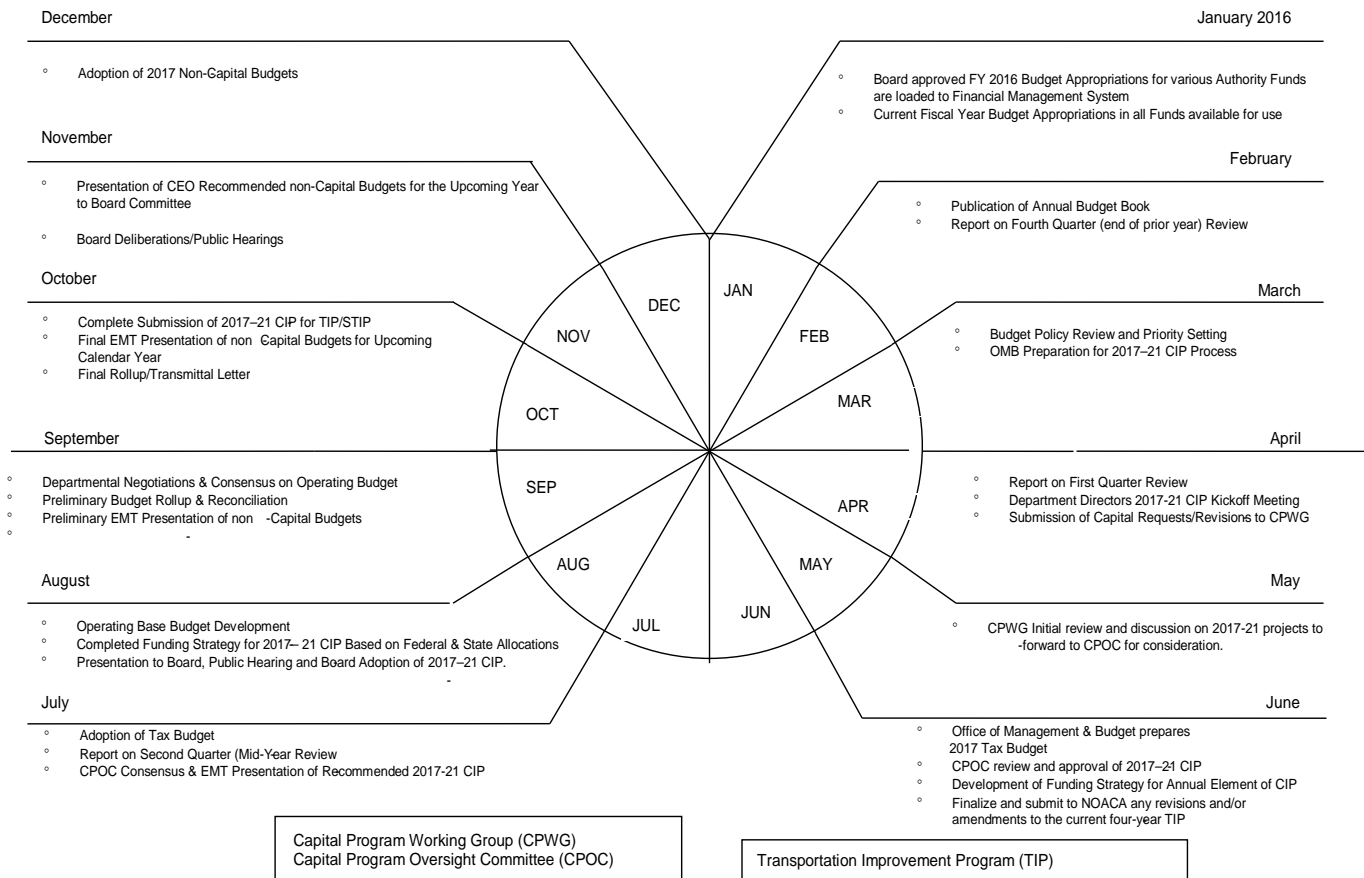


Figure 97

TRANSPORTATION IMPROVEMENT PROGRAM

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

The GCRTA Long-Range Plan and its related five-year Strategic Plan guides the CIP and TIP. These plans articulate the types of services and markets the Authority expects to serve. The Authority's preparation of projects for inclusion in the TIP began in March when departments request revisions, additions, or deletions to the previous year's CIP. The Budget Calendar of Events reflects the TIP process and how it corresponds to the Capital Improvement planning cycle. Capital project requests

are prioritized by the Capital Projects Working Group (CPWG) and, in turn, are submitted to the Capital Program Oversight Committee (CPOC) for review and approval.

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

CAPITAL BUDGET APPROPRIATIONS

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

The RTA Capital Fund includes capital projects funded from the Sales & Use Tax revenue. In general, these capital projects are less than \$150,000, have a useful life of less than 5 years, are routine in nature, and usually directly tie to daily operations. This Fund is subdivided into Routine Capital projects, for the acquisition of non-revenue vehicles and equipment, and Asset Maintenance projects, that include minor rehabilitation projects at Authority facilities.

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

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

CAPITAL IMPROVEMENT FINANCIAL POLICIES

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

- An amount equivalent to at least 10 and not more than 15 percent of Sales & Use 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 15 percent and 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

Capital project requests for consideration in the 2017–21 CIP far exceeded available resources. As a result, established guidelines are used to prioritize project requests for funding. The following criteria provide a basis for preliminary capital investment decisions and include:

THE VALUE AND USEFUL LIFE OF THE CAPITAL ASSET

To be included in the Capital Improvement Plan, the asset must have a value of \$5,000 or more and have a useful life exceeding one year. If financed by debt, the useful life should exceed the term of the bond.

The availability of resources to fund the Capital Improvement, including grant resources

The availability of grant resources against which local funds can be leveraged greatly enhances the likelihood of approval.

THE AGE AND CONDITION OF THE CAPITAL ASSET

Assets that are older and in poor condition generally rank higher on the rehabilitation or replacement list. Specific vehicle rehabilitation or replacement programs have been established for buses, rail cars, and non-revenue vehicles.

THE RELATIVE COST TO THE AUTHORITY FOR THE BENEFIT OBTAINED

Benefits may be measured in terms of avoided cost or the ability of the improvement to recover the capital investment within a given period.

VALUE ENGINEERING CONSIDERATIONS WITH REGARD TO THE SCHEDULING/ORDER OF PROJECTS

The relationship between projects is an important consideration in the scheduling of construction projects. For example, major rehabilitation to a bridge on a rail line might coincide with a track rehabilitation to achieve economies and avoid a duplication of effort.

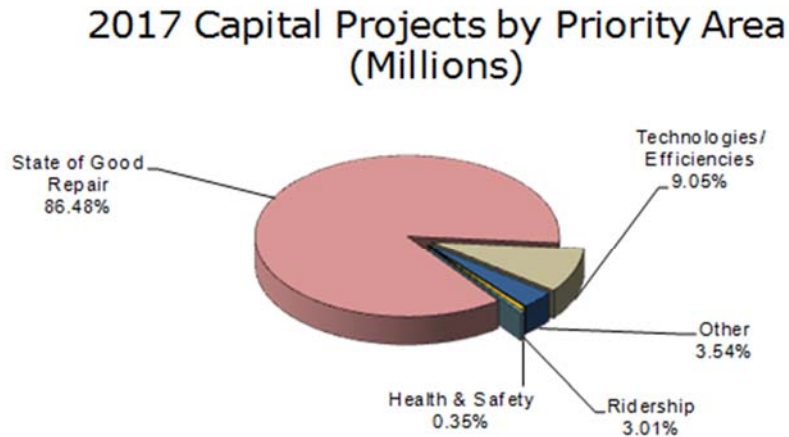
PRIORITY AREAS

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

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

- **Health and Safety** – Ensuring the physical well-being of the Authority’s customers, employees, and the general public
- **Mandates** – Ensuring compliance with Federal and State mandates such as the Clean Air Act and Americans with Disabilities Act
- **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
- **Ridership Transit Oriented Development** – Invest in equipment, opportunities for private investment, increased revenues, encourage partnerships with other organizations. Stimulate the development of current property for the benefit of customer satisfaction to maintain current ridership and attract new customers.
- **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

Figure 98 reflects the distribution of approved 2017 Capital Improvement projects by capital priority area. The largest portion of the 2017 Capital Budget appropriations, \$55.4 million or 86.5 percent, are for projects included within the State of Good Repair category that maintain or improve existing Authority capital assets. This is followed by the Technologies/Efficiencies category that includes projects that have an environmental impact, are for mandated programs, or for transit oriented development with \$5.8 million, or 9.1 percent, with the remaining categories making up the balance of the budgeted capital projects.



Priority Area	2017 Budget	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2017-21
Ridership	\$0.37	\$0.35	\$0.35	\$0.35	\$0.35	\$1.77
Health & Safety	\$0.23	\$0.23	\$0.23	\$0.23	\$0.23	\$1.13
State of Good Repair	\$55.43	\$73.55	\$78.86	\$61.24	\$63.88	\$332.96
Technologies/Efficiencies	\$5.80	\$12.33	\$11.44	\$3.89	\$3.24	\$36.70
Other	\$2.27	\$2.27	\$2.27	\$2.27	\$2.27	\$11.35
Total	\$64.10	\$88.73	\$93.15	\$67.98	\$69.97	\$383.91

Figure 98: Capital Projects by Priority Area

FINANCIAL CAPACITY

The nature of public transit requires that the Authority pursue a capital-intensive budget. The Authority's capacity to support its ongoing CIP depends on the availability of governmental grants, local matching funds, and the ability to issue bonds. During the eighties and through the mid-nineties, the RTA favored a pay-as-you-go method, maximizing the benefits of Federal and State grant programs, and utilizing debt financing sparingly. Beginning in the mid-nineties, the use of debt significantly increased to meet the financial needs of an extremely aggressive Capital Improvement Program. This led to a significant increase in the overall debt service of the Authority – one that requires principal and interest payments that will exceed \$18.5 million in FY 2017 for existing debt service.

At the end of FY 2016, the Authority will have a combined \$120.0 million of outstanding debt among nine outstanding debt issues. They are, along with their original amounts, \$35.0 million of bonds issued in 2008, a \$25.0 million issuance and \$17.4 million refunding issuance in 2012, a \$29.4 million refunding issuance in 2014, and a combined \$51.4 million issuance and refunding issuance in 2015. Current plans are to issue \$30 million of additional debt in late FY 2017 or early FY 2018 that will be used as the local match for programmed grant funded capital projects or for locally funded capital projects.

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

FEDERAL SOURCES

As reflected in Figure 99, Federal grants provide an estimated \$59.4 million, or nearly 56.7 percent of the Authority's capital improvement revenue stream during FY 2017. Over the five-year CIP period, Federal funding may provide approximately 63.3 percent of the needs for the Authority's programmed capital projects. Most major Federal grant programs require a local match, normally 20 percent, though in some isolated grant awards a 10 percent or no local match is required. Through FFY 2013, 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.

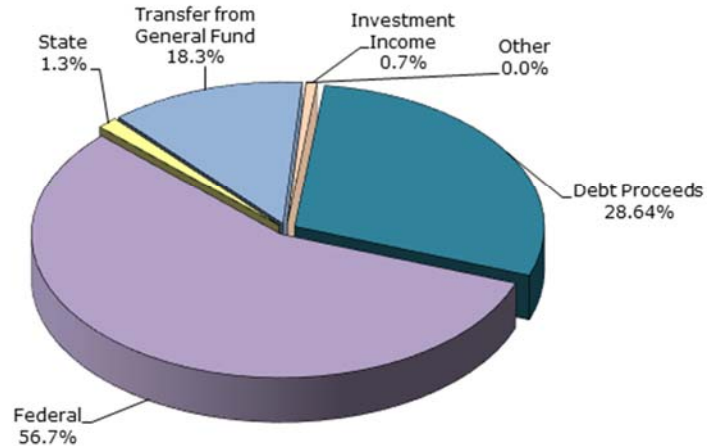
[SAFETEA-LU](#) was extended several times since, and in FY 2012 a new Transportation Act, Moving Ahead for Progress in the 21st Century (MAP-21), was approved by Congress. MAP-21 established some certainty over available FTA funds for future transit construction projects. Changes in Federal formula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

The changes brought on by MAP-21 legislation impacted the Authority's Rail Systems capital programming. Prior to MAP-21 the Rail Modernization grant was allocated through a formula favorable to the Authority and other "older" rail systems in America. Rail formula funds are currently allocated through a [STATE OF GOOD REPAIR \(SOGR\)](#) program, which incorporates both population and operating statistics into the formula allocations resulting in a reduction of formula funds for the rail system. While the MAP-21 legislation clarified available financial resources in the short-term, the long-term Federal funding commitment to public transportation remains uncertain.

At the end of 2015, a new Transportation Act titled "[FIXING AMERICA'S SURFACE TRANSPORTATION](#)" (FAST) ACT is expected to be approved by Congress. The FAST Act will incorporate current MAP-21 initiatives and focus on SOGR strategies. The FAST Act is also expected to impact the Authority's formula funding allocation in the CIP by an annually projected increase of \$2 million, most of which is prioritized for Rail SOGR projects.

On July 26, 2016 FTA made its "Final Ruling" reaffirming that transit agencies must establish a Transit Asset Management System Plan to monitor and manage public transportation assets to improve safety and increase reliability and performance. The "Final Ruling" sets the objective to achieve a state of good repair (SGR) by creating a business model using transit asset condition ratings to guide capital planning decisions and optimize funding resources.

FY 2017 Capital Improvement Revenue By Source (Millions)



	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Transfer from General Fund	\$15.87	\$15.51	\$9.47	\$13.28	\$13.47	\$14.31
Investment Income	\$0.07	\$0.21	\$0.73	\$0.73	\$0.63	\$0.72
Federal	\$58.20	\$75.82	\$61.25	\$59.35	\$62.79	\$71.29
State	\$2.05	\$0.53	\$1.38	\$1.38	\$1.38	\$1.38
Debt Proceeds	\$0.00	\$30.00	\$0.00	\$30.00	\$0.00	\$25.00
Other	\$0.07	\$0.09	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$76.26	\$122.16	\$72.83	\$104.74	\$78.27	\$112.70

Figure 99: Capital Improvement Revenue by Source

URBANIZED AREA FORMULA - SECTION 5307

Urbanized Area or Capital grants were originally provided under Section 5307 of the Urban Mass Transportation Act of 1964. Resources are allocated to urban areas according to a formula and matched on an 80 percent Federal and 20 percent local basis. This program has continued under the new MAP-21 legislation, though several changes were made leading to a small reduction in the annual award of funds. Additionally, changes due to MAP-21 included the elimination of the Job Access & Reverse Commute (JARC) Section 5316 program, which provided over \$12.21 million in local match for operating costs associated with this program over a six year period. The JARC program was incorporated into the Section 5307 formula award as an eligible reimbursement in the MAP-21 and FAST legislations, but no additional resources are provided to continue the program.

In FFY 2015, with the local match included, the Authority received \$29.08 million and \$29.62 in FY 2016 from its Section 5307 award, a slight increase from the prior FY 2014 amount of \$28.97 million. Prior to that, Section 5307 grant awards for the Authority totaled \$27.78 million in FFY 2013 and \$28.70 million in FFY 2012. Future allocations under the upcoming FAST 21 legislation are estimated at \$29.62 million, near the amount currently received under the MAP-21 legislation.

STATE OF GOOD REPAIR – SECTION 5337

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

The MAP-21 legislation replaced the Section 5309 Rail Modernization award program with the Section 5337 State of Good Repair (SGR) grant program. It also replaced the historical Section 5309 funding formula allocation with a program that relied upon operational statistics of a transit agency compared to the industry statistics, as well as use of the 2010 UZA Census data. The new formula favors agencies serving growing populations and expanding transit services over those with a relatively static UZA population and service, resulting in the loss of close to \$4.0 million for rail formula award funds over the last two years for the Authority.

The last Federal allocation for the Section 5309 – Rail Modernization Award was an indication of the financial impact the Authority faced under the MAP-21 legislation. Including the 20 percent local share, the last Rail Modernization award in FFY 2012 totaled \$17.26 million. Since then, the Authority has received \$14.16 million in FFY 2013, \$15.38 million in FFY 2014 and \$15.10 million in FFY 2015. Under the new FAST Act, the Authority received \$17.38 in FY 2016, meeting the projected \$2.0 million increase needed for state of good repair for capital projects. While a significant increase, the Authority level of funding remains below the actual need to maintain a state of good repair.

BUS & BUS FACILITIES – SECTION 5339

Section 5339 grant funding is a smaller formula award that provides additional capital funding for the replacement, rehabilitation, purchase of buses and related equipment, and the construction of bus-related facilities. Funding for this award under the MAP-21 Act remains relatively stable with \$2.33 million received in FFY 2013, \$2.43 million in FFY 2014, and again in FFY 2015. Under the FAST Act, this amount slightly decreased to \$2.30 million with similar amounts to be received in future years of the CIP.

NON-TRADITIONAL FEDERAL SOURCES

Non-traditional Federal awards, including competitive and earmark grants, are beyond the scope of the previously discussed programs, but are impacted by the MAP-21 and subsequent FAST legislation. Additionally, grant award funding for an annual ADA Reimbursement grant award, which reimbursed the Operating Budget an average of \$3.17 million between FY 2011 – 2015 has lapsed resulting in a loss of revenue for the General Fund.

The Authority remains successful in competing for and being awarded non-traditional or competitive awards that provide the necessary resources enabling a number of important capital projects to be completed. The Authority will continue to seek and submit applications for needed SGR capital projects as competitive grant awards become available.

The Authority recently received non-traditional funding for the Career Pathways Development award of \$985,754 received in FY 2015 to be used by the Authority for a work force development program. In FY 2013 a TIGER III grant award for \$15.63 million was received for construction work on the Little Italy - University Circle Station & rehabilitation of the Mayfield Road Track Bridge, and two non-formula awards were executed totaling a combined \$8.69 million for the Clifton Boulevard Transit Enhancement project. Earlier in FY 2012, the Authority received two competitive grant awards; One for \$3.96 million for improvements at the Brookpark & Windermere Red Line Stations and the Strongsville Park-N-Ride, and a second for \$1.61 million for the rehabilitation & expansion of the Southgate Park-N-Ride lot, and rehabilitation of the Triskett, North Olmsted Park-N-Ride, and Sprague/Fair parking lots. In the proposed 2017–2021 Capital Improvement Plan (CIP), projects are identified within the plan to seek competitive awards of \$3.8 million for rehabilitation of Red Line Track West (W.75th – W.98th) and \$11.9 million for Radio CAD/AVL System Replacement. The capital funding from non-traditional Federal source grants are used to support years' worth of unfunded programmed capital projects identified in the CIP.

STATE SOURCES

Administered through the Ohio Department of Transportation (ODOT), the State contributes up to one-half of the local match portion of Federal grant programs. In the past, the State contributed State grants in this form. Recently it has focused on contributions that are project-specific rather than for local match contributions, and it utilizes available Federal rather than State awards. In FY 2012, the Ohio Transit Preservation Partnership Program (OTPPP) awarded \$2.6 million of Federal funds for the reconstruction of the Red Line Airport Tunnel and \$1.89 million of Federal funds in FY 2013 for the Authority's

Revenue Vehicle Camera and DVR program. In FY 2014, the Authority received a \$2.62 million of OTPPP award for replacement of 40-Ft buses, and in FY 2015 executed a \$1.96 million award for four replacement trolley buses. In future budget years, the Authority will continue to submit applications to the State in support of the multi-year bus improvement and track reconstruction programs.

LOCAL SOURCES

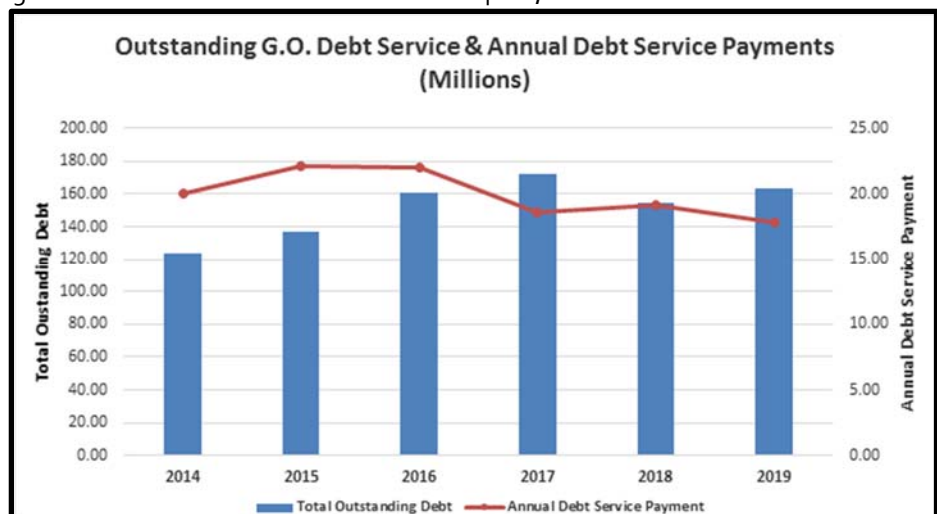
The Capital Improvement Budget requires local resources to support the match for most grant-funded projects, as well as support 100 percent locally funded projects in both the RTA Capital and RTA Development Funds. In FY 2017, the combined local contribution for the Authority’s capital program of \$32.92 million are sourced from two transfers included within the General Fund. The first is a \$13.64 million transfer to the RTA Capital Fund to cover locally funded capital expenditures within the Capital Funds. The second, a \$19.28 million transfer from the General Fund to the Bond Retirement Fund, covers projected debt service payments for the upcoming year. In recent years, these two transfers grew from \$36.36 million in FY 2014, to \$38.13 million in FY 2015, decreasing to \$31.35 in FY 2016, and are expected to increase slightly and remain steady into future budget years.

DEBT MANAGEMENT

Although major capital improvements are mostly funded by Federal and State capital grants, the Authority is required to pay a percentage of most grant-funded projects from its own local sources. Debt sales are used for this purpose as well as to pay for major 100 percent locally funded projects. In FY 2015 Revenue Bonds (RB) were issued for \$30.0 million in new debt and \$21.4 million in a refunding issuance. All of the Authority’s outstanding debt at the end of FY 2016 will mature by December 2034. The \$160.03 million balance of outstanding debt at the end of 2016 will require principal and interest payments of \$18.57 million in 2017.

DEBT LIMITATIONS

As a regional transit authority, Ohio law permits the Authority to issue both un-voted and voted general obligation bonds. In the past, only un-voted general obligation bonds were issued. As the name implies, un-voted 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 do not require the use of ad valorem property taxes to pay debt service, but are supported by the Authority’s other revenue sources.



Debt Service	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Annual Debt Service Payment	20.01	22.12	22.07	18.57	19.12	17.81
Total Outstanding Debt	123.94	136.88	160.33	172.40	154.43	163.28

Figure 100: Outstanding G.O. Debt Service & SIB Loan and Annual Debt Service Payments

THERE ARE THREE LIMITATIONS RELATED TO THE AUTHORITY'S ABILITY TO ISSUE GENERAL OBLIGATION DEBT:

1. 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 2016 of \$27.62 billion limits the amount of available debt to \$1.39 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.
2. The second limitation, also contained in Section 306.40 of the Ohio Revised Code, **RESTRICTS ANNUAL PRINCIPAL AND INTEREST PAYMENTS ON THE AUTHORITY'S UNVOTED GENERAL OBLIGATION BONDS** to one-tenth of one percent (0.1 percent) of the assessed valuation. Based on the assessed valuation of \$27.62 billion, annual debt servicing capacity would be close to \$27.62 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.
3. 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 un-voted 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 un-voted general obligation debt is 'shared' with overlapping political subdivisions. As these entities issue debt subject to the 10-mill limitation, the amount of room available for other subdivisions' debt is reduced. Political subdivisions include Cuyahoga County, various municipal corporations, school districts, and townships within the taxing district.

At 10.754 mills, total outstanding debt issued by various public entities within the County exceeds the un-voted ten-mill limit, restricting the Authority's ability to issue any General Obligation Bonds. The Authority's ability to issue more general obligation debt remains limited under the third constraint, in that the total outstanding debt issued as of year-end 2016 by various public entities within the County exceeds the un-voted ten-mill limit. Due to this restraint in previous years, the Authority issued new debt of \$25.0 million in Revenue Bonds, rather than General Obligation Bonds, in 2012 and a new issuance of \$30 million in 2015.

OPERATING IMPACTS

A benefit of considering the Operating and Capital Budgets concurrently is the ability to gauge the impact of Capital Improvement decisions on the Operating Budget. Financial requirements and programmed activities within the Authority's capital program will impact the 2017 Operating Budget in a number of ways such as the following:

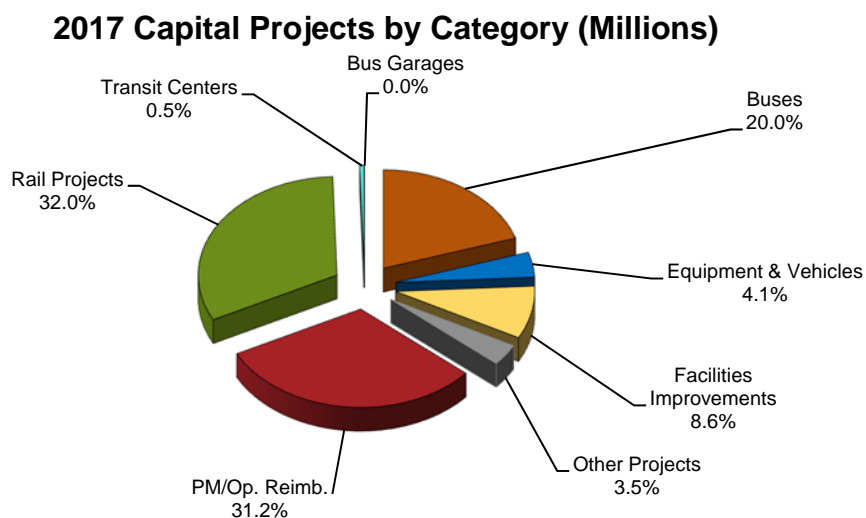
- The Trustees' commitment to balancing sales & use tax revenues between the Capital Improvement Fund and supporting operation needs. In the upcoming year, transfers to the Capital Fund are budgeted in the amount of \$13.28 million.
- In tandem with increased capital requirements to achieve a SGR, the challenges with securing needed grant award funds from Federal, State and other intergovernmental agencies places continual pressure on the General Fund to contribute increasingly significant amounts of financial resources to the Capital Improvement Fund.
- Estimated debt service and interest payments of \$18.57 million will require a General Fund transfer to the Bond Retirement Fund to offset the debt in FY 2017, further limiting the amount available for operating expenditures.
- Some Operating Budget expenditures, primarily personnel costs across the Authority, are incurred in support of ongoing activities spurred by capital construction projects. Eligible costs are reimbursed to the General Fund as revenue from the RTA Development Fund. In FY 2017, this activity will result in a projected \$1.0 million in grant funded reimbursements to the General Fund.

- Formula grant funds are eligible to reimburse preventive maintenance (PM) activities with the Operating Budget. For the five fiscal years covering FY 2006 thru FY 2010, \$141.19 million of Federal formula capital grants were used for this purpose. In the following five fiscal years, 2011 – 2015, the improved financial position of the Authority reduced need of formula funding for preventive maintenance activities to \$75.39 million, then redirected for needed capital improvements. In FY 2016, PM activities are expected to end the year at \$21.20 million as budgeted. In FY 2017, PM activities are budgeted to decrease slightly to \$20.0 million as the service needs of the Operating Budget draw resources from the Capital program.
- The capital program helps to maintain the Authority’s capital assets in a state of good repair that facilitates improved delivery of transportation services and helps to reduce maintenance costs incurred in the operating budget.
- Daily activities within the FY 2017 General Fund or Operating Budget are supported by \$3.92 million of budget appropriation for various capital projects included within the RTA Capital Fund. These generally include smaller (less than \$150,000) equipment & non-revenue vehicle purchases and facilities maintenance activities, and are exclusively supported by local funds from Sales & Use Tax revenue.

CAPITAL PROJECT CATEGORIES

The combined 2017–2021 Capital Improvement Plan (CIP) totals \$383.91 million of capital budget appropriations over the five year plan with projects sorted among eight capital project categories – Bus Garages, Buses, Equipment & Vehicles, Facilities Improvements, Other Projects, Preventive Maintenance/Operating Reimbursements, Rail Projects, and Transit Centers. For the approved 2017 CIP, two categories comprise \$40.50 million, or 63.2 percent, of the combined \$64.10 million capital budget appropriations. The largest with \$20.50 million is the Rail Project category, followed by the Preventive Maintenance/Operating Expense projects category with \$20.0 million. These are followed by the Bus Improvement category with \$12.84 million, and four remaining categories totaling \$10.75 million within the approved capital budget as shown in Figure 101.

Reflecting the challenging financial picture the Authority faces, the largest budgeted category over the five-year CIP is the grant funded reimbursements of preventive maintenance and other operating expenses with \$100.00 million, or 26.04 percent of the CIP budget over the five years. This is followed by Bus Improvement Programs with \$98.80 million, 25.5 percent, and the Rail Projects with \$95.16 million, or 24.78 percent, followed by the other remaining categories to a lesser degree as prioritized by the needs assessment and corresponding allocation of available capital funds.



Category	2017 Budget	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2017 - 21
Bus Garages	\$0.00	\$2.40	\$5.45	\$0.00	\$0.00	\$7.85
Buses	\$12.84	\$21.96	\$20.00	\$20.00	\$24.00	\$98.80
Equipment & Vehicles	\$2.63	\$8.06	\$7.10	\$4.85	\$4.29	\$26.94
Facilities Improvements	\$5.53	\$8.77	\$12.81	\$7.24	\$7.93	\$42.28
Other Projects	\$2.27	\$2.27	\$2.27	\$2.27	\$2.27	\$11.36
PM/Oper. Reimb.	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$100.00
Rail Projects	\$20.50	\$24.97	\$25.21	\$13.32	\$11.18	\$95.16
Transit Centers	\$0.32	\$0.30	\$0.30	\$0.30	\$0.30	\$1.52
Total	\$64.09	\$88.73	\$93.14	\$67.98	\$69.97	\$383.91

Figure 101: Capital Projects by Category

RTA CAPITAL FUND

The RTA Capital Fund supports smaller capital projects and includes more routine expenditures. Projects within this fund are generally less than \$150,000 and have a useful life not exceeding five years. The RTA Capital Fund is 100 percent locally funded, almost exclusively through transfers of sales & use tax revenue from the Operating Budget. Items included in the RTA Capital Fund are segregated into two types:

- Routine Capital, which includes the acquisition of non-revenue vehicles and small equipment
- Asset Maintenance, which covers small rehabilitation projects to maintain the Authority's existing assets.

Figure 103 trends the annual fund balance for the RTA Capital Fund. Other than a small amount of investment income, the main source of revenue is the sales & use tax revenue transfer from the General Fund to the RTA Capital Fund, which began in 1989. Anticipated revenue in FY 2017 will include \$13.27 million of programmed transfers from the General Fund and investment income of \$20,000. The transfer amount, in combination with the General Fund transfer of \$19.28 million to the Bond Retirement Fund, brings the total commitment to Capital to \$32.55 million, or 15 percent of the projected 2017 sales & use tax revenue.

Budgeted FY 2017 expenditures within the RTA Capital Fund of \$13.64 million include \$1.90 million for Asset Maintenance or facilities projects, \$2.20 million for Routine Capital or equipment purchases, and a \$9.54 million transfer into the RTA Development Fund for use on providing the local match on grant awards and 100 percent locally funded projects. The estimated 2017 ending balance of \$2.03 million is a decrease from prior years due to an increase in asset capital to maintain a state of good repair of facilities and sustain ongoing operations at various districts throughout the Authority.

RTA Capital Fund Balance Analysis

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	1,731,677	1,522,919	2,114,010	2,371,815	2,031,294	2,090,214
Revenue						
Transfer from General Fund	15,874,829	15,509,273	9,472,060	13,276,384	13,477,501	14,313,188
Investment Income	13,200	21,847	20,000	20,000	20,000	20,000
Other Revenue	72,918	0	0	0	0	0
Total Revenue	15,960,744	15,531,120	9,492,060	13,296,384	13,497,501	14,333,188
Total Resources	17,692,421	17,054,039	11,606,070	15,668,209	15,528,795	16,423,400
Expenditures						
Asset Maintenance	1,827,996	1,415,840	1,850,000	1,900,000	2,000,000	1,900,000
Routine Capital	2,807,251	1,874,934	2,250,000	2,200,000	1,750,000	1,800,000
Transfer to RTA Development Fund	11,734,255	11,649,255	5,334,255	9,536,915	9,688,581	10,580,555
Total Expenditures	16,169,502	14,940,029	9,234,255	13,636,915	13,438,581	14,260,555
Ending Balance	1,522,919	2,114,010	2,371,815	2,031,294	2,090,214	2,162,845

Figure 102

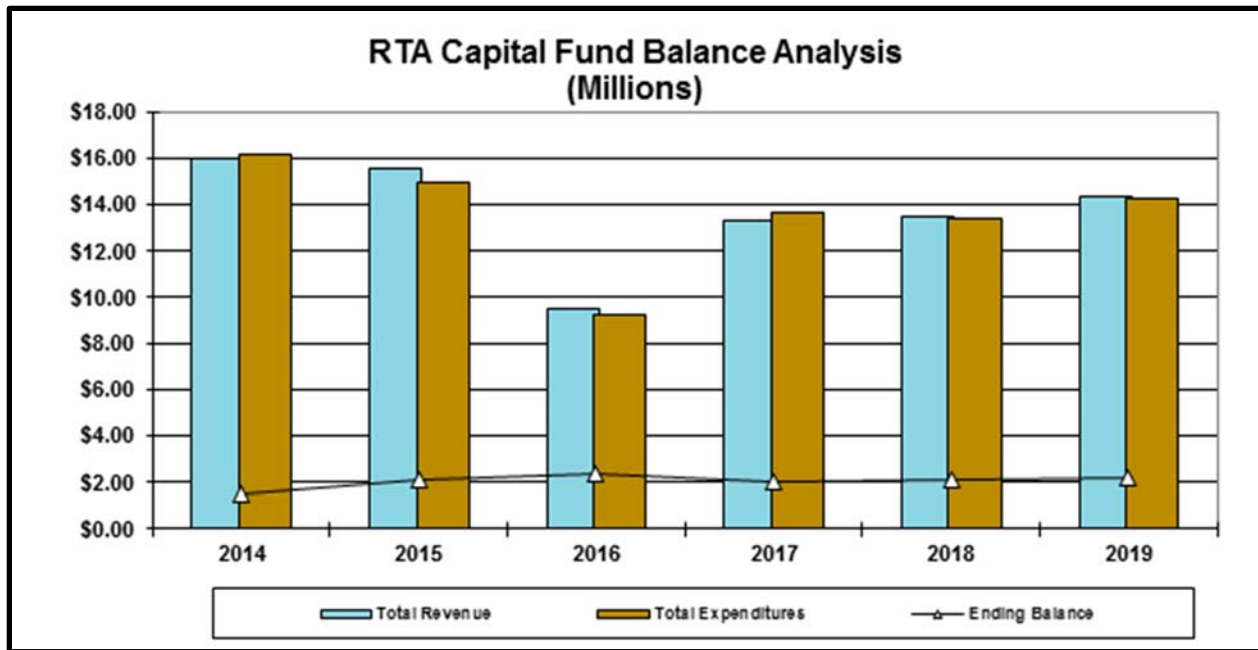


Figure 103

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	\$1.73	\$1.52	\$2.11	\$2.37	\$2.03	\$2.09
Total Revenue	\$15.96	\$15.53	\$9.49	\$13.30	\$13.49	\$14.33
Total Resources	\$17.69	\$17.05	\$11.60	\$15.67	\$15.52	\$16.42
Total Expenditures	\$16.17	\$14.94	\$9.23	\$13.64	\$13.43	\$14.26
Ending Balance	\$1.52	\$2.11	\$2.37	\$2.03	\$2.09	\$2.16

Figure 103: RTA Capital Fund Balance Analysis

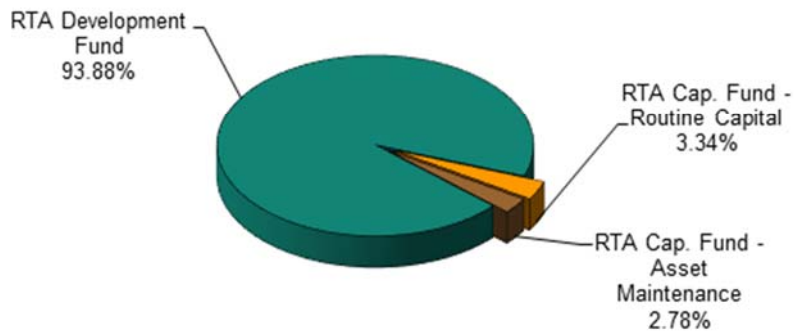
ASSET MAINTENANCE PROJECTS

Asset Maintenance consists of locally funded projects that maintain, repair, or rehabilitate an existing facility of the Authority. These include projects of smaller scope, duration and expense than those included in the RTA Development Fund. The duration of these projects is often less than one year with the cost generally not exceeding \$150,000, and a useful life of less than five years.

The FY 2017 budget appropriation for Asset Maintenance projects is \$1.78 million, representing 2.8 percent of the overall FY 2017 Capital Improvement Budget as represented in Figure 104. Most of this amount is budgeted within two organizational areas of the Authority; Engineering & Project Development and Asset & Configuration Management. Engineering & Project Develop is responsible for coordinating larger construction-related asset maintenance projects throughout the entire Authority, which lends to managing a majority of Asset Maintenance Funds at an amount of \$850,000, or 47.9 percent. Asset and Configuration Management manages \$410,000, or 23.1 percent of all Asset Maintenance projects, budgeted within the for smaller cost facilities projects within the Operations Division and the Main Office.

Remaining budgeted projects within Asset Maintenance are for location specific facilities projects, focused energy efficiency or lighting retrofits throughout the Authority, or in the Asset Maintenance Contingency project for unanticipated facilities improvements needed throughout the year.

2017 Capital Project Budgets by Fund (Millions)



	2017 Budget	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2017-21
RTA Cap. Fund - Routine Capital	\$2.14	\$1.52	\$1.63	\$1.53	\$1.47	\$8.29
RTA Cap. Fund - Asset Maintenance	\$1.78	\$1.83	\$1.76	\$1.77	\$1.71	\$8.85
RTA Development Fund	\$60.18	\$85.37	\$89.76	\$64.68	\$66.79	\$366.78
Total	\$64.10	\$88.72	\$93.15	\$67.98	\$69.97	\$383.92

Figure 104: Capital Project Budgets by Fund

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 in cost, in many cases have a useful life of five years or less, and are designed to efficiently meet the identified operational equipment needs within the General Fund or Operating Budget. As such, the expectation for Routine Capital projects is the approved budget appropriations are fully committed, if not expensed within the calendar year.

As indicated in Figure CIP-8, the budget appropriation for Routine Capital projects accounts for \$2.14 million, or 3.3 percent, of the 2017 CIP Budget. Reflecting the support of daily operations, the greatest portion of the budget appropriation for Routine Capital projects in the 2017 CIP is within the Operations Division, which has a combined \$1.57 million, or 73.5 percent, of the total. More than half, \$825,000 is programmed for the non-revenue vehicle lease or replacement program followed by \$524,000 for equipment pool projects throughout various Operating Division Departments, and a budgeted Transit Police Department security pool program of \$225,000.

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA CAPITAL FUND**

ASSET MAINTENANCE (FACILITIES) PROJECTS

Department / Project Name	Project Number	2017 Budget	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2017-21 Total
<u>31 Paratransit District</u>							
Interior Garage Cleaning/Painting	P32315079	\$125,000	\$0	\$0	\$0		\$125,000
		\$125,000	\$0	\$0	\$0	\$0	\$125,000
<u>32 Rail District</u>							
WFL Booth Replacements (5)	P32325079	\$75,000	\$0	\$0	\$0	\$0	\$75,000
		\$75,000	\$0	\$0	\$0	\$0	\$75,000
<u>33 Asset & Configuration Mgt.</u>							
Administration Facilities Maint. Pool	P32335159	\$60,000	\$60,000	\$70,000	\$70,000	\$70,000	\$330,000
Elevator/Escalator Maintenance Pool	P32335259	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Operating Facilities Maintenance Pool	P32335359	\$125,000	\$125,000	\$135,000	\$135,000	\$160,000	\$680,000
Passenger Facilities Maintenance Pool	P32335459	\$125,000	\$125,000	\$135,000	\$135,000	\$160,000	\$680,000
		\$410,000	\$410,000	\$440,000	\$440,000	\$490,000	\$2,190,000
<u>39 Fleet Management</u>							
Install High Speed Doors (#15 & #19)	P32395079	\$115,000	\$0	\$0	\$0	\$0	\$115,000
Replace Skylights & Smoke Hatches	P32395089	\$0	\$172,000	\$0	\$0	\$0	\$172,000
Bus Districts Lift Rebuilds/Rehab's	P47395059	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
		\$165,000	\$222,000	\$50,000	\$50,000	\$50,000	\$537,000
<u>57 Programming & Planning</u>							
Transit Waiting Environment	P28575059	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
		\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
<u>80 Engineering & Project Dev.</u>							
Facilities - ADA Projects	P32805049	\$100,000	\$125,000	\$125,000	\$150,000	\$150,000	\$650,000
Passenger Facilities Maint. Pool	P32805149	\$250,000	\$300,000	\$300,000	\$325,000	\$325,000	\$1,500,000
Operating Facilities Maint. Pool	P32805249	\$500,000	\$525,000	\$525,000	\$550,000	\$550,000	\$2,650,000
Paratransit Parking Lot Expansion	P32805189	\$0	\$0	\$170,000	\$0	\$0	\$170,000
		\$850,000	\$950,000	\$1,120,000	\$1,025,000	\$1,025,000	\$4,970,000
<u>67 OFFICE OF MGT. & BUDGET</u>							
Energy Retrofits	P32675339	\$0	\$100,000	\$0	\$100,000	\$0	\$200,000
Asset Maintenance Contingency	P49995059	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
		\$100,000	\$200,000	\$100,000	\$200,000	\$100,000	\$700,000
TOTAL ASSET MAINTENANCE		\$1,775,000	\$1,832,000	\$1,760,000	\$1,765,000	\$1,715,000	\$8,847,000

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA CAPITAL FUND**

ROUTINE CAPITAL (EQUIPMENT) PROJECTS

Department / Project Name	Project Number	2017 Budget	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2017-21 Total
<u>12 Executive</u>							
NOACA Dues	P49120149	57,700	58,500	58,500	58,500	59,000	292,200
CLE Works Dues	P49120249	30,000	30,000	30,000	30,000	30,000	150,000
Outside Legal Services - Leg. Review	P49120349	90,000	90,000	91,500	91,500	92,500	455,500
		177,700	178,500	180,000	180,000	181,500	897,700
<u>32 Rail District</u>							
Rail District Equipment Pool	P47320149	222,000	90,000	90,000	30,000	20,000	452,000
		222,000	90,000	90,000	30,000	20,000	452,000
<u>34 Transit Police</u>							
Security Improvements Pool	P44340249	225,000	225,000	225,000	225,000	225,000	1,125,000
		225,000	225,000	225,000	225,000	225,000	1,125,000
<u>39 Fleet Management</u>							
Non-Revenue Vehicle Imp. Program	P46390159	125,000	125,000	150,000	150,000	150,000	700,000
NRVIP - Lease Payments	P46390169	400,000	400,000	400,000	400,000	400,000	2,000,000
Overhead Catenary Repair Vehicle	P46390279	300,000	0	0	0	0	300,000
Fleet Management Equipment Pool	P47390349	82,000	60,000	35,000	35,000	40,000	252,000
		907,000	585,000	585,000	585,000	590,000	3,252,000
<u>46 Hayden District</u>							
Hayden District Equipment Pool	P47460169	185,000	0	50,000	40,000	50,000	325,000
		185,000	0	50,000	40,000	50,000	325,000
<u>49 Triskett District</u>							
Triskett District Equipment Pool	P47490159	35,000	0	20,000	35,000	20,000	110,000
		35,000	0	20,000	35,000	20,000	110,000
<u>61 Information Technology</u>							
IT Systems Development Pool	P32805189						
IT Systems Development Pool	P42610149	125,000	130,000	130,000	130,000	130,000	645,000
PC Replacement Program	P42610169	50,000	50,000	50,000	50,000	50,000	250,000
Thin Client Replacement Program	P42610179	75,000	0	0	0	0	75,000
Kiosk Replacement Program	P42610189	0	125,000	125,000	75,000	25,000	350,000
Laser Printer Replacement Program	P42610299	0	0	35,000	35,000	35,000	105,000
		250,000	305,000	340,000	290,000	240,000	1,425,000
<u>62 SUPPORT SERVICES</u>							
Office Equipment/Furniture Pool	P43620149	40,000	40,000	40,000	45,000	45,000	210,000
		40,000	40,000	40,000	45,000	45,000	210,000
<u>67 OFFICE OF MGT. & BUDGET</u>							
Routine Capital Contingency	P49990159	100,000	100,000	100,000	100,000	100,000	500,000
		100,000	100,000	100,000	100,000	100,000	500,000
TOTAL ROUTINE CAPITAL		2,141,700	1,523,500	1,630,000	1,530,000	1,471,500	8,296,700
RTA CAPITAL FUND TOTAL		3,916,700	3,355,500	3,390,000	3,295,000	3,186,500	17,143,700

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 is the larger capital fund that include rehabilitation & expansion projects that are greater than \$150,000 and have a useful life of more than five years. This Fund is primarily, but not exclusively, supported through Federal grant awards providing 80 percent of the project funds, and requiring a 20 percent local match.

Federal Capital grants received by the Authority normally requires local match funds, normally 20 percent, be set aside and available for Capital Improvement projects. During the budget process, local match requirements, as well as potential locally funded projects, are reviewed and resources provided through Sales & Use Tax contributions transferred from the RTA Capital Fund, available proceeds from debt sales, and interest income.

In 2014, \$11.73 million was transferred from the RTA Capital Fund to the RTA Development Fund to provide the local match for Operating Budget expense reimbursements and to cover other locally funded expenditures within the RTA Development Fund. The transfer decreased slightly to \$11.65 million in FY 2015, and again in FY 2016 to \$5.3 million. The amount remained relatively stable in FY 2017 at \$9.54 million, and \$9.69 million in FY 2018 before increasing to \$10.56 million in FY 2019 due to the financial demands of the Authority's capital program.

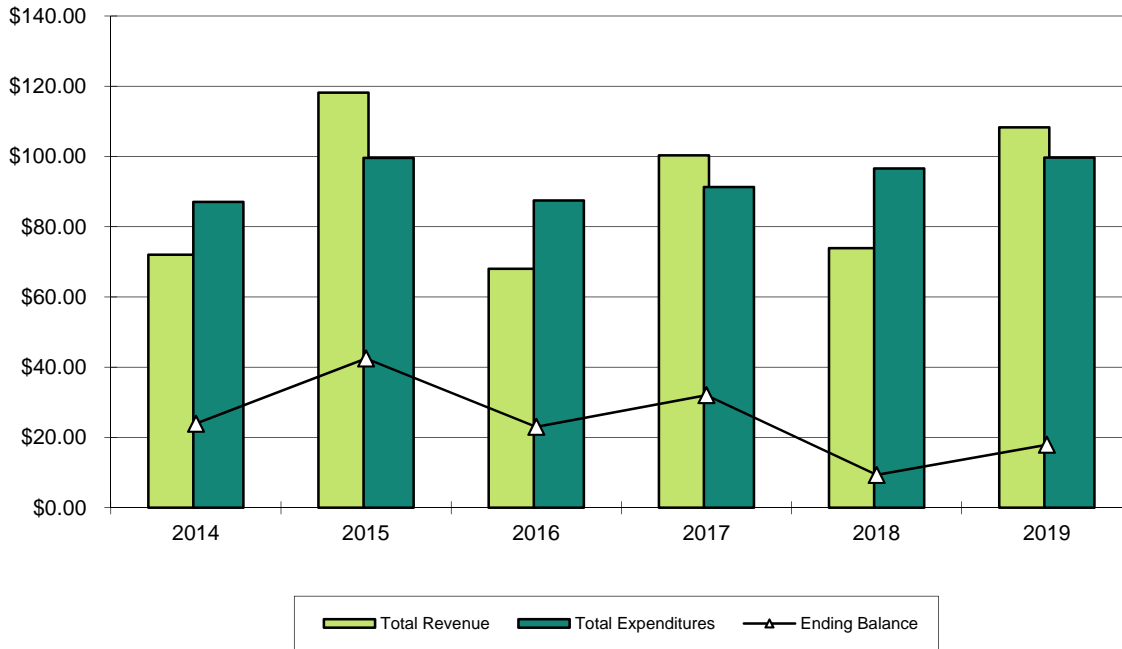
Other local funding sources include debt service, revenue bonds, and interest income. The Authority last issued debt, \$25.0 million of Revenue Bonds, in FY 2016 to support capital project activities and an additional debt service of approximately \$30.00 million is expected in FY 2017. Interest income has varied over the years from a high of \$185,574 in FY 2015 to an estimated low of \$53,000 in FY 2017 due to fluctuations in the interest rates and fund balance over the years

Figure CIP-9 presents the fund balance analysis for the RTA Development Fund. The balance typically fluctuates depending upon new debt service issuances, the Authority receiving a competitive non-formula grant award, and scheduled construction activities for the year. At the end of FY 2013, the fund balance was \$38.92 million. Capital construction activities over the following years drew the fund balance down as it declined to \$23.91 million at the end of FY 2014. It increased in FY 2015 due to the issuance of Revenue bonds and decreased to \$23.02 million at the end of FY 2016. It is expected to again increase to \$32.04 million in FY 2017 due to a planned debt service in that year.

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 Figure 105, various funding sources including Federal capital grants, a planned debt service, State Capital grants, and 100-percent local funds will help support expected expenditures or cash outlays of \$91.3 million in 2017. Of particular note, the expenditures within the Fund Balance Analysis are presented on a cash basis and represent estimates of the actual cash flow. Thus, the expenditure estimates differ from the budget appropriations included in the 2017-21 CIP, which are based upon the establishment of the necessary budget appropriation for the capital projects.

RTA Development Fund Balance Analysis (Millions)



	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	\$38.93	\$23.91	\$42.49	\$23.02	\$32.04	\$9.35
Total Revenue	\$72.03	\$118.19	\$68.03	\$100.32	\$73.91	\$108.28
Total Resources	\$110.96	\$142.10	\$110.52	\$123.34	\$105.95	\$117.63
Total Expenditures	\$87.05	\$99.61	\$87.50	\$91.30	\$96.60	\$99.70
Ending Balance	\$23.91	\$42.49	\$23.02	\$32.04	\$9.35	\$17.93

Figure 105: RTA Development Fund Balance Analysis

RTA Development Fund Balance Analysis

	2014 Actual	2015 Actual	2016 Estimate	2017 Budget	2018 Plan	2019 Plan
Beginning Balance	38,924,890	23,911,529	42,499,967	23,021,880	32,041,453	9,347,692
Revenue						
Debt Service Proceeds	0	30,000,000	0	30,000,000	0	25,000,000
Transfer from RTA Capital Fund	11,734,255	11,649,255	5,334,255	9,536,915	9,688,581	10,560,555
Investment Income	54,038	185,574	53,000	53,000	43,000	52,000
Federal Capital Grants	58,199,720	75,819,587	61,250,000	59,345,000	62,790,000	71,285,500
State Capital Grants	2,046,063	534,487	1,384,658	1,384,658	1,384,658	1,384,658
Other Revenue	0	9,000	0	0	0	0
Total Revenue	72,034,076	118,197,903	68,021,913	100,319,573	73,906,239	108,282,713
Total Resources	110,958,966	142,109,432	110,521,880	123,341,453	105,947,692	117,630,405
Expenditures						
Capital Outlay	87,047,437	99,609,466	87,500,000	91,300,000	96,600,000	99,700,000
Other Expenditures	0	0	0	0	0	0
Total Expenditures	87,047,437	99,609,466	87,500,000	91,300,000	96,600,000	99,700,000
Ending Balance	23,911,529	42,499,967	23,021,880	32,041,453	9,347,692	17,930,405

RTA DEVELOPMENT FUND PROJECTS

The total budget appropriation of \$60.18 million for RTA Development Fund projects accounts for most of the Authority's Capital Improvement Budget as allocated for 2017, as seen in Figure CIP-8. The inclusion of capital 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 preliminary application stage, those included in the Transportation Improvement Program (TIP), larger projects supported by 100 percent local funds, or projects without an identified funding source.

The following highlights some of the larger programmed RTA Development Fund Improvement Projects programmed for FY 2017. Please refer to pages at the end of this section for a complete list of projects included within the five-year RTA Development Fund CIP.

BUS GARAGES - \$0.0 MILLION

There are various ongoing projects within this category, including those preparing the Hayden Garage and the Central Bus Maintenance Facility for the CNG fueled buses and bus storage lots at the Hayden and CBM Garages. No new projects are included in the 2017 CIP, but the out years of the 2017-21 CIP includes two projects to prepare the Triskett Garage for the introduction of CNG fueled buses currently scheduled for FY 2018.

BUS/PARATRANSIT IMPROVEMENT PROGRAMS - \$12.85 MILLION

The 2017 CIP focuses vehicle reliability improvements through a multi-year bus spare parts program, which meets objectives for bus replacements and the SGR. Programmed capital budget appropriations include \$10.04 million to purchase twenty nine (29) Diesel engine buses, 20 Paratransit MV1's and \$552,000 for bus and Bus spare parts. Depending upon the success in securing additional non-formula grant funds for replacement buses, there is a possibility the Board will be requested to approve an increase of budget appropriation to this category in the second half of 2017.

EQUIPMENT & VEHICLES - \$670,600

All budget appropriation within this category of the RTA Development Fund in FY 2017 are for the continuation of prior year grant funded information technology projects including Data Center, Intranet Development and Network improvements.

FACILITIES IMPROVEMENTS - \$3.76 MILLION

The combined Facilities Improvements budget appropriation of \$3.76 million in 2017 concentrates on rehabilitation projects of track bridges throughout the Authority's Rail System. Including \$2.09 million for the initial phase of reconstructing Viaduct Bridge Drainage & Concrete repair project, \$460,000 for Bridge Inspection Program and evaluation of the track bridge at Lorain Avenue.

OTHER PROJECTS - \$2.09 MILLION

The 2017 budget for this project category includes two unfunded projects – a \$2.0 million budget contingency project and a \$93,750 for various transportation studies depending upon the availability of grant funds.

PREVENTIVE MAINTENANCE / OPERATING BUDGET REIMBURSEMENTS - \$20.0 MILLION

This category includes the preventive maintenance reimbursements to the General Fund. This category includes formula and non-formula grant funded reimbursements for various eligible activities within the General Fund with a 2017 budget appropriation for \$20.0 million.

RAIL PROJECTS- \$20.49 MILLION

In FY 2017, the Rail Projects category includes a wide diversity of capital projects and, as in most prior CIP's, is one of the largest of the CIP. Major programmed areas within this category include \$9.17 million for various track rehabilitation projects, a combined \$7.92 million for rail train controls, electrical and signal improvements systems throughout the Authority, and \$3.4 million for various station rehabilitation projects.

Major station projects in FY 2017 include \$3.40 million for the first of two years of funding to reconstruct the Heavy & Light Rail at East 34th Street Station. The \$9.17 million for track rehabilitation and reconstruction projects includes \$3.84 million for Red Line Track West reconstruction at West 75th –W. 98th, \$1.19 million for Tower City Track 10 & 13, \$2.05 million reconstruction of track at Buckeye/Woodhill Station, and \$2.09 million for various rail engineering and infrastructure improvements.

TRANSIT CENTERS / BUS LOOPS – \$320,000

The 2017 capital budget includes \$320,000 for various grant funded passenger enhancements throughout the Authority. Many of the enhancement funds are allocated for Bus Shelter, Landscaping, and ADA Access.

TRANSIT 2025 LONG RANGE PLAN

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

The original plan was drafted in 1998 and updated in 2004 to reflect the existing system's state of repair; the future plans of key stakeholders, and the economic conditions of the region. In 2008, RTA initiated an update of the Long Range Plan, titled the "GCRTA Strategic Plan" that was completed in 2012. The goals of the Plan are to help determine the course of projects and services within GCRTA that can result in the increase of ridership, increase in revenues, and bring the system into a state of good repair while being grounded in the economic and the financial reality of public transportation funding in Northeast Ohio.

The existing Key Transit 2025 project elements include the following:

- Exploring the feasibility of additional Bus Rapid Transit projects in other major travel corridors;
- Completing the Transit Center Network; Initiating Transit-Oriented Development Projects;
- Continuing to implement the Transit Waiting Environment (TWE) Program;
- Reconstructing various Rapid Transit Stations as part of the FTA ADA Key Station requirement agreement.

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2017-2021
		2017	2018	2019	2020	2021	
BUS GARAGES							
BUS GARAGES							
CBM - Install 3 Post Vehicle Lift & Fall Protection FFY 2017 Federal Formula Grant	P16390180	0	450,000	0	0	0	450,000
Triskett CNG Building Compliance FY 2018 100% Local Funds FY 2019 100% Local Funds	P22800160	0	1,950,000	1,950,000	0	0	3,900,000
Triskett CNG Loading Station FY 2019 100% Local Funds	P22800190	0	0	3,500,000	0	0	3,500,000
TOTAL - BUS GARAGES		0	2,400,000	5,450,000	0	0	7,850,000
BUS REPLACEMENTS							
BUS IMPROVEMENT PROGRAM							
2015-2017 Bus Improvement Program	P11390170	10,044,945	0	0	0	0	10,044,945
FFY 2016 Federal Formula Grant		9,894,945					
FY 2017 Local Funds		150,000					
2018-2020 Bus Improvement Program	P11390180	0	20,000,000	20,000,000	20,000,000	0	60,000,000
SFY 2017 ODOT CMAQ Grant		4,328,125					
SFY 2017 ODOT UTP Award		1,730,822					
FFY 2017 Federal Formula Grants		4,321,961					
FY 2018 Local Funds		125,000					
FY 2018 (TBD)		9,494,092					
SFY 2018 ODOT CMAQ Grant		2,125,000					
SFY 2018 ODOT UTP Award		1,730,822					
FFY 2018 Federal Formula Grants		4,371,961					
FY 2019 Local Funds		125,000					
FY 2019 (TBD)		11,647,217					

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2017-2021
		2017	2018	2019	2020	2021	
SFY 2019 ODOT CMAQ Grant		10,887,500					
SFY 2019 ODOT UTP Award		1,730,822					
FFY 2019 Federal Formula Grants		4,500,000					
FY 2020 Local Funds		150,000					
FY 2020 (TBD)		2,731,678					
2021-2023 Bus Improvement Program	P11390110	0	0	0	0	24,000,000	24,000,000
SFY 2020 ODOT CMAQ Grant		5,578,125					
SFY 2020 ODOT UTP Award		1,730,822					
FFY 2020 Federal Formula Grants		4,500,000					
FY 2021 Local Funds		150,000					
FY 2021 (TBD)		12,041,053					
Sub-Total: Bus Improvement Program		10,046,962	20,000,000	20,000,000	20,000,000	24,000,000	94,046,962
PARATRANSIT IMPROVEMENT PROGRAM							
Paratransit Buses	P12390170	2,247,650	1,958,227	0	0	0	4,205,877
FFY 2014 Grant Revision		2,247,650					
FFY 2017 Federal Formula Grant		1,958,227					
Sub-Total: Paratransit Improvement Program		2,247,650	1,958,227	0	0	0	4,205,877
BUS SPARE PARTS PROGRAM							
Bus Capital Spare Parts Program	P16390140	132,000	0	0	0	0	132,000
FFY 2016 Federal Formula Grant		132,000					
BRT Bus Capital Spare Parts Program	P16390150	420,000	0	0	0	0	420,000
FFY 2016 Federal Formula Grant		420,000					
Sub-Total: Bus Spare Parts Program		552,000	0	0	0	0	552,000
TOTAL - BUSES		12,846,612	21,958,227	20,000,000	20,000,000	24,000,000	98,804,839

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2017-2021
		2017	2018	2019	2020	2021	
<u>EQUIPMENT & VEHICLES</u>							
<u>MANAGEMENT INFORMATION SYSTEM</u>							
Ultramain Version 9 Upgrade FFY 2017 Federal Formula Grant	P42350180 1,165,951	0	1,165,951	0	0	0	1,165,951
Network Infrastructure - Networks FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	P42610120 166,600 166,600	166,600	166,600	0	0	0	333,200
Network Infrastructure - Data Center FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	P42610220 235,000 130,000	235,000	130,000	0	0	0	365,000
Network Infrastructure - Phone System FFY 2016 Federal Formula Grant	P42610320 189,000	189,000	0	0	0	0	189,000
Internet - Intranet Development FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	P42610520 80,000 80,000	80,000	80,000	0	0	0	160,000
Radio/CAD/AVL System Replacement FY 2018 Competitive Grant (Pending) FY 2019 Competitive Grant (Pending) FFY 2019 Federal Formula Grant FFY 2020 Federal Formula Grant	P44350190 5,172,625 5,650,825 3,500,000 3,000,000	0	5,172,625	5,650,825	3,500,000	3,000,000	17,323,450
Sub-Total: Management Information System		670,600	6,715,176	5,650,825	3,500,000	3,000,000	19,536,601
TOTAL - EQUIPMENT & VEHICLES		670,600	6,715,176	5,650,825	3,500,000	3,000,000	19,536,601

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2017-2021
		2017	2018	2019	2020	2021	
<u>FACILITIES IMPROVEMENTS</u>							
<u>BRIDGE REHABILITATION</u>							
Track Bridge Rehab. - Viaduct Drainage & Concrete Repairs FFY 2016 Federal Formula Grant	P20800360 2,085,600	2,085,600	0	0	0	0	2,085,600
Track Bridge Rehab. - Viaduct Bridge Rehab: Phase 1 FY 2018 (TBD)	P20800460 6,210,000	0	6,210,000	0	0	0	6,210,000
Track Bridge Inspection Program FY 2017 Local Funds FY 2019 Local Funds FY 2021 Local Funds	P20800270 460,000 475,000 475,000	460,000	0	475,000	0	475,000	1,410,000
Track Bridge Rehab. - West 117th Street FY 2019 Local Funds FFY 2020 Federal Formula Grant	P20800390 450,000 4,580,000	0	0	450,000	0	4,580,000	5,030,000
Track Bridge Rehab - Ambler Avenue FY 2018 Local Funds FY 2019 (TBD)	P20800180 30,000 250,000	0	30,000	250,000	0	0	280,000
Track Bridge Rehabilitation - Canal Road FY 2018 Local Funds FFY 2019 Federal Formula Grant	P20800280 215,000 2,750,000	0	215,000	0	2,750,000	0	2,965,000
Track Bridge Rehabilitation - Lorain Avenue FY 2017 Local Funds FFY 2018 Federal Formula Grant	P20800270 260,000 3,170,000	260,000	0	3,170,000	0	0	3,430,000
Sub-Total: Bridge Rehabilitation		2,805,600	6,455,000	4,345,000	2,750,000	5,055,000	21,410,600
<u>SYSTEM-WIDE FACILITIES</u>							
Tower City - East Portal Concrete Repairs FY 2017 Local Funds FY 2019 (TBD)	P26800170 501,400 6,230,000	501,400	0	6,230,000	0	0	6,731,400
State of Good Repair Projects FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant FFY 2018 Federal Formula Grant FFY 2019 Federal Formula Grant FFY 2020 Federal Formula Grant	P32800250 450,000 481,724 477,061 2,721,890 1,162,890	450,000	481,724	477,061	2,721,890	1,162,890	5,293,565
Sub-Total: System-Wide Facilities		951,400	481,724	6,707,061	2,721,890	1,162,890	12,024,965
TOTAL - FACILITIES IMPROVEMENTS		3,757,000	6,936,724	11,052,061	5,471,890	6,217,890	33,435,565

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2017-2021
		2017	2018	2019	2020	2021	
OTHER PROJECTS							
OTHER							
Planning Studies (Transportation for Livable Communities)	P49570120	93,750	93,750	93,750	93,750	93,750	468,750
SFY 2016 NOACA STP Grant	93,750						
SFY 2017 NOACA STP Grant	93,750						
SFY 2018 NOACA STP Grant	93,750						
SFY 2019 NOACA STP Grant	93,750						
SFY 2020 NOACA STP Grant	93,750						
RTA Development Fund Contingency 2017 - 21 (TBD)	TBD	P49990150	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
TOTAL - OTHER PROJECTS			2,093,750	2,093,750	2,093,750	2,093,750	2,093,750
PREVENTIVE MAINTENANCE/OPERATING REIMBURSEMENTS							
PREVENTIVE MAINTENANCE/OPERATING REIMBURSEMENTS							
Preventive Maintenance Expenses	P516701X0	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	100,000,000
FFY 2015 Federal Formula Grant	320,796						
FFY 2016 Federal Formula Grant	19,679,204						
FFY 2017 Federal Formula Grant	19,550,000						
FFY 201X Federal Formula Grant (TBD)	450,000						
FFY 2018 Federal Formula Grant	20,000,000						
FFY 2019 Federal Formula Grant	20,000,000						
FFY 2020 Federal Formula Grant	20,000,000						
TOTAL - PREVENTIVE MAINT./OPERATING REIMB.			20,000,000	20,000,000	20,000,000	20,000,000	100,000,000

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2017-2021
		2017	2018	2019	2020	2021	
RAIL PROJECTS							
ELECTRICAL SYSTEM							
OCS Replacement and Upgrade Plan	P21320150	100,000	153,409	0	0	0	253,409
FFY 2016 Federal Formula Grant	100,000						
FFY 2017 Federal Formula Grant	153,409						
Substation Replacement - Puritas Avenue	P21800490	697,790	0	0	0	0	697,790
FFY 2016 Federal Formula Grant	697,790						
Substation Replacement - Van Aken/Warrensville	P21800160	2,060,400	0	0	0	0	2,060,400
FFY 2016 Federal Formula Grant	2,060,400						
Substation Replacement - East 120th Street	P21800240	165,400	3,700,000	0	0	0	3,865,400
FFY 2016 Federal Formula Grant	165,400						
FFY 2017 Federal Formula Grant	3,700,000						
Substation Replacement - W. 117th Street	P21800390	0	151,000	3,900,000	0	0	4,051,000
FY 2018 Local Funds	151,000						
FFY 2018 Federal Formula Grant	3,900,000						
Replace W. 25th / Ohio City Transformer / Rectifier	P21800180	0	526,191	0	0	0	526,191
FFY 2017 Federal Formula Grant	526,191						
Substation Improvement Program	P21800200	0	0	0	3,850,000	3,850,000	7,700,000
FFY 2019 Federal Formula Grant	3,850,000						
FFY 2020 Federal Formula Grant	3,850,000						
SCADA System Upgrade	P42800170	24,000	1,332,600	0	0	0	1,356,600
FY 2017 Local Funds	24,000						
FFY 2017 Federal Formula Grant	701,724						
FY 2018 Local Funds	630,876						
Sub-Total: Electrical System			3,047,590	5,863,200	3,900,000	3,850,000	3,850,000
TOTAL - Electrical System			3,047,590	5,863,200	3,900,000	3,850,000	3,850,000
TRAIN CONTROL / SIGNALS							
CAB Signal System Replacement (Railcars)	P26800170	0	985,750	0	0	0	985,750
FFY 2017 Federal Formula Grant	985,750						
Cab Signaling - East 79th to Shaker Square	P26800240	0	3,804,514	0	0	0	3,804,514
FFY 2017 Federal Formula Grant	3,804,514						
Red Line Signal System Replacement (Design)	P26800280	0	1,000,000	0	0	0	1,000,000
FFY 2017 Federal Formula Grant	1,000,000						
Fiber Optic System Software/Hardware Upgrades	P26800640	4,875,450	2,810,600	0	0	0	7,686,050
FFY 2016 Federal Formula Grant	4,875,450						
FFY 2017 Federal Formula Grant	2,810,600						
Sub-Total: Train Control / Signals			4,875,450	8,600,864	0	0	0
TOTAL - Train Control / Signals			4,875,450	8,600,864	0	0	0
TOTAL - RAIL PROJECTS			3,047,590	5,863,200	3,900,000	3,850,000	3,850,000

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2017-2021
		2017	2018	2019	2020	2021	
<u>RAIL PROJECTS - Continued</u>							
<u>TRACK REHABILITATION</u>							
Track Reconstruction - Buckeye/Woodhill Station	P23800570	2,046,014	0	0	0	0	2,046,014
SFY 2016 ODOT Grant	153,274						
SFY 2017 ODOT Grant	1,892,740						
Rail Profile Grinding Program	P23320170	488,029	1,488,534	1,779,719	0	0	3,756,282
FFY 2016 Federal Formula Grant	488,029						
FFY 2017 Federal Formula Grant	1,488,534						
FFY 2018 Federal Formula Grant	1,779,719						
Rail Infrastructure Program	P23320150	944,420	686,458	1,000,000	1,000,000	1,000,000	4,630,878
FFY 2016 Federal Formula Grant	944,420						
FFY 2017 Federal Formula Grant	686,458						
FFY 2018 Federal Formula Grant	1,000,000						
FFY 2019 Federal Formula Grant	1,000,000						
FFY 2020 Federal Formula Grant	1,000,000						
Westpark Diamond Crossover Rebuild	P23800160	459,270	0	0	0	0	459,270
FFY 2016 Federal Formula Grant	459,270						
On-Call Rail Engineering Services	P23800240	200,000	200,000	200,000	200,000	200,000	1,000,000
FFY 2016 Federal Formula Grant	200,000						
FFY 2017 Federal Formula Grant	200,000						
FFY 2018 Federal Formula Grant	200,000						
FFY 2019 Federal Formula Grant	200,000						
FFY 2020 Federal Formula Grant	200,000						
On-Call Rail Maintenance Services	P23800340	0	500,000	0	500,000	0	1,000,000
FFY 2017 Federal Formula Grant	500,000						
FFY 2019 Federal Formula Grant	500,000						

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2017-2021
		2017	2018	2019	2020	2021	
<u>RAIL PROJECTS - Continued</u>							
<u>TRACK REHABILITATION</u>							
Tower City Tracks 10 & 13 Reconstruction	P23800470	1,189,000	0	13,794,000	200,000	0	15,183,000
FY 2017 Local Funds	841,712						
FFY 2017 Federal Formula Grant	347,288						
FFY 2018 Federal Formula Grant	12,952,896						
FY 2019 Local Funds	841,104						
FY 2020 (TBD)	200,000						
LR Retaining Wall - Buckeye/Woodhill - Shaker Sq.: Ph. 2	P23800590	0	0	1,410,000	1,441,000	0	2,851,000
FFY 2018 Federal Formula Grant	1,410,000						
FFY 2019 Federal Formula Grant	1,441,000						
Red Line Track West Reconstruction (W. 75th - W. 98th)	P23800380	3,842,869	0	0	0	0	3,842,869
FFY 2017 Competitive Grant (Pending)	3,842,869						
Red Line Track West Reconstruction (Viaduct - W. 30th)	P23800X90	0	0	3,125,000	0	0	3,125,000
SFY 2018 OTPPP	3,125,000						
Red Line Track W. Reconst. (W. Bound W. 117th - Triskett)	P23800X00	0	0	0	1,600,000	0	1,600,000
SFY 2019 OTPPP	1,600,000						
Track Reconstruction Program	P23800X80	0	3,125,000	0	4,525,000	6,125,000	13,775,000
SFY 2017 OTPPP	3,125,000						
FFY 2019 Federal Formula Grant	3,000,000						
SFY 2019 OTPPP	1,525,000						
FFY 2020 Federal Formula Grant	3,000,000						
SFY 2020 OTPPP	3,125,000						
Sub-Total: Track Rehabilitation		9,169,602	5,999,992	21,308,719	9,466,000	7,325,000	53,269,313
<u>RAIL STATION REHABILITATION</u>							
Farnsleigh Station Reconstruction	P24800360	0	1,671,929	0	0	0	1,671,929
FFY 2017 Federal Formula Grant	1,671,929						
East 34th Station Reconstruction	P24800540	3,400,000	0	0	0	0	3,400,000
FFY 2016 Federal Formula Grant	3,400,000						
Sub-Total: Rail Station Rehabilitation		3,400,000	1,671,929	0	0	0	5,071,929

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
2017 - 2021 CAPITAL IMPROVEMENT PLAN
RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE		PROJECT NUMBER	CALENDAR YEAR					TOTALS 2017-2021
CATEGORY / PROJECT NAME			2017	2018	2019	2020	2021	
<u>RAIL PROJECTS - Continued</u>								
<u>RAIL VEHICLE FLEET</u>								
Replacement Choppers - Breda Cars	2,832,500	P16320180	0	2,832,500	0	0	0	2,832,500
FFY 2017 Federal Formula Grant								
Sub-Total: Rail Vehicle Fleet			0	2,832,500	0	0	0	2,832,500
TOTAL - RAIL PROJECTS			20,492,642	24,968,485	25,208,719	13,316,000	11,175,000	95,160,846
<u>TRANSIT CENTERS</u>								
Enhanced ADA Access (Enhancement Item)		P30800240	320,000	300,000	300,000	300,000	300,000	1,520,000
FFY 2016 Federal Formula Grant	320,000							
FFY 2017 Federal Formula Grant	300,000							
FFY 2018 Federal Formula Grant	300,000							
FFY 2019 Federal Formula Grant	300,000							
FFY 2020 Federal Formula Grant	300,000							
TOTAL - TRANSIT CENTERS			320,000	300,000	300,000	300,000	300,000	1,520,000
TOTAL RTA DEVELOPMENT FUND			60,180,604	85,372,362	89,755,355	64,681,640	66,786,640	366,776,601
TOTAL RTA CAPITAL FUND			3,916,700	3,355,500	3,390,000	3,295,000	3,186,500	17,143,700
TOTAL CAPITAL IMPROVEMENT PLAN			64,097,304	88,727,862	93,145,355	67,976,640	69,973,140	383,920,301

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