



Greater Cleveland Regional Transit Authority
Operating and Capital Budget
for the Year 2016





Our Mission

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

Our Vision

We will be:

- The transportation mode of choice
- An industry leader
- An employer of choice in Northeast Ohio
- A champion for sustainable transportation

We will have:

- A sustainable financial position
- An increasing impact on regional transportation

We will:

- Upgrade and manage technology
 - Achieve an infrastructure state of good repair
 - Deliver quality projects on time and on budget
 - Enhance the value of RTA to our community
-

Our Values

- **Safety**—The safety of our passengers, our employees and the general public is always our top priority.
- **Ethics & Integrity**—We are dedicated to the highest ethical standards including uncompromising honesty and integrity in our daily activities.
- **Service Excellence**—We will provide safe, reliable, clean, on-time, courteous service that our customers and the community will view as outstanding.
- **Fiscal Responsibility**—We are committed to managing 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, our customers and the general public with dignity and respect.

Greater Cleveland Regional Transit Authority

2016 Adopted Budget Plan

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

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Greater Cleveland Regional Transit Authority
Ohio**

For the Fiscal Year Beginning

January 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the Greater Cleveland Regional Transit Authority for its annual budget for the fiscal year beginning January 2015.

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 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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Rail District	Dennis Rehfuss
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Transit Police	John Joyce
Service Management	Joel Freilich
Service Quality Management	Richard Newell
Fleet Management	Ronald Baron
Pass Thrus	Michael York, DGM
Hayden District	Dr. Floun'say Caver
Triskett District	Catherine Eaton
Intelligent Transportation Systems	Michael Lively

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Marketing & Communications	Stephen Bitto, Executive Director
Information Technology	Peter Anderson, CIO/Executive Director
Office of Management & Budget	Gale Fisk, Executive Director

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Office of Management & Budget

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-

Stephen Bitto & Co.

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2016 TRANSMITTAL LETTER

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

Date: November 5, 2015

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

Subject: 2016 Transmittal Letter

EXECUTIVE SUMMARY

I am pleased to report that 2015 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 2015 we significantly enhanced communications with our employees and our customers to both communicate, and to deliver on, our recently developed mission, vision and values. We also continued our quest for continual improvement as was evidenced by our recognition by The Partnership for Excellence (TPE) and our progress in obtaining ISO 14001 certification.

As RTA continues to effectively manage its financial resources, we have simultaneously increased our efforts to invest in our state-of-good-repair infrastructure program. Some highlights were the opening of the Little Italy Red Line Station and the roll-out of 90 sleek and "Green" CNG buses.

In 2015 we saw the upgraded Lee/Van Aken Blue Line Station begins to welcome customers, and as the long awaited construction of the Brookpark Station begin. Design is underway on the next two stations that will become ADA compliant which are the St. Lukes/East 116th Station and the Campus/East 34th Street Station. There can be little doubt that RTA is investing in the future of our region.

As we work hard every day, it is gratifying that more and more individuals and organizations are recognizing the contribution we make to our community and our industry.

During 2015, RTA:

- Was recognized as one of Northeast Ohio's "50 Smartest" organizations.
- Made strides with our succession planning efforts and was awarded two workforce development grants.
- Saw safety for our customers and our employees improve significantly thanks to better training, more cameras and the effectiveness of Transit Police.
- Was selected by the USDOT to help develop and prototype two separate collision avoidance technologies to reduce pedestrian accidents.
- Was recognized for our Best-In-Class in workforce diversity.
- Received an award of distinction for our station designs from the Urban Land Institute.,
- Hosted labor Secretary Perez at the RTA Rail District to discuss workforce development initiatives.
- Recognized employers of distinction with the second Smart Commute Awards.
- Celebrated as a second GCRTA Trustee became the Chair of APTA.
- Continued on our journey towards the Baldrige Award for Excellence.

2016 TRANSMITTAL LETTER

During the past eight years, GCRTA has gone through three economic cycles: underperforming revenue, economic recession, and then financial recovery. Through 2008, Sales Tax was underperforming at a 1% growth rate. Diesel fuel prices rose dramatically increasing annual costs by millions of dollars. Sales Tax collections plummeted by nearly \$19 million, unemployment escalated, while ridership dropped by 13%, which resulted in declined revenue by another \$5 million. Service was reduced, fares were increased, and capital projects were deferred. The Great Recession had a major impact on the 2009 operating and capital budgets. Additional service was cut, fares were again increased, positions were eliminated, and most vacant positions were not filled. Union employees received no pay increases while non-bargaining employees took a 3% salary cut. Revenue was augmented with new temporary grants, of which the American Recovery and Reinvestment Act (ARRA) provided \$46 million. GCRTA used some of these funds to support operations. The largest portion was used to fund high priority capital infrastructure needs. GCRTA ended the year with an operating fund balance of less than \$2.9 million, only about 3.5 days of operating funds.

In 2010 a 12% service cut was implemented, Harvard Garage was closed and 245 positions were eliminated. The fuel hedging Energy Price Risk Management Program was implemented and diesel costs were reduced. An Energy Management program was initiated to reduce electricity costs. The totality of actions reduced operating expenses by \$30 million. As Sales & Use Tax revenue recovered, the operating reserve jumped to the 30-day goal with a balance of about \$20 million. From 2011 to 2014 RTA was in a very strong financial position. Sales Tax rose by 5% annually and the Authority had a 60-day operating reserve of over \$35 million. Reimbursed expenditures were lowered, making more funds available for the Capital Budget. During these years capital expenditures improved to \$80-90 million. Rail stations were reconstructed, track was repaired, 47 articulated buses and 90 new CNG buses were purchased and a CNG fueling station was installed.

Union negotiations were settled with an innovative contract that tied pay increases, up to 3%, to prior-year revenue increases for Passenger Fares and Sales & Use Tax. All personnel received a 3% wage increase in 2012, 2013, 2014 and 2015. The FOP and ATU contracts have been renewed following the same principle.

The next change began in 2014. Expenses increased substantially including a 27th pay for hourly employees. Although budget execution was excellent, year-end balance dropped by \$9.3 million to \$27 million. For 2015, the budgeted year-end balance was \$13.1 million. Sales Tax was strong and expenses were held to less than the previous year. The fund balance is projected to end at \$25.9 million, \$12.8 million better than budget. Although execution continues to be strong, there is a clear downward trend. The recovery phase has ended. RTA must react to a new set of challenges.

Revenues for 2016 will grow only slightly as about \$5 million in grant funds will no longer be obtainable. Expenses are budgeted to increase by \$20 million. RTA must react, as the downward trend in operating reserve will accelerate in 2016. The Budget projects a year-end balance of \$6.7 million. Positive execution can probably achieve a \$15 million balance, an \$11 million drop from 2015. The Budget thus proposes fare increases and a slight service reduction to balance capacity at RTA's bus garages.

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For more than a dozen years, RTA has been an exemplary benchmark for other transit systems. A contributing factor is the demonstrated strategy of sound financial management. GCRTA has proven it can be fiscally agile in both difficult and good times. TransitStat, the data-driven performance management initiative GCRTA implemented in 2007, has been a major factor in improving processes and reducing costs over the past seven years. Since its inception, TransitStat actions have helped to reduce costs by nearly \$60 million by affecting overtime, inventory, fuel, electricity, towing, accident claims, and workers' compensation. RTA has adopted the Balanced Scorecard leadership methodology to improve processes; focus on financial health; improve customer service by focusing on its new mission of providing safe, reliable, clean and courteous public transportation; and finally enhance employee learning and growth through increased training and innovation with new initiatives such as Safe Turn Alert, Track Worker Safety Devices, DriveCam and the Public Transit Management Academy. RTA joined The Partnership for Excellence and submitted its first full application December 2014 in accordance with the Criteria for Performance Excellence. RTA received the Silver Award for its Commitment to Excellence. Leadership, strategic planning, and financial management have improved.

The Board of Trustees' first review of the 2016 Capital Budget took place on August 4, 2015 and the Capital Appropriation for 2016 was authorized on August 18, 2015 allowing the Authority's Capital Budget to be better aligned with the Federal fiscal calendar. The committee will deliberate issues on the Operating Budget at a meeting on November 10, 2015 and again on December 1, 2015. Public Hearings will be held on December 1, 2015 at 9:00 AM and on December 15, 2015 at 9:00 AM. At the Committee meeting on December 1, 2015, 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 15, 2015 Board Meeting.

The Operating Budget includes resources to fund rail, bus, and paratransit services. A new mode is being added in 2016 with Vanpool Service. RTA hopes to implement and start this service with 10 van pools in March. The Capital Budget provides resources for rehabilitation and maintenance of equipment and facilities. In preparing the 2016 Operating Budget, staff developed Fund Balance Analysis statements for each major fund group, which summarize 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 2016 – 2020 Capital Improvement Plan (CIP) have already been reviewed and approved on August 18, 2015. If changes are required, the appropriation will be amended in the 2016 Budget.

The 2016 appropriation for operating expenditures totals \$267,653,405, a 3.35% increase compared to the \$255,115,882 appropriated for 2015. Based on Sales Tax Revenue and Fare Revenue increases in 2015, a 3.0% wage increase has been calculated for 2016. The Budget includes \$192.6 million for Personnel Services: providing salary, overtime, and fringe benefit resources needed to fund 2,362 positions. The authorized employment level for 2016 is an increase of 17.25 positions from the 2,344.5 in the 2015 budget. Twelve of these positions are additional operators needed for more efficient scheduling of service and will be funded from reduced overtime. A position for Power and Way Training will be funded from

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reduced expense for contractor training. A Construction Engineer position has been included to reduce third party inspection costs for Capital projects. An operating instructor to train new operators, a material handler for a new Power & Way Stock Room and two Assistant Transportation Managers for Hayden and Triskett have also been added.

RTA has not increased fares for seven years. Over that time inflation has increased costs by about 12%. The 2016 Budget includes an increase in base fare from \$2.25 to \$2.50. Also included is a Paratransit fare increase from \$2.25 to \$3.50. Department of Transportation (DOT) Americans with Disabilities Act (ADA) regulations at 49 C.F.R. Section 37.131(c) states that a transit authority may charge up to twice the fare of fixed route for a similar trip length. Through this regulation, RTA is permitted to charge \$4.50 now for Paratransit services and \$5.00 if regular service base fare is increased. Changes need to be made to continue to provide service near current levels. RTA bus garages are operating beyond capacity. To provide the best service possible, a 1.3% bus reduction in service for 2016 is needed. Paratransit services continue to increase and costs are again increasing at about 6%. These services must be controlled. If not, reductions in regular bus service will follow.

The establishment and execution of the Operating Budget has an impact on the Capital Budget. A strategic objective has been to keep reimbursed preventive maintenance under \$20 million allowing GCRTA to execute a capital program needed to maintain the extensive infrastructure required for a public transportation entity of this size. Over the next five years another 200 buses need to be replaced to properly maintain the fleet at a cost of \$100 million. About \$150 million will also be needed for rail track maintenance and ADA Key Station reconstruction. This must be done to maintain the Authority's assets in a State of Good Repair (SOGR). The wise use of ARRA funds and the improved financial status of the Authority have improved its ability to execute strategic initiatives for both operating and capital programs. The Authority must continue to focus on state of good repair maintenance, rehabilitation and construction projects and the need to provide customers with safe and reliable service. That strategy will become increasingly difficult if Operating Reserves are not maintained at the 30 day goal.

Over the last eight years, RTA has gone through three economic cycles as previously stated. A fourth is now in progress as revenue has not exceeded costs for the last two years. That will be heightened by the loss of \$5 million in grant funds in 2016. Expenses will likely exceed revenue by \$10 million. At the same time, RTA is continuing to execute its strategic plan. One initiative is to improve reliability of service through predictive maintenance. Paratransit subcontracting costs are continuing to rise. Information technology is being improved to maintain a solid knowledge management position. Electricity rates have been raised by PUCO. An OBD disparity study must be conducted. Costs for actions in concert with RNC in July 2016 have been included in the budget. The costs for these projects are about a \$6 million increase. Some of these costs are one-time and will not be part of the 2017 budget. Wages are likely to continue to increase at about 3% under the current contracts. Fuel costs will decline with the introduction of the 90 new CNG buses and another 16 recently ordered. The proposed fare increase will stop the downward trend for Operating Reserves and return RTA to the 30-day goal by 2018. A fare increase is not desired but must happen to continue to supply service efficiently and effectively while working toward a state of good repair.

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A STRATEGIC APPROACH TO THE BUDGET

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

GCRTA MISSION

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

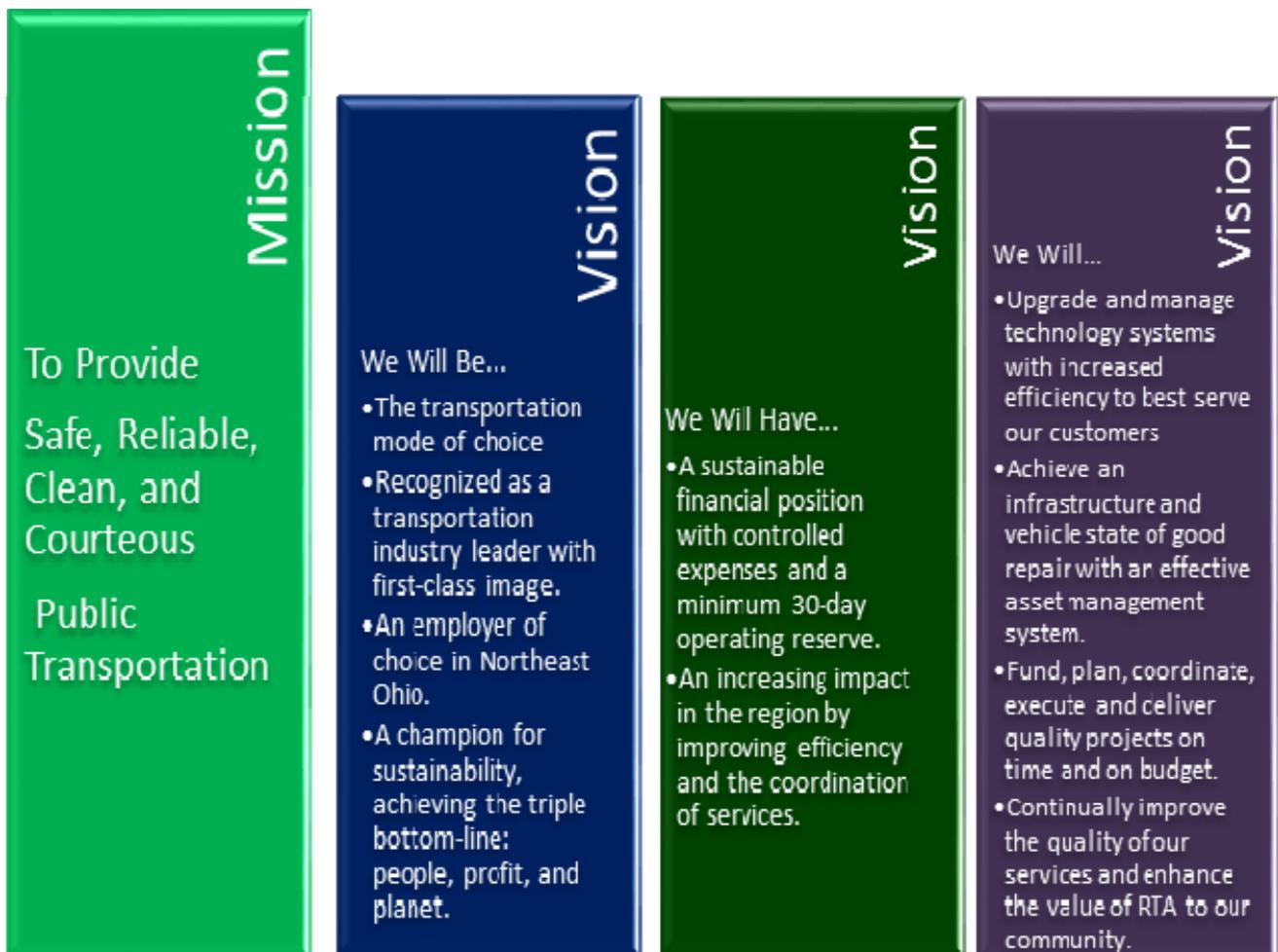
BOARD POLICY GOALS

- 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 2014 budgeting process, the evaluation of requests and the allocation of funding for 2014 initiatives were linked to the business plan and most directly to these four policy goals. **Expansion** cannot be a priority at this time. **Maintaining and Reorganizing** service to retain the base and attract new customers is certainly an objective.

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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 have been 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.

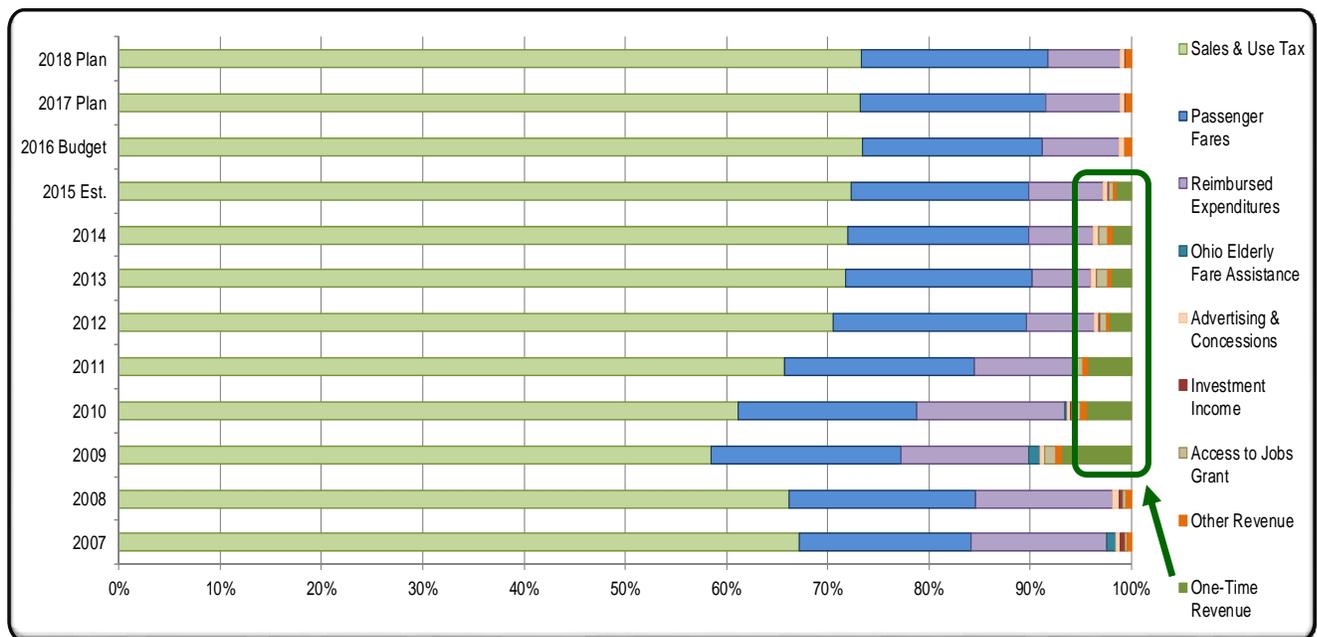


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GENERAL FUND



Revenues

The current 2015 estimate projects \$285.7 million in General Fund revenue and total resources of \$312.6 million. This is a \$6.1 million increase in total resources compared to the 2015 budget. This increase is a result of an additional \$7.9 million in Sales & Use Tax receipts received and slightly higher revenue from Passenger Fares and Advertising & Concessions, which offset the decrease in reimbursed expenditures and the lower than budgeted beginning balance.

The chart above shows the percentage of each revenue stream from 2007 through 2018. In 2007, Sales & Use Tax was about 68% of the Authority's revenue and had been slowly declining as Passenger Fares and Reimbursed Expenditures increased. In 2009, the Sales & Use Tax plummeted due to the Great Recession and became less than 60% of the total revenue. One-time grants, sent by the State and Federal Government helped to lessen the effects of the service reduction. Without these funds, the Authority would have seen more drastic reductions in service. Managed Care was added to the Sales & Use Tax base in late 2009, and in 2010, the Sales & Use Tax rebounded by 5.6%, and the one-time grants lessened. The Sales & Use Tax and Passenger Fare Revenues both grew in 2011 and 2012, and reimbursed expenditures were reduced to cover needed capital projects.

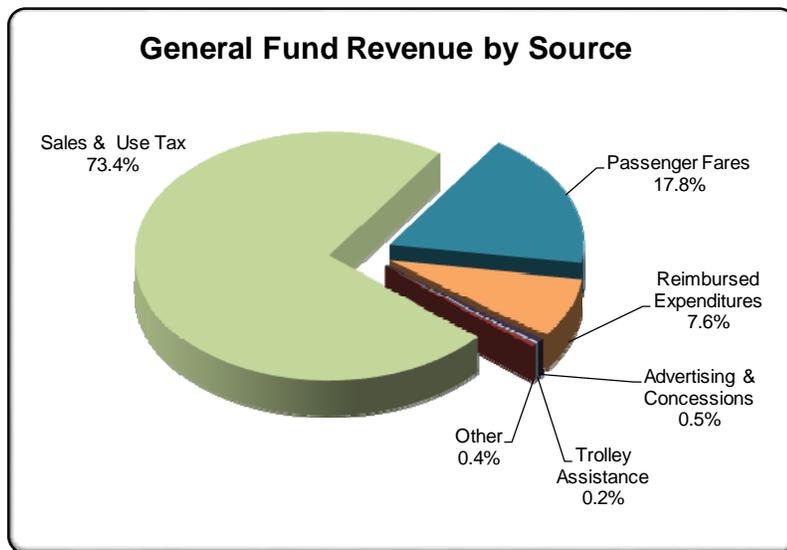
With the Sales & Use Tax increasing from 2010 through 2013, RTA has become less reliant upon one-time funding and reimbursed expenditures. In 2014 and 2015, the percentage growth of Sales & Use Tax has been fluctuating, from 3.9% in 2014 and an anticipated 4.8%

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in 2015. Receipts received in 2014 and 2015 have been inconsistent not only by month, but also by the categories that make up the total. The last of the one-time grants will be received in 2015. As the State has not provided any funding and the one-time grants have ended, the Authority must operate from the funding it does receive – Sales & Use Tax and Passenger Fare Revenue being the two largest sources of revenue.

The chart below shows the percentage of each revenue stream for 2016. Sales & Use Tax has remained above 70% of total revenue, at 73.4%, showing a steady increase from prior years. Passenger Fares is 17.8% of total revenue and has been slowly decreasing from a high of 19.2% in 2012 to 17.5% in 2015. Reimbursed expenditures slowly increased over the past few years, from 5.8% in 2013, 6.3% in 2014, 7.3% in 2015, and to a projected 7.6% in 2016. Total revenue for 2016 will increase to an estimated \$289.1 million, an increase of \$3.4 million from 2015 estimate. The increase comes from projected increases in Sales Tax, Passenger Fares (due to fare increase), and Reimbursed Expenditures. Total Resources will increase to \$315.0 million including the projected carry forward from 2015 of \$25.9 million.

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 2016 Operating Budget in summary. The specific assumptions and calculations for the revenues included there are as follows:



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Passenger Fares

\$51.5 Million

Rationale:

Ridership through September 2015 was 3.7% below the same period in 2014. As fuel prices remain low, more people are opting to drive to work rather than take public transit. Weather was a factor in the first quarter of 2014 and 2015. In January 2014, Northeast Ohio received 62.6 inches of snowfall, an increase of 74.4% from 2013. For 2014, 40 out of 59 days saw recorded highs under 32 degrees and 50 out of 59 days recorded lows under 32 degrees. During the 1st Quarter of 2015, the brutal weather was repeated. January recorded 17 days with a high below 32 degrees and 16 days with a high below 20 degrees. February held several weather records, including the coldest February in history in Northeast Ohio. There were 17 consecutive days with a low of 11 degrees or below; only 5 days had a high above 32 degrees. Schools and businesses were closed and parents had to find alternative care for their children. The result was a drop in ridership.

Actual Passenger Fare revenue received for 2014 and 2015 has been skewed by a payment timing problem as a \$1.1 million payment from Cleveland Metropolitan School District for 2013 was not received until January 2014. An additional \$1.5 million was to be received in December 2014. A \$1.9 million payment was made in June to balance the account. An additional \$4.2 million payment was received in August 2015 for the 2015-2016 school year.

Fares have remained steady for seven years. Over that time inflation has increased costs by about 12%. The 2016 Budget includes an increase in base fare from \$2.25 to \$2.50. Costs for Paratransit service continue to rise. Consequently, a fare increase for Paratransit service from \$2.25 to \$3.50 per trip is included. RTA is permitted to charge twice the fixed route rate for Paratransit services. Currently, the Paratransit fare could be \$4.50; \$5.00 if the fixed route base fare is increased. Changes need to be made to continue to provide service near current levels. RTA bus garages are operating beyond capacity and a 1.3% bus reduction in service for 2016 is needed. Paratransit services continue to increase and costs are increasing at about 6%. These services must be controlled to maintain quality service for customers. With the fare increase, Passenger Fares have been budgeted at \$51.5 million, a 2.7% increase from the 2015 estimate.

Sales & Use Tax Revenue

\$212.2 Million

Rationale:

The economic crisis in late 2008 and 2009 had unparalleled effects on Sales & Use Tax revenue and across the entire U.S. GCRTA experienced an historic decline from \$173.6 million in 2008 to \$154.6 million in 2009. Late in 2009 the State Legislature added Managed Care to the Sales Tax base. For 2010 collections jumped to \$163.2 million, \$5 million of which were from the added Managed Care and \$3.6 million was due to an improved economy. Collections continued to improve in 2011 through 2013, ending the year at \$173.2 million, \$181.2 million, and \$189.2 million, respectively.

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The budget for 2014 was \$194.1 million and monthly collections were inconsistent; down one month and up the next (see the chart below). The projection at the end of the third quarter was \$194.4 million, a 2.4% increase, but with higher than expected receipts in November and December, the total revenue for the year was \$197.1. The inconsistent pattern did not instill confidence in likely collections for 2015, and the budget was a 2.2% increase from 2014. Collections have been more consistent for 2015 and the year-end projection is at \$206.6 million. For 2016, revenue projections for this category are \$212.2 million, or a 2.7% increase from 2015 estimates. This increase takes into consideration the additional Sales & Use Tax revenue from the Republican National Convention taking place in Cleveland in July.

SALES AND USE TAXES										
ACTUAL RECEIPTS										
Month Received	2013 Actual	2014 Actual	2015 Budget	2015 Actual	2015		2014 YTD Actual	2015 YTD Actual	2015 2014 YTD Change	2015 YTD % EST Variance
					vs. 2014 Month % Change	Month Actual vs 2015 Budget				
January	\$15,066,994	\$14,987,634	\$15,317,362	\$16,282,053	8.64%	6.30%	\$14,987,634	\$16,282,053	8.64%	6.30%
February	\$14,435,414	\$15,953,485	\$16,304,462	\$17,005,762	6.60%	4.30%	\$30,941,119	\$33,287,815	7.58%	5.27%
March	\$19,098,370	\$18,755,294	\$19,167,910	\$20,785,335	10.82%	8.44%	\$49,696,412	\$54,073,150	8.81%	6.46%
April	\$13,478,691	\$14,296,188	\$14,610,704	\$14,273,366	(0.16%)	(2.31%)	\$63,992,601	\$68,346,516	6.80%	4.50%
May	\$13,474,700	\$14,740,102	\$15,064,384	\$16,170,924	9.71%	7.35%	\$78,732,703	\$84,517,440	7.35%	5.04%
June	\$17,463,306	\$16,637,176	\$17,003,194	\$17,835,726	7.20%	4.90%	\$95,369,879	\$102,353,166	7.32%	5.01%
July	\$15,753,604	\$15,869,902	\$16,219,040	\$16,341,849	2.97%	0.76%	\$111,239,781	\$118,695,015	6.70%	4.41%
August	\$16,139,261	\$16,689,971	\$17,057,150	\$17,590,599	5.40%	3.13%	\$127,929,752	\$136,285,614	6.53%	4.24%
September	\$17,626,259	\$19,061,428	\$19,480,779	\$18,783,136	(1.46%)	(3.58%)	\$146,991,179	\$155,068,750	5.50%	3.22%
October	\$15,859,555	\$15,827,801	\$16,176,013	\$17,250,795	8.99%	6.64%	\$162,818,980	\$172,319,545	5.84%	3.56%
November	\$15,858,745	\$17,408,526	\$17,791,514				\$180,227,506			
December	\$15,375,745	\$16,890,639	\$17,262,233				\$195,603,251			
TOTAL	\$189,630,645	\$197,118,145	\$201,454,745	\$172,319,545						

Advertising & Concessions

\$1.4 Million

Advertising Contract
HealthLine and Cleveland State Lines
Total

\$1,000K
\$420K
\$1.4M

Rationale:

The Advertising and Concessions Category consists of two subcategories. The first is the current advertising contract. As the fleet size reduced due to the service reductions in 2008, 2009, and 2010, the advertising contract's annual guarantee shrunk from \$1,000,000 to \$525,000. In 2012, a new advertising contract was established and the contract's annual guarantee rose to nearly \$900,000. The receipts received from the advertising contract have slowly increased over the past few years. For 2016, the advertising contract is budgeted at \$1.0 million. The second subcategory is the naming rights for the HealthLine and the new Cleveland State Line contracts that will net the Authority \$420,000. Advertising revenue received through the third quarter 2015 totaled \$1.2 million and revenue is expected to reach \$1.5 million by year end. The 2016 Budget for this category is slightly over \$1.4 million.

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

Rationale:

Temporary State funding helped eliminate the \$24 million gap during the 2008-2009 recession and the financial difficulties in 2010. Expenses were reduced but without the temporary funding from the State of Ohio, the service reductions would have been more severe. That funding has expired. CMAQ funding for the C-Line, L-Line and 9-12 Trolleys brought in about \$950,000 in 2014 and again in 2015. Operating assistance for our Paratransit operations totaled \$4.1 million in 2014 and \$3.1 million in 2015 through assistance from NOACA. For 2016, alternative funding for Paratransit Operating Assistance was not identified.

In 2009, the Authority received about \$2.8 million from the State of Ohio for elderly and disabled fare assistance for 2008 and 2009. The last disbursement RTA received was for a partial year, totaling \$619,057, through August. In 2011, the State halted all funding in this category for the eight largest agencies and allocated these funds to the small rural authorities. The State has no plans to reinstate the funding for the eight largest agencies.

Job Access and Reverse Commute (JARC) helped GCRTA provide vanpool and reverse commute services consistent with Welfare to Work initiatives. The funds from this source were very sporadic over the past few years. In 2013, revenue for this category was budgeted at \$2.1 million, drawing receipts through May. A new grant was found for the remainder of the year. In the third quarter 2013, a decision was made to continue drawing receipts through November, increasing the revenue projection to \$3.2 million. The remainder of the receipts will be drawn in 2014, \$2.3 million, and in 2015, \$1.1 million. Federal funding for the JARC program was eliminated in the new Transportation Bill, MAP-21, and no alternate funding was created. The program ended April 1, 2015.

<u>Other Revenue</u>	\$1.7 Million
Other Revenue	\$1.1M
<u>Trolley Assistance</u>	<u>\$0.6M</u>
Total	\$1.7M

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. Through 3rd Quarter of 2015, receipts totaled nearly \$700,000. The revenue projection for year-end remains at the budgeted amount of \$1.1 million. For 2016, the revenue projection is \$1.1 million. As funding for the C-Line and Nine-

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Twelve Trolleys is ending, additional funding is being sought from area businesses, similar to the B-Line and E-Line Trolleys. RTA is seeking 80% funding, or \$640,000, from the community and the remaining 20% will be maintained by the Authority.

Investment Income

\$200 Thousand

Through 2014, the available General Fund cash balances have been improved. The Fed has kept interest rates at all-time lows in an attempt to spur the economy. Income from this source was \$201,267 in 2012, \$200,188 in 2013, and 169,211 in 2014. Through the third quarter 2015, Investment Income earned totaled \$237,153. This is 51.8% higher than 2014 during the same time frame. The Authority is only receiving 0.46% interest on investments. The Fed has demonstrated it intends to keep interest rates low for at least the next ten years. As a result, the year-end projection for this revenue stream for 2015 is \$250,000. For 2016 and the out-years, because the fund balance will be dropping, the budgets are 200,000; 190,000; and 170,000, respectively.

Reimbursed Expenditures

\$22.0 Million

Preventive Maintenance Reimbursements	\$19.0M
Fuel Tax Reimbursement	\$ 1.3M
<u>Reimbursed Labor & Material</u>	<u>\$ 1.7M</u>
Total	\$22.0M

Rationale:

This category is primarily composed of preventive maintenance reimbursements, fuel tax reimbursements, grant funded labor costs, and material reimbursements. In 2009, this category was \$33.5 million, and in 2010 it totaled \$39.2 million due to the inclusion of force account labor from the ARRA projects. Dollars that were needed for capital projects had to be used to sustain operations. For eight years it had been a goal to reduce this reimbursement to less than \$20 million. Underperforming Sales Tax collections from 2001 to 2008 and then the Great Recession in 2009 had made that goal unachievable.

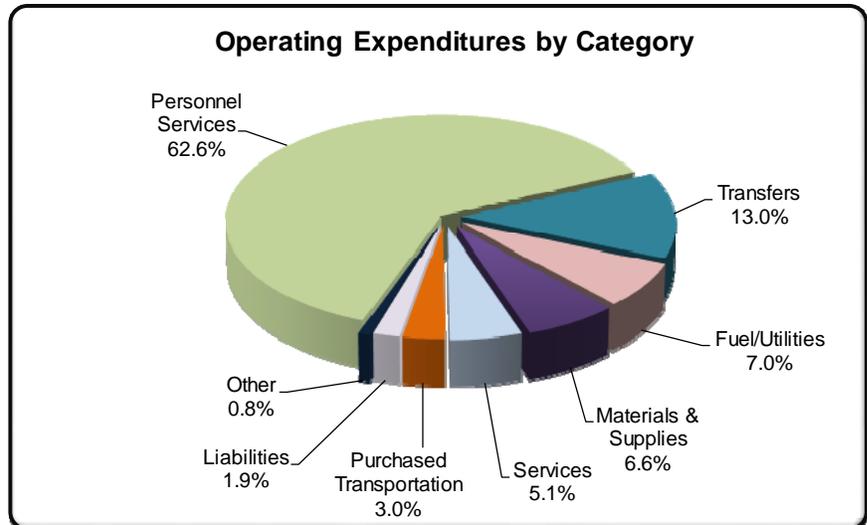
The improved financial position of the Authority in 2011 through 2013 enabled funding from reimbursed expenditures to be reduced. This revenue category was reduced in 2011 to \$25.6 million, 2012 to \$16.9 million, and 2013 to \$15.2 million. The improved financial situation means that the Authority did not need to draw as much preventive reimbursement to maintain the Operating Budget. For 2014, Reimbursed Expenditures were budgeted for \$18 million but ended the year at \$17.3 million. Reimbursed Expenditures were budgeted at \$23.1 million for 2015 and are projected to end the year at \$21.0 million. This means that more funds from formula grants will continue to be available for capital projects. With the implementation of MAP-21 and a reduction in the formula grant amount, this is particularly important.

For 2016, Reimbursed Expenditures are budgeted at \$19.0 million for preventive maintenance (PM) reimbursements, \$1.3 million for Fuel tax, and \$1.7 million for force account labor. For 2017 and 2018, \$22.0 million is budgeted each year for Reimbursed Expenditures. Raising PM Reimbursement will lower capital funding and will make it difficult to maintain a state of good repair.

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Expenditures

The Operating Expenditures for the 2016 budget include the appropriation and expenditure changes as described below. As with revenues, expenditures are estimated not only for the 2016 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 2016 Budget



(collective bargaining agreements, service changes, contract changes, as well as requirements of the Capital Improvement Plan, etc.).

The chart on page 19 summarizes the budgeted increases and reductions in expenditures for 2016. The chart highlights the ardent effort made by management to align the Authority's expenditures with the projected revenue. As a result of the efforts made in 2009 through 2014 to control and reduce expenditures, the Authority has been able to lower Preventive Maintenance reimbursements. With the improvement in Sales Tax collections, the Authority was able to avoid a service reduction. RTA will not be able to continue the current level of service. A service reduction will need to be implemented in 2016 unless additional sources of long-term revenue can be found.

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). The plunge in revenue from the Great Recession of 2008-2009 meant RTA had to secure wage concessions or become a smaller organization.

An innovative approach for wage increases was approved in the FOP negotiations that tied wage increases for the current year to the increase in revenue for Passenger Fares and Sales Tax from the prior year. Under that contract, wages were tied to these revenues but could be no less than 0% and no more than 3%. On the basis of 2011 revenue, FOP and Non-Bargaining employees received a 3% wage increase in 2012. ATU 268 agreed to this contract and received a 3% wage increase in 2012, as well as a \$1,000 bonus. For 2013 through 2014, all personnel received the 3% maximum wage increases.

In 2015, FOP agreed to a new 3-year contract (2015 through 2017), continuing to match wage raises to revenue increases and aligned health care benefits with those of Non-

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Bargaining. Negotiations with ATU continued until October 2015, when a 3-year contract was ratified by the ATU (2015 through 2017). The new ATU contract, similar to that of FOP, aligned wage raises to revenue increases and health care benefits similar to Non-Bargaining. For 2016 and 2017, Sales Tax and Passenger Fare Revenues are projected to increase by 2.7% and 2.8%, respectively, and the wage increases are calculated to match.

The Health Care contribution increased in 2011 from 12% to 14%. Non-smoking employees received a 1% credit and employees who complete an annual physical also received a 1% credit. Those employees who completed both received a 2% credit on their health care contribution. This credit has also been available from 2012 through 2015 and again in 2016. In the upcoming contract, co-pays and deductibles have been increased 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.

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

During the budget process for 2014, the IT (Information Technology) Department, in the Finance & Administration Division, was moved under the Executive Division and 6 new positions were created. An additional 4 positions were moved into IT from other departments. A Chief Information Officer (CIO) was hired in mid-2014. Through 2015, the CIO has implemented changes and reorganized the department. Five significant projects are in progress and must be completed by 2016.

Fuel costs were very volatile in 2008. Fuel is the Authority's second highest cost area. RTA implemented a better process to purchase fuel to stabilize fuel costs. For much of 2008, RTA worked to establish this new methodology. To get that accomplished, State law had to be changed, which was finalized in September 2008. In January of 2009, the Board of Trustees approved the implementation of an Energy Price Risk Management Program. RTA is now authorized to purchase futures contracts out to a maximum maturity of 36 months up to a maximum of 90% of projected use.

The Authority buys fuel when prices present a good opportunity. Prices in 2012 started at \$2.90/gallon and increased for a few months until in June, prices dropped significantly to \$2.70/gallon. GCRTA purchased 3.7 million gallons of diesel. In March of 2013, prices dropped dramatically again and GCRTA bought 2.1 million gallons of fuel. Prices then steadied but at a higher \$3.00-\$3.10/gallon amount. When prices dropped to \$2.48/gallon, RTA bought 5.5 million gallons of fuel hedges and was completely hedged for 2014 and 2015. In November 2014, Saudi Arabia decided to maintain market share and prices dropped. RTA bought all of the fuel needed for 2016 and 2017. RTA has further bought 18 of the contracts needed for 2018. Diesel prices are low and usage is declining. For 2016, RTA will have 90 CNG buses running for the entire year. Fuel costs for 2014 were \$14.4 million; for 2015, costs will be \$12.5 million; and in 2016, costs will drop to \$10.5 million.

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Utility Cost Reduction Measures have been implemented, and will continue to result in significant cost saving for the Authority. From 2010 through 2014, electrical savings alone amounted to over \$13,500,000. Electrical savings were obtained by entering into long term favorable electrical supply agreements, carefully auditing all invoices and account tariffs, paying invoices on a timely basis (avoiding late fees) and working with the utility to obtain corrections for billing errors. In addition, a number of lighting energy projects were completed that have resulted in lower kWh usage and maintenance costs. Regarding Natural Gas, invoices and tariffs are also carefully audited and payments are submitted on a timely basis. The Natural Gas supply is contracted through mid-2017 ensuring budget stability. With the increase in volume for the new CNG buses, a lower basis was negotiated. Regarding Water and Sewer, usages are carefully monitored to detect leaks as soon as possible to keep costs at a minimum as well as prevent potential structural damage. With the closure of a number of coal fired power plants, utility costs are increasing and are expected to continue to increase. In order to mitigate these increases, it is imperative to continue to diligently manage our utility accounts and explore the financial feasibility of energy efficiency projects.

Transfer to the Insurance Fund

The Insurance Fund 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. The required fund balance is \$5.0 million. With the increase in safety measures, claims have declined significantly and the budgeted transfer of \$2.7 million for 2012 was reduced to \$1.0 million. In 2013, a transfer of \$1.4 million was made. In 2014, a transfer of \$2.1 million was budgeted but was reduced to \$0.9 million. For 2015, a transfer of \$1.5 million was budgeted and executed in the first quarter as premiums are expected to remain steady. The transfer for 2016 is budgeted at \$1.2 million. For the out-years, 2017 and 2018, transfers of \$2.0 and \$2.2 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. As in previous budget years, the 2016 budget estimates that the Supplemental Pension Fund will need transfers of \$100,000. For the two out-years, 2017 and 2018, an additional \$100,000 for each year is budgeted in order to maintain the necessary balance within this fund as identified in a bi-annual actuarial study.

Transfers to Capital

In past years this measure, calculated as a percentage of Sales & Use Tax revenue, has remained well above the Board goal of a maximum of 15% due to the significant decrease in

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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 slightly over the years to 17.1% in 2012, falling back to 18.0% in 2013 and 18.4% in 2014. Transfers to capital grew from \$31.0 million to \$36.4 million over the past three years. In 2015 the projected transfers for capital totals \$38.0 million and equal 18.4% of Sales & Use Tax revenue. Local funds are transferred to the capital program for the multi-year bus replacement program and other state of good repair projects.

The projected 2015 transfer to capital includes \$15.7 million for payment of 100% locally funded capital projects, to provide the local match portion of grant-funded projects, and \$22.5 million to the Bond Retirement Fund for debt service payments associated with existing debt service.

In 2016, the transfer to capital will increase to \$38.66 million, or 18.2%, as additional local funds are transferred to capital to meet the financial needs of the capital improvement program. In 2017, the transfer to capital will decrease to \$33.3 million, or 15.3%. The 2006 bond service will be paid off. These transfers will then slightly increase to \$34.8 million, or 15.5%, in 2018. 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.

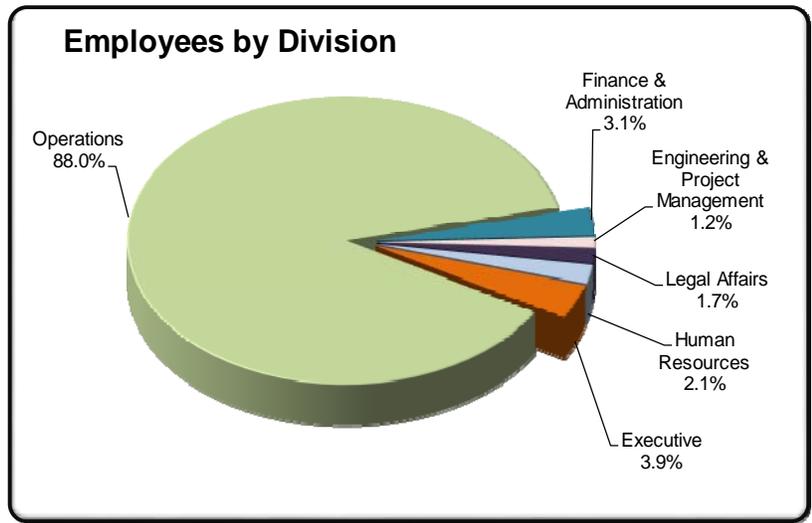
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Areas of Expenditure Growth 2016 Budget

2015 Projected Operating Expenses		\$247,128,266	
Compensation Issues		\$ 11,432,652	6.3%
Operator Labor & Overtime	\$ 2,497,819		
Hourly & Salary Labor & OT Increase	\$ 6,318,158		
Fringe Benefits	\$ 2,616,675		
Fuel / Utilities		\$ (315,082)	-1.5%
Diesel Fuel	\$(2,571,517)		
Propulsion Power	\$ 616,496		
Natural Gas & CNG	\$ 738,875		
Telephone	\$ 132,281		
Other Utilities	\$ 768,783		
Service Opportunities		\$ 6,680,137	19.9%
Purchased Transportation	\$ 1,550,142		
Inventory	\$ 2,286,957		
IT Contracts & Services	\$ 675,075		
RNC	\$ 371,000		
Vanpool	\$ 100,000		
Other Maintenance Contracts	\$ 1,696,963		
Administration Changes		\$ 2,727,432	25.6%
FTA/DOT Disparity Study	\$ 250,000		
Storm Water Assessment	\$ 151,000		
Liabilities	\$ 1,366,019		
Other (Net)	\$ 960,413		
Expenditure Growth		\$ 20,525,139	8.3%
2016 Budgeted Operating Expenditures		\$267,653,405	

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Employment Level Analysis



The chart below summarizes changes in staffing from the 2015 original Budget to the level included in the 2016 Budget.

The 2016 Budget reflects staffing of 2,361.8, an overall increase of 17.3 positions from the 2015 budget.

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

In 2013, with the completion of the HRV exterior overhaul, 15 of the 22 positions were eliminated. Employees who were in these positions were moved into vacant positions. Five support positions for operations were added to the budget and one administrative part-time position was changed to full-time. For 2014, a total of 46 positions were added to the budget. Additional operators were added to address overcrowding on some routes and increase efficiencies in the service plan. The IT Department was reorganized and 6 positions were added to the budget including adding a Chief Information Officer (CIO) /Executive Director, eliminating the IT Director, and moving 4 positions from other departments into the department.

Two Security Technicians were added to the Transit Police department to perform routine maintenance on security systems, eliminating the need for outside contracts, reducing the funding needed for the department's budget. Six electrical equipment mechanics were added to Fleet Management's budget to address the maintenance needed for increasing electrical and smart equipment. Plans were drawn to create a new work environment for the Electrical Equipment section, which was completed in the 3rd Quarter of 2015.

2016 Budget	
2015 Original Budget	2,344.5
Operations	14.00
Operators	12
Assistant Transportation Manager	2
Service / Support	3.00
Material Handler / Stock Clerk	1
Training Instructors	2
ITS Personnel from Service Management	-7
ITS Department	7
Administrative Staff	0.25
HR - Management Development Program	-1
Return to Work Coordinator	0.25
Construction Engineer	1
2016 Budget	2,361.75
Net Increase (Decrease)	17.25

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On the administrative side, a new Wellness Coordinator was added to the 2015 budget. This position created a wellness strategic plan, oversaw the wellness programs, and worked with the healthcare vendors and employees to ensure that participants are utilizing the services available. The return on investment for this position was to be three times the cost of the position itself. A part-time Safety Awareness Coordinator was budgeted in 2015. This position was eliminated in the 2014 budget but was restored after a grievance ruling. In order to cut costs, ten administrative positions, on a rotating basis, remained vacant during the course of the year.

For 2016, 17.25 positions were added to the 2,344.5 positions budgeted in 2015. This includes 12 Operator positions to alleviate shortages due to long-term absences. These additional Operators will help to reduce overtime, currently needed to cover absences. Seven positions will be moving from Service Management into an Intelligent Transportation Systems (ITS) Department. A Management Development Program (MDP) analyst position is eliminated, reducing the number of MDP positions budgeted to 4. A Return to Work Coordinator position was increased from 0.5 FTE to 0.75FTE to assist the EEO Manager. Two instructors were added. An Operating Instructor was added to assist with the increased training needs for Operators. A Power & Way Trainer was added to bring contracted training in-house. Training for signals, substations, and right-of-way maintenance has been historically offered through contractors. By adding a Power & Way trainer, the need for outside contracted training will be reduced. A Material Handler/Stock Clerk was added due to increased needs in the Inventory areas. Two Assistant Transportation Managers have been added to the 2016 budget for the two bus districts. Lastly, a Construction Engineer was added. This position will bring expert knowledge in-house, thus reducing the need for outside contracted engineering services.

Service Levels

The recession of 2008-2009 reduced revenues for the Authority and RTA was forced to reduce service levels by more than 20% between 2008 and 2010 in order to maintain a balanced budget. Service levels were not reduced in 2011. For 2012 through 2014, service was increased by just over 4%, 5%, and 3.4%, respectively. The financial position of the Authority improved markedly from 2010 to 2014. Consequently, some of the service cuts from 2008 through 2010 were restored. These changes include route enhancements for higher utilized bus routes traveling from suburban areas into downtown, as well as, some changes made on other routes to lessen crowding. The frequencies for in-peak and off-peak rail services were adjusted and service enhancements were implemented in 2012 and 2013.

In late 2012, RTA added three new Trolley routes: C-Line, L-Line, and Nine/Twelve Line. The C-Line connects the Convention Center, Medical Mart, Casino, Warehouse District, and Playhouse Square; the L-Line connects the Rock Hall of Fame, Great Lakes Science Center, Medical Mart, Convention Center; and the Nine/Twelve Line connects the Muni Lot to the Gateway District. Due to low ridership and loss of funding, the L-Line was discontinued as of September 2015. Corporate sponsorship is being sought in 2016 and the out-years for the

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C-Line and Nine/Twelve Line for 80% of the costs, or \$640,000. The remaining 20% funding will be absorbed by RTA.

The Cleveland State University (CSU) Line was completed along Clifton Blvd in late 2014. Ridership along this new corridor has increased steadily over the first nine months in operation and is projected to continue this trend. The CSU Line was part of a \$20 million Clifton Boulevard Transportation Enhancement Project that incorporated many features of the HealthLine including bus stops, stations, median landscaping and dedicated transit lane.

As service hours and miles have increased since 2011, resources such as bus lifts and mechanics, have been overextended. In 2015 a plan was proposed to decrease service slowly starting mid-year. The decision was made to postpone any service changes until 2016. For 2016, Service Hours and Service Miles are budgeted to decrease by 0.8% each. Rail service miles are scheduled to increase by 1.0% and Paratransit by 1.3%. Requests for Paratransit services continue to increase and RTA is committed to manage the ADA service and requirements.

Work on the rail tracks and stations has demanded the increase need for bus bridges while the rail lines are down. These bus bridges were not factored into the 2015 budgeted service levels and bus service had to be added. 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.

2016 Budgeted Service Levels Compared to 2015 Projected Service Levels (By Mode)								
Service Mode	Service Hours				Service Miles			
	2015 Projected	2016 Budget	Variance	Percent Variance	2015 Projected	2016 Budget	Variance	Percent Variance
Rail								
Heavy Rail(Red)	146,752	148,088	1,336	0.9%	2,735,852	2,758,293	22,441	0.8%
Light Rail(Blue/Green)	61,076	61,985	909	1.5%	882,433	895,025	12,592	1.4%
Total Rail	207,828	210,073	2,245	1.1%	3,618,285	3,653,318	35,033	1.0%
Bus								
RTA	1,394,900	1,376,803	(18,097)	-1.3%	16,874,500	16,566,033	(308,467)	-1.8%
Van Pool	0	0	0	#DIV/0!	0	0	0	#DIV/0!
Total Bus	1,394,900	1,376,803	(18,097)	-1.3%	16,874,500	16,566,033	(308,467)	-1.8%
Paratransit								
In-House	187,568	189,041	1,473	0.8%	2,608,228	2,633,475	25,247	1.0%
Contract	206,048	205,312	(736)	-0.4%	2,840,416	2,885,414	44,998	1.6%
Total Paratransit	393,616	394,353	737	0.2%	5,448,644	5,518,889	70,245	1.3%
Grand Totals	1,996,344	1,981,229	(15,115)	-0.8%	25,941,429	25,738,240	(203,189)	-0.8%

A new pilot program for a van pool service is budgeted for 2016 and is set to begin at the start of the 2nd Quarter. The budget includes funding for a new contract where the vendor will set up and provide the van pool service for our customers.

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POLICY COMPLIANCE

The discussion in this section focuses on the financial status of GCRTA as it relates to the Authority's basic adopted financial policy objectives. These objectives represent trends or indicators that should be analyzed as they relate to long-range financial implications for the organization. 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% is the policy goal. The decrease of operating expenses in 2012 boosted the ratio to 23.0%. For 2013 through 2015, Operating Expenses increased at a higher rate than the Operating Revenue and the Operating Ratio declined to 22.0%, 20.6%, and 21.1%, respectively. This ratio will not meet the objective for 2016, at 19.9%. RTA has not increased fares for seven years. The 2016 Budget includes a fare increase and a slight service reduction. Base fare is proposed to be increased by \$0.25, from \$2.25 to \$2.50, and a Paratransit fare increase is budgeted from \$2.25 to \$3.50. RTA will need to manage expenses throughout the year in order to end the year with a ratio above 20%. The Authority will have to end the year 3% to 5% under budgeted expenses in order to make this happen.

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 was met in 2010 for the first time since 1990. It continued to be met in 2011 through 2014. For 2015, a one-month operating reserve is equal to \$20.5 million. With a projected ending balance of \$25.9 million, a 1.3-month reserve, the Authority is expected to meet this measure. For 2016, the ending balance is budgeted at \$6.7 million, or 0.3-month reserve. A one-month reserve would equal \$22.2 million. Therefore, the 2016 budget will not meet this policy objective. For the two out years, 2017 and 2018, this policy goal is also not projected to be met at 0.1-month and 0.0-month, respectively.

Another measure of operating efficiency is the **Cost per Hour of Service**. The growth in cost of delivering an hour of service is to be held at or below the rate of inflation. In the latest report, the Cleveland Fed expects inflation rate to expand slowly, between 1.8% and 2.0% over this next year and remain around 2% during the next decade. Interest rates are expected to reach between 1.75% and 2.0% by the end of 2016. The Federal Reserve Bank stated that interest rates will be increased more slowly than in previous years.

This goal was not met in 2010 or 2011 because service cuts were decreasing at a greater rate than expenses. This objective was met in 2012, with a rate of -8.5%, due to revenue hours increasing at a greater rate than operating expenses. For 2013, the Cost per Hour of Service ended the year at 5.6%. The increase in the Cost per Hour of Service was attributed to operating expenditures increasing by 4.6%, mainly in the personnel category, and the

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service hours decreasing slightly. In 2014, the Cost per Hour of Service was budgeted at \$123.6, slightly higher than 2012 (\$123.3 per hour). Service hours increased by 12.5%, while operating costs increased by 7.4%, ending the year at -4.2%, a negative growth per year. At the end of the third quarter 2015, the Cost per Hour of Service is projected at \$124.1. This is 1.5% lower than budget and 0.4% higher than 2014. The budget for 2016 has total service hours decreasing by 0.8% and operating expenses increasing by 8.3%, compared to 2015 third quarter estimates. At a budgeted rate of 8.3%, this measure will not be met. For the two out-years, service hours are projected to decrease by 0.24% in 2017 and 1.0% in 2018. Operating Costs for 2017 are projected to decrease by 0.1% and for 2018 to increase by 1.6%. The Growth per year for 2017 and 2018 are projected at 1.0% and 2.7%, 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 2013 and 2015, the debt service coverage continued to meet the Board Policy goal, though slowly declining in each year from 2.73 in 2013, to 2.37 in 2014, to a projected 2.18 at the end of 2015. At a projected 1.32 in 2016, it will not meet the coverage.

Another financial goal is to contribute a minimum of 10% and up to a maximum of 15% of Sales Tax revenue to capital. This indicator includes both the direct contributions to capital and the amount "set-aside" in the General Fund for debt service. The **Contribution to Capital** has been well above the maximum of 15% since FY 2009 as Sales Tax collections plummeted in that year losing 11% of revenue. The Authority 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% 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 18.0% in 2013 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 will hold steady at 18.4% in 2014 and for 2015, before slightly declining to 18.2% in 2016. This decline in contribution will continue at 15.3% in 2017 and 15.5% in 2018 as existing debt service is retired, but continue to remain above the Board's maximum goal.

The projected ratio of 96.9% in 2015 for **Capital Maintenance Outlay to Capital Expansion** is above the Board Policy goal of between 75% and 90% 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% maximum in 2016, at 94.2%, 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

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the maximum of 90%, at 94.1% in 2017 and 92.5% in 2018, due to the focus of the 2016-20 Capital Improvement Plan on state of good repair projects throughout the Authority.

In 2016, none of the six objectives will to 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 20.0% but not at the goal of 25%, due to the increase in the operating budget. The operating budget Growth per Year is expected to increase at 8.3%, above the rate of inflation, and Sales Tax Contribution to Capital is expected to be at 18.2% in 2016 with the focus of capital projects on maintenance, rehabilitation, and replacement of current assets. In 2017 and 2018, only one out of the six financial policy goals will be achieved, **Growth per Year**, the cost of delivering a unit of service. This is due to the budgeted fare increase in 2016, which will be annualized in 2017 and 2018, and slight service reductions each year to balance capacity at the bus garages.

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. RTA must continue to maintain a balance between operating and capital funds to stay successful, RTA must review and revise a plan to address the challenges that are there in the next two years.

End of Year Reserve Funds

From 2011 through 2013, the General Fund balance was over \$30 million. RTA has made a calculated decisions to reduce PM reimbursement and 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 \$267.7 million for 2016. The budgeted ending balance for 2016 is \$6.7 million. If RTA is to remain financially sustainable, a 30-day operating reserve must be met. Maintaining PM reimbursement under \$25.0 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% of the balances over \$5 million and 5% if the balances is under \$5 million. This fund will help to create the local match needed for revenue vehicle purchases.

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CAPITAL PROGRAM

The Capital Improvement Plan (CIP) for 2016-2020 has already been Board approved and appropriated. 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.

For several years additional resources have been needed to meet the needs of maintaining the Authority's capital assets in a SOGR. Those resources were not available and projects were deferred due to a lack of funding. 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. The upturn in the balance of the General Fund triggered a reduction in actual PM reimbursements from \$21.6 million in 2011, to \$11.8 million in 2012 to \$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 has grown to \$14.6 million. For 2016, Preventive Maintenance reimbursements is projected at \$19 million expected to remain at this amount in the following two years.

The allocation of capital funds and budget authority in recent years 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. Part of the added needs of the program is replacement of up to 185 40-Ft buses over the next five years, of which, twelve (12) trolley buses are currently in production and due to arrive in 2016. Needed reconstruction of rail stations and bridges are also priorities within the capital program.

The Authority's capital projects are grouped in the proposed 2016 – 20 Capital Improvement Plan is shown on the next page.

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2016 - 2020 CAPITAL IMPROVEMENT PLAN Combined Budget Authority						
PROJECT CATEGORY	2016 Budget	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2016-2020
Bus Garages	\$0	\$1,950,000	\$5,450,000	\$0	\$0	\$7,400,000
Bus Improvement Program	\$855,766	\$15,749,142	\$13,031,747	\$24,328,125	\$20,243,322	\$74,208,102
Equipment & Vehicles	\$2,007,556	\$3,029,617	\$3,528,569	\$1,782,019	\$4,992,020	\$15,339,781
Facilities Improvements	\$8,944,406	\$5,801,510	\$8,878,724	\$14,002,061	\$8,792,890	\$46,419,591
Other Projects	\$2,268,950	\$2,271,450	\$2,272,250	\$2,273,750	\$2,275,250	\$11,361,650
Preventive Maint./Oper. Reimb.	\$20,180,000	\$20,180,000	\$20,180,000	\$20,180,000	\$20,180,000	\$100,900,000
Rail Projects	\$21,724,135	\$13,176,618	\$18,225,672	\$16,489,554	\$11,133,725	\$80,749,704
Transit Centers	\$708,783	\$288,783	\$288,785	\$285,115	\$285,115	\$1,856,581
TOTALS	\$56,689,596	\$62,447,120	\$71,855,747	\$79,340,624	\$67,902,322	\$338,235,409

CONCLUSION

GCRTA has managed well over the past four years. As the growth in revenues and resources slow, increasing operating costs are making it more difficult to end 2015 and 2016 with a 30-day balance. Tough decisions will be required in 2016 through 2018 in order to maintain the 30-day balance. RTA must react as the budgeted operating reserve falls in 2016. Consequently, the 2016 budget proposes fare increases and a slight service reduction.

Additional funding from the state would be helpful. The state recently conducted a study that indicated their funding level for public transportation is inadequate. In spite of that, no additional funding was budgeted for public transportation in their latest budget. RTA must manage within its current resources and expenses must be controlled. The only way to improve revenue is to raise fares and increase funding from local sources, as proposed in the 2016 budget. Along with that, RTA must continue to improve its operational efficiencies and effectiveness to provide quality service. The Authority must maintain the funds necessary to sustain current operations and keep its infrastructure in a state of good repair.

ATTACHMENT A
General Fund Balance Analysis

Assumptions:						
Passenger Fare Annual Growth =	-1.1%	0.8%	2.1%	2.7%	5.9%	3.5%
Sales Tax Annual Growth =	4.6%	3.9%	4.8%	2.7%	2.8%	2.8%
Personnel & Fringe Cost Growth =	3.2%	7.2%	-0.1%	6.3%	2.1%	2.1%
Non-Personnel Cost Growth =	8.3%	7.9%	-1.2%	13.8%	-5.7%	0.4%
Operating Expenses Growth =	4.6%	7.4%	-0.4%	8.3%	-0.1%	1.6%
Capital Contribution =	34,094,435	36,355,659	37,966,541	38,585,897	33,295,257	34,765,834
	18.0%	18.4%	18.4%	18.2%	15.3%	15.5%
	2013	2014	2015	2016	2017	2018
	Actual	Actual	Estimate	Budget	Plan	Plan
Beginning Balance	40,713,947	38,394,321	26,870,715	25,894,064	6,696,531	1,926,310
Revenue						
Passenger Fares	48,699,580	49,085,267	50,113,420	51,475,500	54,535,500	56,456,300
Advertising & Concessions	1,400,191	1,488,870	1,477,912	1,420,000	1,400,000	1,400,000
Sales & Use Tax	189,630,645	197,118,776	206,618,710	212,243,660	218,186,482	224,295,704
CMAQ Reimbursement - Healthline	0	0	0	0	0	0
Operating Assistance - Paratransit Operations	3,889,000	4,057,815	3,125,000	0	0	0
Trolley Assistance	0	0	0	640,000	640,000	640,000
CMAQ Reimbursement - Trolley	1,104,680	704,063	934,596	0	0	0
Access to Jobs Program	2,927,754	2,470,656	1,098,518	0	0	0
Investment Income	200,188	169,211	250,000	200,000	190,000	170,000
Other Revenue	1,177,962	1,470,683	1,100,000	1,100,000	1,100,000	1,100,000
Reimbursed Expenditures	15,217,046	17,324,469	21,000,000	22,000,000	22,000,000	22,000,000
Total Revenue	264,247,046	273,889,810	285,718,156	289,079,160	298,051,982	306,062,004
Total Resources	304,960,993	312,284,131	312,588,871	314,973,224	304,748,513	307,988,314
Operating Expenditures						
Personnel Services	169,098,188	181,305,658	181,163,788	192,596,439	196,585,638	200,646,281
Diesel Fuel	13,956,183	14,335,896	11,845,797	9,274,280	7,233,370	7,050,000
Natural Gas	1,388,300	957,626	1,440,125	2,179,000	2,291,000	2,510,000
Other Expenditures	46,529,565	51,458,576	52,678,557	63,603,686	61,218,711	61,456,594
Total Operating Expenditures	230,972,236	248,057,756	247,128,267	267,653,405	267,328,719	271,662,875
Transfer to the Insurance Fund	1,400,000	900,000	1,500,000	1,200,000	2,000,000	2,200,000
Transfer to the Pension Fund	100,000	100,000	100,000	100,000	100,000	100,000
Transfers to Capital						
Bond Retirement Fund	18,324,392	20,480,914	22,273,402	23,006,085	17,486,950	18,834,857
Capital Improvement Fund	15,770,044	15,874,745	15,693,139	15,579,812	15,808,307	15,930,977
Total Transfers to Capital	34,094,435	36,355,659	37,966,541	38,585,897	33,295,257	34,765,834
Transfers to Rolling Stock Reserve Fund	0	0	0	737,390	98,227	
Total Expenditures	266,566,672	285,413,415	286,694,808	308,276,693	302,822,203	308,728,709
Ending Balance	38,394,321	26,870,715	25,894,064	6,696,531	1,926,310	-740,395
Brookpark Lightning Strike Reserve Funds	0	0	0	0	0	0
Rolling Stock Reserve Funds	0	0	0	0	0	0
Reserved Funds	6,900,000	6,900,000	0	0	0	0
Available Ending Balance	31,494,321	19,970,715	25,894,063	6,696,530	1,926,309	-740,396

ATTACHMENT B

**2016 Budget
Financial Policy Objectives**

		Description	Goal	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Operating Efficiency	Operating Ratio	<i>Ratio that shows the efficiency of management by comparing operating expenses to operating revenues. Operating Revenues divided by Operating Expenses</i>	> 25%	22.0%	20.6%	21.1%	19.9%	21.1%	21.5%
	Cost/Hour of Service	<i>Measure of service efficiency. Total Operating Expenses divided by Total Service Hours</i>		\$129.1	\$123.6	\$123.0	\$134.3	\$134.5	\$138.1
	Growth per Year	<i>Growth in the cost of delivering a unit of service (Cost per Hour), compared to the prior year, to be kept at or below the rate of inflation.</i>	< Rate of Inflation	5.6%	-4.2%	-0.5%	9.2%	0.1%	2.7%
	Operating Reserve (Months)	<i>Equal or above one month's operating expenses to cover unforeseen or extraordinary fluctuations in revenues or expenses.</i>	> 1 month	2.0	1.3	1.3	0.3	0.1	0.0
Capital Efficiency	Debt Service Coverage	<i>The measure of the Authority's ability to meet annual interest and principal payments on outstanding debts.</i>	> 1.5	2.73	2.37	2.18	1.32	1.09	0.96
	Sales Tax Contribution to Capital	<i>Sales tax revenues to be allocated directly to the Capital Improvement Fund to support budgeted projects or to the Bond Retirement Fund to support debt service payments.</i>	10% - 15%	18.0%	18.4%	18.4%	18.2%	15.3%	15.5%
	Capital Maintenance to Expansion	<i>The capital program requires a critical balance between maintenance of existing assets and expansion efforts.</i>	75% - 90%	84.1%	95.7%	96.9%	94.2%	94.1%	92.5%

ATTACHMENT C
Capital Improvement Fund Balance Analysis

	2013	2014	2015	2016	2017	2018
	Actual	Actual	Estimate	Budget	Plan	Plan
Beginning Balance	46,726,229	40,656,567	25,434,566	34,591,063	18,018,033	31,067,248
Revenue						
Transfer from General Fund	15,770,044	15,874,745	15,693,139	15,579,812	15,808,307	15,930,977
Investment Income	100,925	67,238	66,200	62,500	61,250	61,500
Federal Capital Grants	59,795,463	58,199,720	63,862,500	68,250,000	64,620,000	63,875,000
State Capital Grants	264,693	2,046,063	1,384,658	1,384,658	1,384,658	1,384,658
Debt Service	0	0	30,000,000	0	25,000,000	0
Other Revenue	0	72,916	0	0	0	0
Total Revenue	75,931,125	76,260,682	111,006,497	85,276,970	106,874,215	81,252,135
Total Resources	122,657,354	116,917,249	136,441,063	119,868,033	124,892,248	112,319,383
Expenditures						
Capital Outlay	82,000,787	91,482,683	101,850,000	101,850,000	93,825,000	91,600,000
Other Expenditures	0	0	0	0	0	0
Total Expenditures	82,000,787	91,482,683	101,850,000	101,850,000	93,825,000	91,600,000
Available Ending Balance	40,656,567	25,434,566	34,591,063	18,018,033	31,067,248	20,719,383

ATTACHMENT C
RTA Development Fund Balance Analysis

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	44,440,121	38,924,890	23,911,529	32,610,942	16,132,855	28,975,768
Revenue						
Debt Service	0	0	30,000,000	0	25,000,000	0
Transfer from RTA Capital Fund	13,470,255	11,734,255	11,649,255	11,334,255	11,534,255	11,509,255
Investment Income	95,725	54,038	53,000	53,000	54,000	54,000
Federal Capital Grants	59,795,463	58,199,720	63,862,500	68,250,000	64,620,000	63,875,000
State Capital Grants	264,693	2,046,063	1,384,658	1,384,658	1,384,658	1,384,658
Other Revenue	0	0	0	0	0	0
Total Revenue	73,626,136	72,034,076	106,949,413	81,021,913	102,592,913	76,822,913
Total Resources	118,066,257	110,958,966	130,860,942	113,632,855	118,725,768	105,798,681
Expenditures						
Capital Outlay	79,141,367	87,047,437	98,250,000	97,500,000	89,750,000	87,500,000
Other Expenditures	0	0	0	0	0	0
Total Expenditures	79,141,367	87,047,437	98,250,000	97,500,000	89,750,000	87,500,000
Ending Balance	38,924,890	23,911,529	32,610,942	16,132,855	28,975,768	18,298,681

ATTACHMENT D
RTA Capital Fund Balance Analysis

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	2,286,108	1,731,677	1,523,036	1,980,120	1,885,178	2,091,480
Revenue						
Transfer from General Fund	15,770,044	15,874,745	15,693,139	15,579,812	15,808,307	15,930,977
Investment Income	5,200	13,200	13,200	9,500	7,250	7,500
Other Revenue	0	72,916	0	0	0	0
Total Revenue	15,775,244	15,960,861	15,706,339	15,589,312	15,815,557	15,938,477
Total Resources	18,061,352	17,692,538	17,229,375	17,569,433	17,700,735	18,029,957
Expenditures						
Asset Maintenance	1,083,402	1,627,995	1,675,000	1,900,000	1,825,000	1,850,000
Routine Capital	1,776,018	2,807,251	1,925,000	2,450,000	2,250,000	2,250,000
Transfer to RTA Development Fund	13,470,255	11,734,255	11,649,255	11,334,255	11,534,255	11,509,255
Total Expenditures	16,329,675	16,169,501	15,249,255	15,684,255	15,609,255	15,609,255
Ending Balance	1,731,677	1,523,036	1,980,120	1,885,178	2,091,480	2,420,702

ATTACHMENT E
Bond Retirement Fund Balance Analysis

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	4,119,818	1,710,131	1,775,684	1,929,490	1,924,060	1,574,060
Revenue						
Transfer from General Fund	18,324,392	20,480,914	22,273,402	23,006,085	17,486,950	18,834,857
Investment Income	12,502	263	1,560	2,500	2,500	2,500
Bond Premium Proceeds	0	0	0	0	0	0
Other Revenue	27	-445,748	0	0	0	0
Total Revenue	18,336,921	20,035,429	22,274,962	23,008,585	17,489,450	18,837,357
Reconciling Journal Entry	0	37,349	0	0	0	0
Total Resources	22,456,739	21,782,909	24,050,646	24,938,075	19,413,510	20,411,417
Expenditures						
Debt Service						
Principal	13,895,000	14,475,000	16,320,000	16,975,000	12,024,772	12,808,126
Interest	6,851,608	5,532,225	5,799,656	6,037,515	5,813,178	5,952,731
Other Expenditures	0	0	1,500	1,500	1,500	1,500
Total Expenditures	20,746,608	20,007,225	22,121,156	23,014,015	17,839,450	18,762,357
Ending Balance	1,710,131	1,775,684	1,929,490	1,924,060	1,574,060	1,649,060

ATTACHMENT F
Insurance Fund Balance Analysis

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	6,678,594	6,384,153	6,162,818	6,474,546	5,449,846	5,440,746
Revenue						
Investment Income	39,881	28,978	46,253	45,000	45,000	45,000
Transfer from General Fund	1,400,000	900,000	1,500,000	1,200,000	2,000,000	2,200,000
Total Revenue	1,439,881	928,978	1,546,253	1,245,000	2,045,000	2,245,000
Total Resources	8,118,475	7,313,131	7,709,071	7,719,546	7,494,846	7,685,746
Expenditures						
Claims and Premium Outlay	1,734,322	1,150,313	1,234,525	2,269,700	2,054,100	2,269,700
Other Expenditures	0	0	0	0	0	0
Total Expenditures	1,734,322	1,150,313	1,234,525	2,269,700	2,054,100	2,269,700
Ending Balance	6,384,153	6,162,818	6,474,546	5,449,846	5,440,746	5,416,046

ATTACHMENT G
Supplemental Pension Fund Balance Analysis

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	1,195,091	1,228,490	1,227,680	1,263,680	1,299,680	1,337,430
Revenue						
Investment Income	7,752	3,859	6,500	6,500	6,750	6,750
Transfer from General Fund	100,000	100,000	100,000	100,000	100,000	100,000
Total Revenue	107,752	103,859	106,500	106,500	106,750	106,750
Total Resources	1,302,843	1,332,349	1,334,180	1,370,180	1,406,430	1,444,180
Expenditures						
Benefit Payments	74,353	74,676	70,500	70,500	69,000	67,500
Other Expenditures	0	0	0	0	0	0
Total Expenditures	74,353	74,676	70,500	70,500	69,000	67,500
Reconciling Journal Entry	0	29,993	0	0	0	0
Ending Balance	1,228,490	1,227,680	1,263,680	1,299,680	1,337,430	1,376,680

ATTACHMENT H
Law Enforcement Fund Balance Analysis

	2013	2014	2015	2016	2017	2018
	Actual	Actual	Estimate	Budget	Plan	Plan
Beginning Balance	184,341	406,607	296,216	230,030	235,155	240,280
Revenue						
Investment Income	44	60	125	125	125	125
Other Revenue	292,445	81,335	177,000	55,000	55,000	55,000
Total Revenue	292,489	81,395	177,125	55,125	55,125	55,125
Total Resources	476,830	488,002	473,341	285,155	290,280	295,405
Expenditures						
Capital & Related Items	70,223	191,786	243,311	50,000	50,000	50,000
Total Expenditures	70,223	191,786	243,311	50,000	50,000	50,000
Reconciling Journal Entry	0	0	0	0	0	0
Ending Balance	406,607	296,216	230,030	235,155	240,280	245,405

ATTACHMENT I
All Funds Balance Analysis

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	99,618,020	88,780,268	61,767,679	70,382,872	33,623,305	41,586,074
Revenue						
Passenger Fares	48,699,580	49,085,267	50,113,420	51,475,500	54,535,500	56,456,300
Sales & Use Tax	189,630,645	197,118,776	206,618,710	212,243,660	218,186,482	224,295,704
Federal	59,795,463	58,199,720	63,862,500	68,250,000	64,620,000	63,875,000
State	4,153,693	6,103,878	4,509,658	2,024,658	2,024,658	2,024,658
Investment Income	361,292	269,609	370,638	316,625	305,625	285,875
Other Revenue	22,120,105	23,204,593	25,788,026	24,575,000	24,555,000	24,555,000
General Obligation Debt Proceeds	0	0	30,000,000	0	25,000,000	0
Total Revenue	324,760,778	333,981,843	381,262,952	358,885,443	389,227,265	371,492,537
Total Resources	424,378,798	422,762,112	443,030,631	429,268,316	422,850,570	413,078,611
Expenditures						
Personnel Services	169,098,188	181,305,658	181,163,788	192,596,439	196,585,638	200,646,281
Diesel Fuel	13,956,183	14,335,896	11,845,797	9,274,280	7,233,370	7,050,000
Natural Gas	1,388,300	957,626	1,440,125	2,179,000	2,291,000	2,510,000
Other Expenditures	48,408,463	52,905,344	54,228,393	65,995,386	63,393,311	63,845,294
Capital Outlay	82,000,787	91,482,683	101,850,000	101,850,000	93,825,000	91,600,000
Debt Service	20,746,608	20,007,225	22,119,656	23,012,515	17,837,950	18,760,857
Rolling Stock Reserve	0	0	0	737,390	98,227	0
Total Expenditures	335,598,529	360,994,432	372,647,759	395,645,010	381,264,496	384,412,432
Available Ending Balance	88,780,268	61,767,679	70,382,872	33,623,305	41,586,074	28,666,179

2016 Budget Guide

Organization of the Adopted Budget Plan

The purpose of this section is to describe the contents of the 2016 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 summaries of 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, Glossary of terms used in the Adopted Budget Plan, and a Profile of the Service Area.

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 through TransitStat, RTA's performance management program, and the 2015-2021 Strategic Plan. GCRTA continues to improve itself as a model transit authority.

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 budgets, budget implementation narratives, organizational charts, and staffing level summaries are provided for each department.

Capital Improvement Plan

The Capital Improvement Plan itemizes capital projects approved for 2016 and those planned for 2017 through 2020. This section discusses funding sources, debt limits, capital improvement planning cycle, and the criteria used to establish priorities.

2016 Budget Guide

Financial Policies

Introduction

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

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

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

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

In addition to the elimination of two policy objectives, RTA established reserve funding. The volatility of fuel prices, hospitalization costs and the impact of the Great Recession of 2008-2009 have shown that establishing reserves to help offset the impact of future significant financial disruptions would be especially valuable and prudent. In December 2012, a fourth Operating Reserve for replacement of rolling stock was added. Starting in 2016, funds for the Rolling Stock Reserve 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 Rolling Stock Reserve transfer, 10% of the available ending balance will be transferred into the Rolling Stock Reserve. If the available ending balance is less than \$5 million, only 5% will be transferred. As such, the new policies authorize:

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

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

2016 Budget Guide

ALL FUNDS

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

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

Balanced Budget:

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

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

In the General Fund, for 2016, estimated resources total \$315.0 million: current revenues of \$289.1 million plus an estimated beginning balance of \$25.9 million. Total estimated expenditures for 2016 equal \$308.3 million and are within the estimate of total resources available. The ending balance, \$6.7 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.

2016 Budget Guide

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

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

Monthly reports summarizing investment transactions and earnings are provided to the Board of Trustees. The Authority was able to achieve a favorable return on its 2015 investments and at the same time meet its outstanding financial commitments with an investment yield of 0.48%.



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

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

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

The operating expenditures budgeted in 2016 General Fund, which exclude transfers to other funds, are \$267.7 million, which represent an increase of over \$12.6 million, or 4.9%, over 2015 budget. The largest Operating Budget appropriation, \$192.6 million, is for Personnel Services, which accounts for 72.0% of the total operating appropriation. The 2016 appropriation for personnel costs is 5.4% higher than the 2015 budget. This increase is due to the wage increases for ATU, FOP, and non-bargaining personnel, as well as an increase of 17.25 positions. The Operating Expenditures increases include labor and fringe benefits for personnel; diesel fuel and natural gas; and inventory, other utilities, cost of materials, 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.

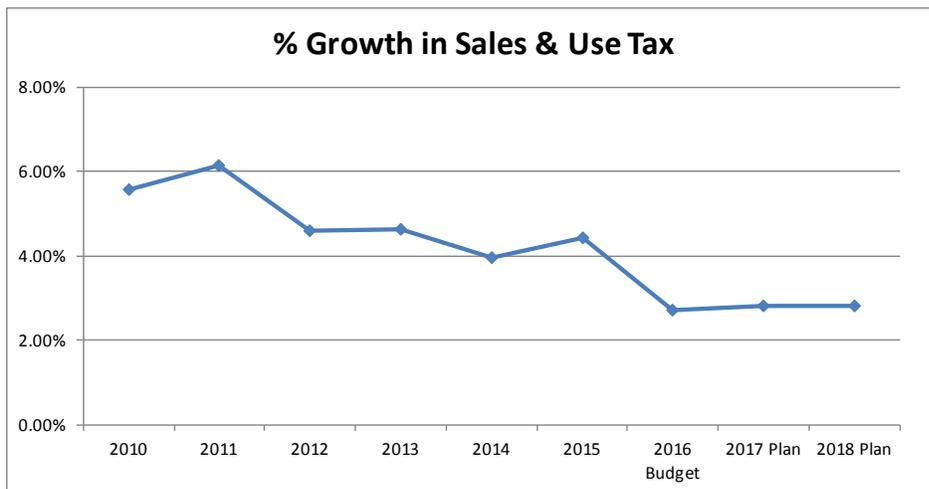


2016 Budget Guide

GENERAL FUND

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

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



Implementation:

Sales & Use Tax is the largest revenue stream for the Authority. In 2009, Cuyahoga County experienced an historic decline, down 10.9%, nearly \$19 million. That same year, managed health care was added to the Tax base, which helped to increase revenues by \$5

million in 2010. From 2011 through 2014, Sales & Use Tax collections continued to increase, but at a decreasing rate. In 2015, Sales & Use Tax increased by 4.8%, slightly above the rates in 2013 and 2014, but monthly collections have been very inconsistent in 2014 and 2015. For 2016 through 2018, Sales & Use Tax is budgeted around 2.7% each year.

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 snowfall and cold temperatures, which caused ridership to decrease. Monthly collections have been very inconsistent over the past several years and it has been difficult projecting revenue for this category. The 2016 Budget includes plans for a \$0.25 fare increase.

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 Sales & Use Tax and Passenger Fare revenue collections, and the fact that Northeast Ohio has not fully recovered from the recessions in 2001 and 2009, the 2016 through 2018 projections for the top three revenue streams are very conservative.



2016 Budget Guide

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 in 2011 through 2014. The year-end estimate for 2015 projects the operating reserve to be at 1.3 months, again achieving this policy goal. The control in expenditures over the past several years has helped this financial policy to be achieved. This policy goal is not expected to be reached for 2016 through 2018, at 0.3 months, 0.1 months, and 0.0 months, respectively. 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 2016 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: This policy goal has not been met in 2009 through 2011 because service cuts were decreasing more rapidly than operating expenses. In 2012, service hours were increased to reduce overcrowding on buses and the implementation of three new Trolley Lines, which resulted in the cost per hour of service to be considerably lower than the projected inflation rate, at -7.7%. For 2013, operating expenditures increased at a greater rate than service hours and the growth per year increased to 5.6%. For 2014 and 2015, service hours increased at a greater rate than operating expenditures and the costs per hour are lower than inflation.

Service hours for 2016 through 2018 are budgeted to decrease about 1.0% for each year and operating expenses are projected to increase by 8.3%, -0.1%, and 1.6%, respectively. This policy goal is expected to be met in 2017, at 0.1%. For 2016 and 2018, the policy goal is not expected to be met, as inflation is expected to remain around 2.5% per year for the next decade. The growth is projected at 9.2% for 2016 and 2.7% for 2018. Operating expenses must continue to be maintained in 2016.



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

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

Implementation: Operating Revenues include passenger fares, advertising, concessions, and 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.

2016 Budget Guide

The ratio in 2011 was 23.8%, although still below the 25% goal. Operating expenses decreased, primarily due to the implementation of the fuel-hedging program which decreased the cost of diesel fuel. In 2012 through 2014, operating expenses have increased at a greater rate than operating revenues. For 2015, operating revenues are projected to increase by 4.3% and operating expenses are decrease slightly, compared to 2014. The Operating Ratio for 2015 is expected to increase to 21.1%, compared to 20.6% in 2014, but still below the goal of 25%. A \$.25 fare increase is budgeted in mid-2016. For 2016, operating revenues are projected to increase by 1.1%, whereas operating expenses are budgeted to increase by 8.3%. The Operating Ratio is budgeted at 19.9%, below 2015 level and below the 25% goal. In 2017 and 2018, with the annualization of the budgeted fare increase, Operating Revenues are planned to increase by 5.7% and 3.4%, respectively and Operating Expenses are budgeted to increase by -0.1% and 1.6%, respectively. The Operating Ratios for 2017 and 2018 are planned at 21.1% and 21.5%, respectively. These ratios are above the budgeted ratio for 2016 but still less than the policy of 25%.



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 projected rate of 2.18. For 2016, at a projected 1.32, the ratio will be slightly below the goal of 1.5. The debt coverage is projected to further decline in 2017 and 2018, at 1.09 and 0.96, respectively, as projected total resources fall within those years.

CAPITAL IMPROVEMENT FUNDS

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

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

2016 Budget Guide

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% in 1998 through 2002, but growth in Authority-wide capital needs progressively increased this ratio between 2003 and 2011, from 11.4% to 18.4%.

In 2012, capital funding requirements from the General Fund fell to 17.1%, but increased in 2013 to 18.0% of Sales & Use Tax revenue, and again in 2014 to 18.4% or \$36.36 million as additional local funds were transferred to the capital program for the multi-year bus replacement program. In 2015, this rate is expected to remain near 18.4%, but is expected to slightly decrease to 18.2% in 2016 including \$15.58 million for payment of 100% locally funded projects, the local match portion of grant-funded projects, and \$23.01 million to the Bond Retirement Fund for debt service payments. It is expected to remain above the goal of 15% for the foreseeable future though it will decline in 2017, to 15.3% as current debt service is retired and remain near 15.4% in 2018 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% and a maximum of 90%.*

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

Implementation: Recognizing that the capital program requires a critical balance between maintenance of existing assets and expansion efforts, this policy objective has been used in the past to develop the annual capital budget. Between 2010 and 2015, the capital maintenance to expansion ratio has ranged from a low of 84.1% and a high of 99.0% 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 the 90% maximum goal for the foreseeable future, ranging from 94.2% in 2016, to 94.1% in 2017, and 92.5% in 2018 as the focus of the Authority's capital programs continue to focus on state of good repair (SGR) projects throughout the Authority.

2016 Budget Guide



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 2015-19 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 pending 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 2008 through 2015 were held at \$100,000 per year. In 2016, 2017, and 2018, \$100,000 transfers will be needed each year to ensure that the Fund remains at the recommended level to meet all obligations.

INSURANCE FUND

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

2016 Budget Guide

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 2015, \$0.2 million is projected to be expensed in the General Fund for the payment of ordinary and routine losses in the form of personal injury and property damage claims. An additional \$1.0 million is projected to be expensed in the Insurance Fund for claims outlay and to cover insurance premiums for catastrophic or extraordinary losses. For 2016, 2017, and 2018, about \$2.2 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. In 2011, a transfer was made to the Insurance Fund in the amount of \$3.2 million. The transfer dropped to \$1.0 million in 2012 and \$1.4 million in 2013 and dropped again in 2014 to \$0.9 million. The transfer to the Insurance Fund in 2015 was \$1.5 million. For 2016, the transfer is budgeted at \$1.2 million and is planned at \$2.0 million for 2017 and \$2.2 million for 2018 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.

2016 Budget Guide

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 \$136.9 million in general obligation (GO) and revenue (RB) bonds at the end of 2015, which will require principal and interest payments of \$23.0 million in 2016. 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 1.48 mill limitation (based on the county's assessed valuation of \$27.7 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 valuation, the annual debt service capacity of one-tenth of one percent would be \$27.73 million and apply to all debt issued by the Authority. The next property valuation for a complete reappraisal of every parcel of property was to be completed in 2015.

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 end of 2015, the overwhelming majority of political subdivisions in Cuyahoga County have reached the 10-mill limit, leaving 0.00 mills for additional debt issuances. The fact that the 10-mill limit has been exceeded was another factor to be considered as the Authority issued additional debt in FY 2015, resulting in revenue bonds being issued instead of general obligation bonds. This will also affect future debt issuances in the same manner.

2016 Budget Guide

In FY 2012, the Authority issued revenue bonds for \$25.0 million in new debt and \$17.4 million in a refinancing issuance. A refinancing issuance of \$29.7 million was made in 2014. In FY 2015, the Authority issued revenue bonds for \$30 million in new debt and \$20.2 million in a refinancing issue. The next debt issuance is projected for 2017. 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.

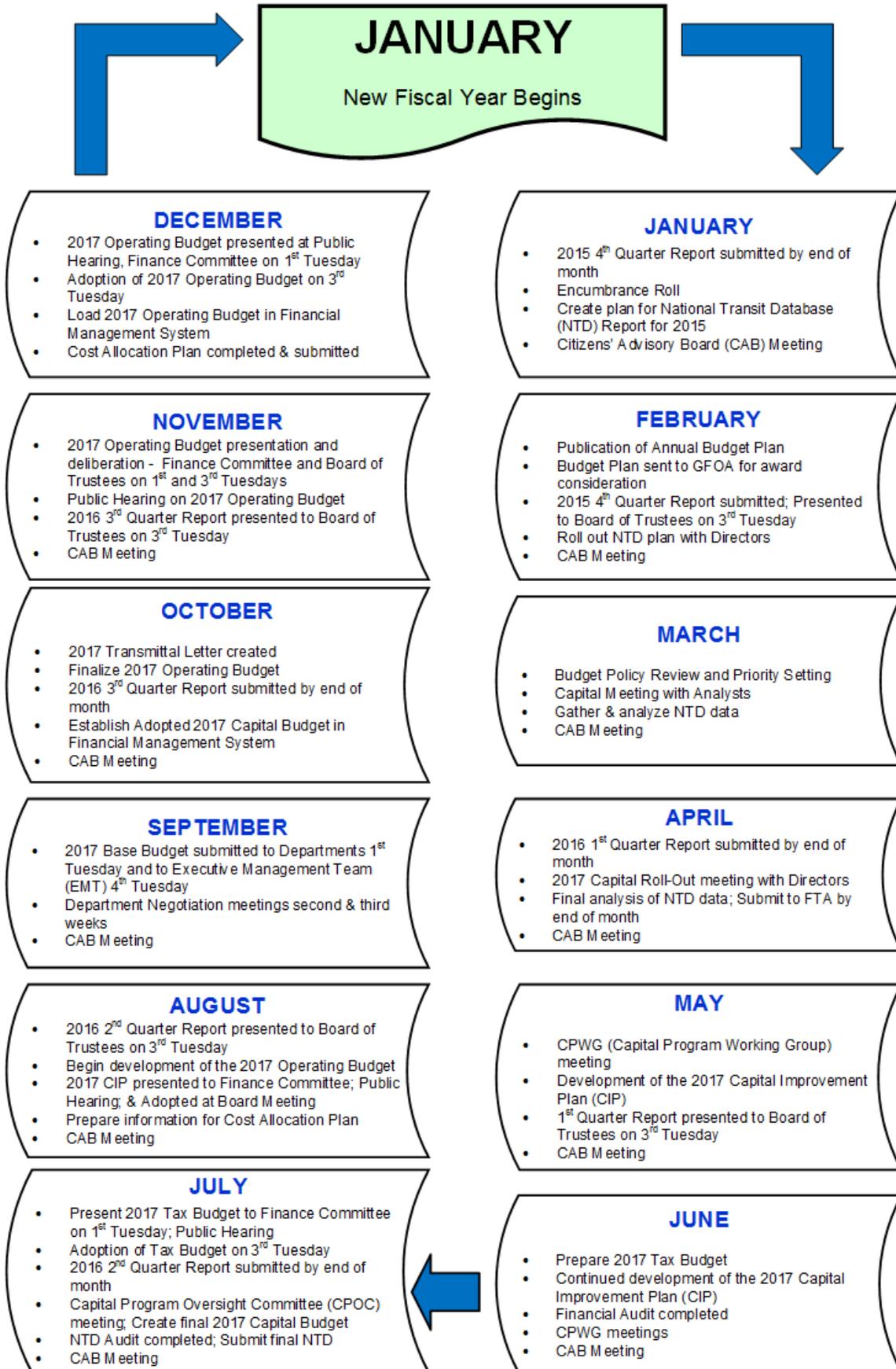
Around the same time, a mid-year review of spending patterns and budget variances is conducted. The mid-year review and the following year’s Tax Budget are essential components of the base level appropriations assumed for the succeeding budget cycle. The development of this ‘base’ budget begins the annual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

2016 Budget Guide

- 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.

2016 Budget Guide



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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**.

The Mission Statement is:

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

The Management Policy Initiatives are:

- **Educate Key Decision Makers to Act on Behalf of Public Transportation**
- **Maximize Ridership Growth Opportunities**
- **Identify Top Opportunities to Enhance Riding Experience**
- **Implement Predictive Maintenance Program**
- **Analyze Paratransit Practices**
- **Assess Top Priorities for State of Good Repair (SOGR)**
- **Advance and Improve Technology**
- **Define and Implement Plan to Improve Safety for Customer and Employees**
- **Identify and Improve Most Crucial Communication Issues**
- **Refine Human Resources Policies and Practices**

The RTA Values identified by the new Strategic Plan are:

- **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.

2016 Budget Guide

Budget Monitoring and Control

Quarterly financial reports allow the CEO/General Manager 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 has the authority to transfer appropriations within and between departments, which are reported monthly to the Trustees. 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 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 flexibility in making staff decisions. If an increase in budgeted positions is needed during the year, approval by the BOT would be needed.

Transit Service Profile

GCRTA History

1818	Stagecoach ran between Cleveland and Painesville
1834-42	First rail line: along Euclid Avenue from Public Square to Wade Park
1841	Omnibus service: horse drawn carriage for large groups
1859	First street railway – horse-drawn streetcar: downtown to E. 55 th
1860s & 70s	Suburban steam lines provided uncoordinated transportation
1884-1901	Consolidated electric transportation system – 1 st commercial electric railway in U.S.
1903	Similar lines were consolidated as Cleveland Electric Railway Co.
1904	Cleveland Railway began – Murray chain-driven “Opera” bus
1913-20	Cleveland Rapid Transit System began – Shaker Heights to downtown
1925	Cleveland started Bus service with a downtown loop
1930	Shaker Rapid cars ran from Shaker Heights to Terminal Tower
1942	Cleveland Transit System (CTS) formed with 3-man transit commission
1952	CTS broke ground for heavy rail line behind Windermere Car barn
1955	Heavy Rail service began from Terminal Tower to Windermere
	Heavy Rail service began on West side to W. 117 th Street & Madison
1958	Heavy Rail service extended to Triskett Station
1968	Federal grant received to extend Heavy Rail to Hopkins Int. Airport making Cleveland the first city in Western Hemisphere to offer direct rapid service to major airport
1970	Legislation passed permitting communities to create regional transit authorities
1974	Last full year of operation of CTS
	December: Legislation adopted by county commissioners and city council to establish Greater Cleveland Regional Transit Authority (GCRTA)
1975	CTS transferred to GCRTA
	Cleveland and Shaker Rapid Lines merged
1977	GCRTA began first police force
1979	GCRTA integrated operations from City of Euclid
1980	GCRTA integrated Garfield Heights Transit
1983	New facilities opened: training center, rail complex, central bus maintenance
1984	Rail District Headquarters and maintenance facility opened; Red-Line rehabilitation began; Paratransit facility opened
1987	New downtown loop bus service began; new fareboxes installed
1990	First Park-N-Ride lot opened in Strongsville; Tower City Transit Center opened
1991	ARTS-in-Transit program began
1993	Park-N-Ride lot opened on St. Clair near Babbitt Road
1994	Walkway to Gateway opened connecting Tower City to Gund Arena and Jacobs Field
1995	20 th Anniversary; Rock & Roll Hall of Fame opened; Westlake Park-N-Ride opened
1996	Waterfront Line opened
1998	Community Circulators began service
1999	Assumed management of Cuyahoga County Work Access Program
2000	25 th Anniversary; Bike Rack pilot program began
2001	New MCI coaches began service
2003	New ICC (Integrated Communications Center) opened
2005	50 years of Heavy Rail service; Bus-Only lanes opened in downtown
2006	New Trolley service began downtown
2007	GCRTA named “Best in North America” by American Public Transit Association (APTA)
2008	HealthLine began between downtown to Cleveland Clinic to University Hospital; TransitStat begins
2009	GCRTA faces major budget challenges
2010	GCRTA participates in “Safe Place”; Stephanie Tubbs Jones Transit Center opens
2012	GCRTA receives Gold Award for Security
2013	GCRTA purchases new CNG buses
2014	Cleveland hosts Gay Games & chosen for 2016 RNC; new CSU Line opens
2015	GCRTA receives Silver Award for Partnership for Excellence; Joe Calabrese, CEO/GM named Public Official of the Year by Governing Magazine

Transit Service Profile

Economic Profile

(U.S. Census Bureau)

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

			% Change prior year
Population	2014 Census (estimate)	1,259,828	-0.3%
	% Change from 2010 Census	1.6%	0
	Projected 2020 Population	1,209,550	0
	Land Area (square miles)	457.2	-0.1%
	(2010)	52.4%	0
	% Female (2014)	2,800	0
	Persons per Square Mile (2010)		
	% White (2014)	64.4%	-0.2
	% Black (2014)	30.3%	0.1
	% Hispanic/Latino (2014)	5.4%	0.2
	% Asian (2014)	3.0%	0.1
	% American Indian/Alaskan Native (2014)	0.3%	0.0
Housing	Persons per household, 2009- 2013	2.33	-0.01%
	# Housing Units (2014)	618,803	-3,285
	Home Ownership rate (2009- 2013)	60.9%	-0.7%
	Median value of owner- occupied housing units (2009- 2013)	\$125,700	-\$9,200
	Median Household Income (2009-2013)	\$43,804	-\$284
	% Under Poverty Level (2009- 2013)	18.3%	1.2%
	Cost of Living Index 2013 (U.S. Avg.: 100)	95.9	-7.6
Largest Cities (2012) (# of Residents)	City of Cleveland	389,521	-592
	Parma	80,015	-414
	Lakewood	50,926	-217
	Euclid	47,893	-246
	Cleveland Heights	45,181	-213
	Strongsville	44,654	-76
	Westlake	32,424	-47
	North Olmsted	32,130	-162
	North Royalton	30,327	-40
	Garfield Heights	28,229	-149
Land Use/Land Cover (2014)	Urban (Residential, Commercial, Industrial, Transportation, etc.)	66.85%	0
		0.99%	0
	Cropland	0.03%	0

Transit Service Profile

	Pasture	30.95%	0
	Forest	0.65%	0
	Open Water	0.37%	0
	Wetlands	0.17%	0
	Bare/Mines		

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	9	0
	Branch Libraries	63	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%	0.7
	15 to 29 minutes	42.7%	0.6
	30 to 44 minutes	23.3%	-0.6
	45 to 59 minutes	5.6%	0.2
	60 minutes or more	4.5%	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:

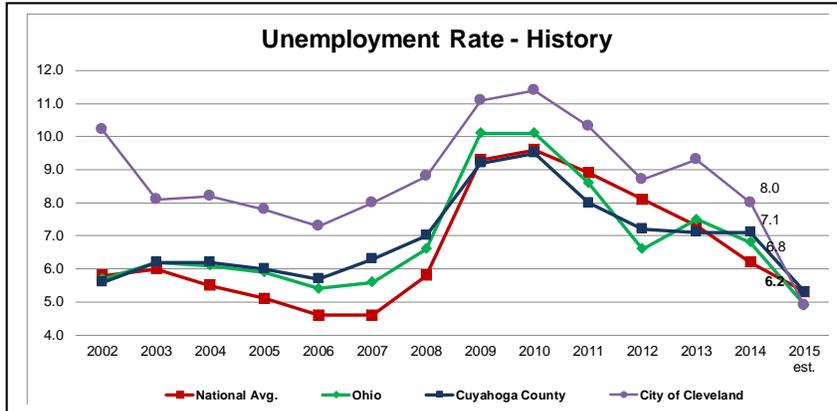
U.S. Department of Commerce (United States Census Bureau) Town & County Quick Facts

U.S. Census Bureau, 2009-2014 American Community Survey

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

Ohio Department of Job and Family Services-- 2013 Cuyahoga County Profile Statistical and Demographic Data

Transit Service Profile



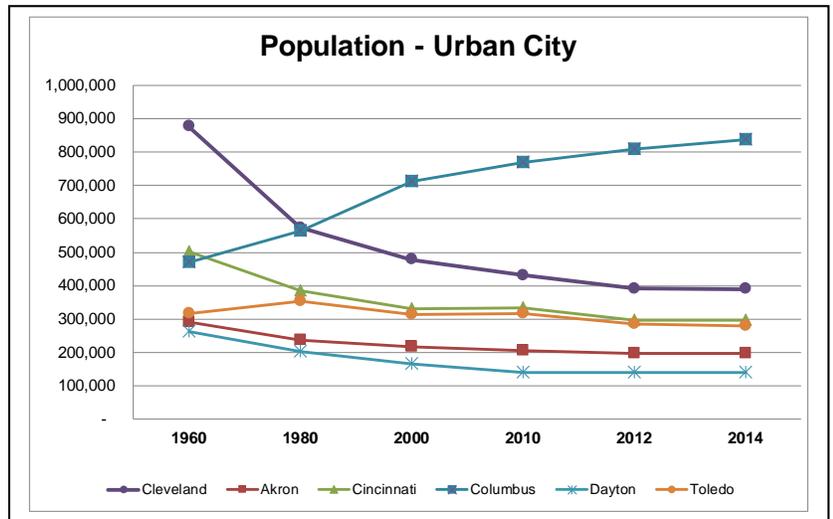
Trends of North East Ohio compared to the State and National Averages

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
2002	5.8	5.7	5.6	10.2
2003	6.0	6.2	6.2	8.1
2004	5.5	6.1	6.2	8.2
2005	5.1	5.9	6.0	7.8
2006	4.6	5.4	5.7	7.3
2007	4.6	5.6	6.3	8.0
2008	5.8	6.6	7.0	8.8
2009	9.3	10.1	9.2	11.1
2010	9.6	10.1	9.5	11.4
2011	8.9	8.6	8.0	10.3
2012	8.1	6.6	7.2	8.7
2013	7.3	7.5	7.1	9.3
2014	6.2	6.8	7.1	8.0

Population - Census - Cities						
Year	Cleveland	Akron	Cincinnati	Columbus	Dayton	Toledo
1960	876,050	290,351	502,550	471,316	262,332	318,003
1980	573,882	237,177	385,457	564,871	203,371	354,635
2000	478,403	217,074	331,285	711,470	166,179	313,619
2010	431,363	207,216	333,013	769,360	141,527	316,238
2012	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



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

- Ashtabula County - 99,811, down 2.8 percent from 102,728
- Cuyahoga County - 1,263,154, down 9.4 percent from 1,393,979.
- Geauga County - 93,972, down 0.8 percent from 94,753.
- Lake County - 229,857, up 1.0 percent from 227,511.
- Lorain County - 302,827, up 6.4 percent from 284,664.
- Medina County - 174,915, up 15.8 percent from 151,095.
- Portage County - 163,862, up 7.8 percent from 152,061.
- Summit County - 541,824, down 0.2 percent from 542,899.

Population - Census - Metro Areas						
Year	Cleveland Metro	Akron Metro	Cincinnati Metro	Columbus Metro	Dayton Metro	Toledo Metro
1990	2,102,248	657,575	1,844,915	1,405,168	843,835	654,157
2000	2,148,017	694,962	2,009,654	1,612,844	848,155	659,185
2010	2,088,291	698,553	2,155,137	1,773,120	836,544	649,104
2014	2,063,598	703,825	2,149,449	1,994,536	800,836	607,456

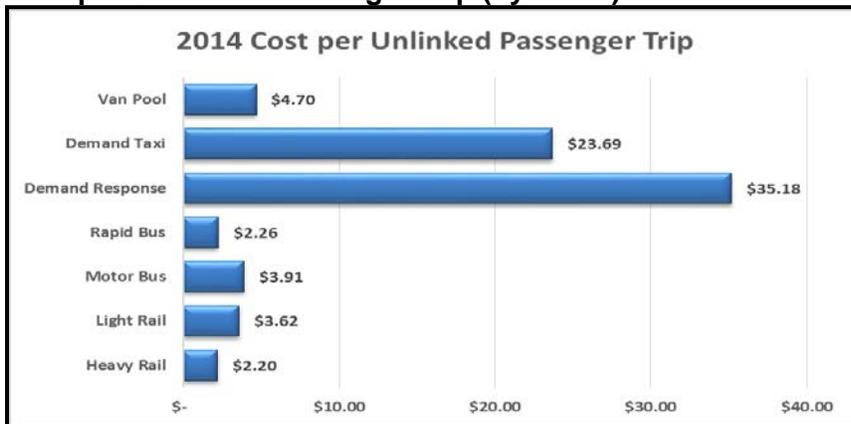
Transit Service Profile

National Transit Trends

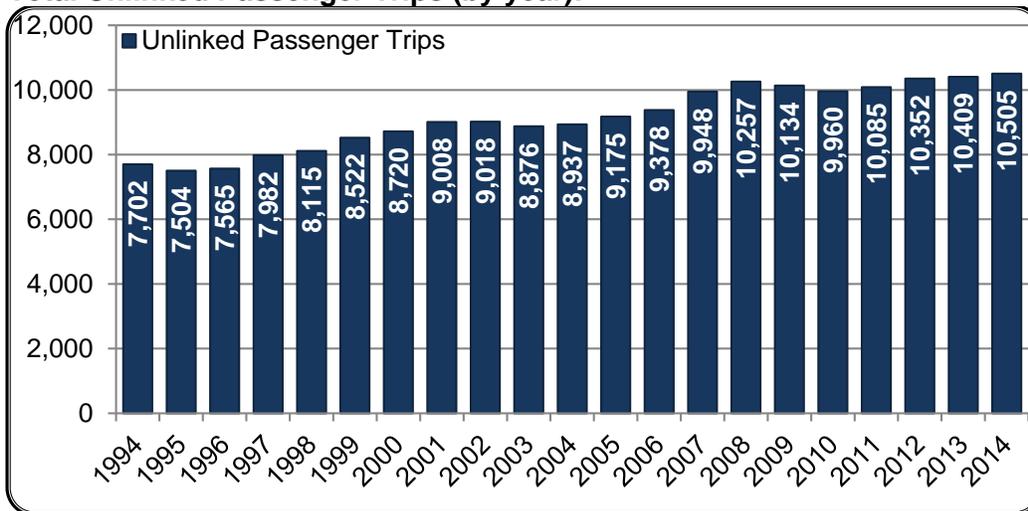
A total of 858 Agencies are included in the National Transit Database (NTD) for 2014. The National Transit Database was established by Congress to be the Nation's primary source of information and statistics on the transit system of the United States. Recipients of grants from the Federal Transit Administration (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):



Total Unlinked Passenger Trips (by year):



Source: NTD

Transit Service Profile

Source: National Transit Summaries and Trends for the 2013 National Transit Database Report Year

Ohio Transit Trends 32 Agencies reported data in the National Transit Database in 2014

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
Akron (Metro)	420	542,899	Bus	5,082,892	17,601,659	3,451,204	101	125
			DR	238,834	1,515,778	1,965,950	79	98
			Commuter Bus	106,203	2,920,583	266,469	7	8
Canton (SARTA)	567	375,586	Bus	2,552,821	12,789,633	2,208,234	34	38
			DR	138,209	1,283,190	1,138,653	23	42
Cincinnati (SORTA)	262	845,303	Bus	16,769,004	81,125,391	9,464,791	297	355
			DR	177,004	1,964,744	1,315,545	48	61
Cleveland (GCRTA)	458	1,412,140	Bus	34,325,962	144,546,103	12,968,260	350	391
			RB	4,854,519	12,837,586	648,031	16	21
			HR	6,423,366	44,109,511	2,414,910	20	60
			LR	2,897,940	17,332,817	785,351	14	48
			DR	704,502	4,964,438	4,978,261	131	146
Columbus (COTA)	337	1,081,405	Bus	18,472,039	71,591,337	10,241,965	261	313
			DR	277,467	2,846,852	3,276,594	60	66
Dayton (GDRTA)	274	559,062	Bus	7,307,141	37,161,954	5,200,980	90	109
			DR	217,454	2,099,089	1,995,492	57	90
			TB	2,217,979	6,793,518	895,136	26	35
Lake County (Laketran)	227	229,885	Bus	329,885	1,583,447	509,092	10	18
			DR	224,241	2,272,121	1,815,885	61	77
Toledo (TARTA)	149	407,784	Bus	3,128,592	13,302,704	2,733,036	78	107
			DR	320,157	2,655,414	2,038,430	67	68
Youngstown (WRTA)	452	238,823	Bus	1,431,514	4,294,542	1,062,593	35	45
			DR	47,280	297,864	481,501	15	19
Hillsborough Area Regional Transit Authority (HART) (Tampa & St. Petersburg, FL)	957	2,441,770	Bus	14,314,610	73,017,436	7,477,638	153	208
			DR	128,777	984,116	1,226,710	30	43
			SC Rail	306,247	523,031	67,599	3	10
Kansas City Area Transportation Authority (KCATA) (Kansas City, MO & Kansas City, KS)	678	1,519,417	Bus	15,988,034	58,638,621	7,794,854	195	248
			DR	461,541	3,800,900	3,837,516	76	100
			DR-Taxi	6,505	102,655	97,569	9	9
			Vanpool	61,626	2,330,242	484,237	31	36

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

Glossary

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

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

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

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% of the funding is provided by local sources (versus grant funded sources) and represents expenses incurred to maintain or improve the Authority's assets.

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

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

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

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

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

Glossary

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

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

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

Capital 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.

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).

Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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.

Glossary

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

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

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

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

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

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

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

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

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

Fund Type – See Fund.

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

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

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

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

Glossary

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

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

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

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

Interest – The amount paid for the use of money.

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

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

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

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

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

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

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

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

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

Glossary

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.

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

Glossary

operating reserve. RTA recently added three reserves for fuel, medical, and compensated absences.

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

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

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

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

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

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

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.

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

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

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

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

Glossary

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.

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

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

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

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

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

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

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

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.

Glossary

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

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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)

- General Fund (Operating Budget and transfers to other funds)
- RTA Capital Fund (short-term and locally-funded Capital projects)
- RTA Development Fund (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)

2016 Budget All Funds Summary	All Funds	General Fund	RTA Capital Fund	Development Fund	Bond Retirement Fund	Supplemental Pension Fund	Insurance Fund	Law Enforcement Fund
Beginning Balance	\$70,382,872	\$25,894,064	\$1,980,120	\$32,610,942	\$1,929,490	\$1,263,680	\$6,474,546	\$230,030
Revenue								
Passenger Fares	\$51,475,500	\$51,475,500						
Sales & Use Tax	\$212,243,660	\$212,243,660						
Federal Capital Grants	\$68,250,000			\$68,250,000				
State Capital Grants	\$2,024,658			\$1,384,658				
Trolley Assistance		\$640,000						
Investment Income	\$316,625	\$200,000	\$9,500	\$53,000	\$2,500	\$6,500	\$45,000	\$125
Other Revenue	\$24,575,000							\$55,000
Advertising & Concessions		\$1,420,000						
Other Revenue		\$1,100,000						
Reimbursed Expenditures		\$22,000,000						
General Obligation Debt	\$0				\$0			
Transfer from General Fund			\$15,579,812		\$23,006,085	\$100,000	\$1,200,000	
Transfer from RTA Capital Fund				\$11,334,255				
Total Revenue	\$358,885,443	\$289,079,160	\$15,589,312	\$81,021,913	\$23,008,585	\$106,500	\$1,245,000	\$55,125
Total Resources	\$429,268,316	\$314,973,224	\$17,569,433	\$113,632,855	\$24,938,075	\$1,370,180	\$7,719,546	\$285,155
Expenditures								
Personnel Services	\$192,596,439	\$192,596,439						
Diesel Fuel	\$9,274,280	\$9,274,280						
Natural Gas	\$2,179,000	\$2,179,000						
Other Expenditures	\$65,995,386	\$63,603,686			\$1,500			\$50,000
Claims and Premium Outlay							\$2,269,700	
Benefit Payments						\$70,500		
Capital Outlay	\$101,850,000			\$97,500,000				
Asset Maintenance			\$1,900,000					
Routine Capital			\$2,450,000					
Debt Service	\$23,012,515							
Principal					\$16,975,000			
Interest					\$6,037,515			
Rolling Stock Reserve	\$737,390	\$737,390						
Transfer to Other Funds								
Insurance Fund		\$1,200,000						
Supplemental Pension Fund		\$100,000						
Bond Retirement Fund		\$23,006,085						
RTA Capital Fund		\$15,579,812						
RTA Development Fund			\$11,334,255					
Total Expenditures	\$395,645,011	\$308,276,693	\$15,684,255	\$97,500,000	\$23,014,015	\$70,500	\$2,269,700	\$50,000
Available Ending Balance	\$33,623,305	\$6,696,531	\$1,885,178	\$16,132,855	\$1,924,060	\$1,299,680	\$5,449,846	\$235,155

Fund Budgets

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

How to Calculate Fund Balance

Beginning Balance
 + Current Revenues
(Equals) Total Resources

(Less) Total Current Expenditures

(Equals) Available Ending Balance
 (Also called **Fund Balance**)

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

The end of year balance of a fund provides a measure of a fund or entity's financial health and is useful in spotting negative trends. The following analysis focuses on the Authority's major funds (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 1 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.

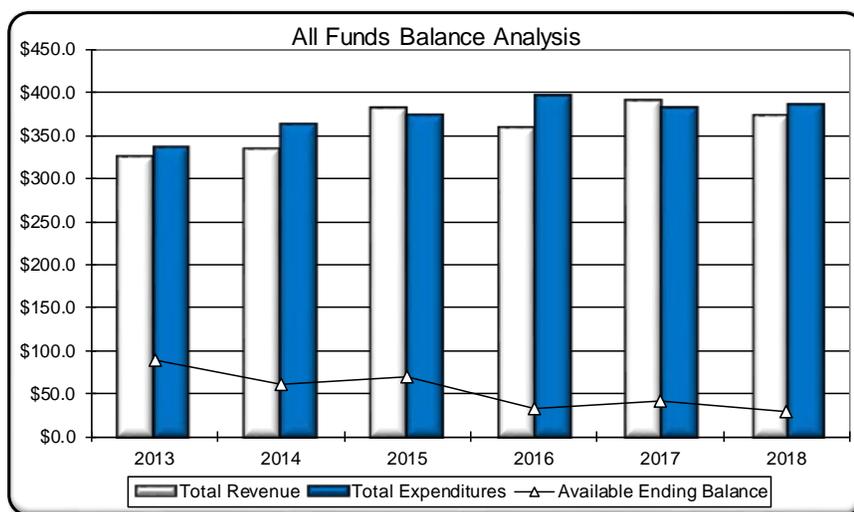


Figure 1

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, Managed Health Care was added to the Sales & Use Tax base. By the end of 2014, Sales & Use Tax rose 3.9% compared to receipts in 2013.

Fund Budgets

Sales & Use Tax was projected to increase by 4.8% at the end of the 3rd Quarter, 2015. By year-end, receipts increased by 4.3%, or \$8.7 million, compared to 2014 receipts.

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

All Funds Balance Analysis

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	99,618,020	88,780,268	61,767,679	70,382,872	33,599,304	41,560,273
Revenue						
Passenger Fares	48,699,580	49,085,267	50,113,420	51,475,500	54,535,500	56,456,300
Sales & Use Tax	189,630,645	197,118,776	206,618,710	212,243,660	218,186,482	224,295,704
Federal	59,795,463	58,199,720	63,862,500	68,250,000	64,620,000	63,875,000
State	4,153,693	6,103,878	4,509,658	2,024,658	2,024,658	2,024,658
Investment Income	361,292	269,609	370,638	316,625	305,625	285,875
Other Revenue	22,120,105	23,204,593	25,788,026	24,575,000	24,555,000	24,555,000
General Obligation Debt Proceeds	0	0	30,000,000	0	25,000,000	0
Total Revenue	324,760,778	333,981,843	381,262,952	358,885,443	389,227,265	371,492,537
Total Resources	424,378,798	422,762,112	443,030,631	429,268,316	422,826,569	413,052,810
Expenditures						
Personnel Services	169,098,188	181,305,658	181,163,788	192,616,439	196,585,638	200,646,281
Diesel Fuel	13,956,183	14,335,896	11,845,797	9,274,280	7,233,370	7,050,000
Natural Gas	1,388,300	957,626	1,440,125	2,778,000	2,291,000	2,510,000
Other Expenditures	48,408,463	52,905,344	54,228,393	66,137,778	63,493,338	63,845,294
Capital Outlay	82,000,787	91,482,683	101,850,000	101,850,000	93,825,000	91,600,000
Debt Service	20,746,608	20,007,225	22,119,656	23,012,515	17,837,950	18,760,857
Total Expenditures	335,598,529	360,994,432	372,647,759	395,669,012	381,266,296	384,412,432
Available Ending Balance	88,780,268	61,767,679	70,382,872	33,599,304	41,560,273	28,640,378

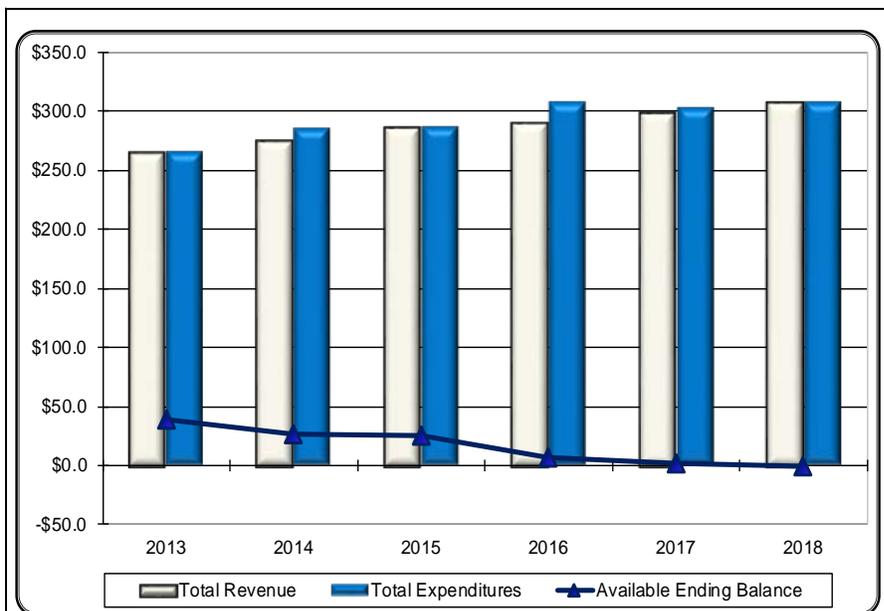
General Fund

Balance Analysis

The General Fund is the general operating fund of the Authority and accounts for all revenue and expenditures except for activities related to capital improvements, debt service, catastrophic/extraordinary losses, and supplemental pension benefits. The combination of dramatic sales tax reduction, increasing personnel costs, and volatile fuel/utility costs had created a discouraging outlook through 2009.

Fund Budgets

From 2006 to 2009, the revenue and expense mismatch grew steadily. The Authority had to dip into prior year fund balances to cover current year expenses. In 2009, the Sales & Use Tax receipts dropped 10.9% due to the Great Recession. The General Fund balance dropped sharply but with the help of one-time funding, the ending balance totaled \$2.9 million. 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, 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. In 2011, customers were promised that the year would end without service decreases or fare increases. Sales & Use Tax ended the year with a 6.1% increase, which helped to achieve that goal.



	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	\$40.7	\$38.4	\$26.9	\$25.9	\$6.7	\$1.9
Total Revenue	\$264.3	\$273.9	\$285.7	\$289.1	\$298.1	\$306.1
Total Resources	\$305.0	\$312.3	\$312.6	\$315.0	\$304.7	\$307.9
Operating Expenses	\$231.0	\$248.1	\$247.1	\$267.7	\$267.3	\$271.7
Fund Transfers	\$35.6	\$37.4	\$39.6	\$40.6	\$35.5	\$37.1
Total Expenditures	\$266.6	\$285.4	\$286.7	\$308.3	\$302.8	\$308.7
Available Ending Balance	\$38.4	\$26.9	\$25.9	\$6.7	\$1.9	(\$0.8)

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

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. Since 2010, every year the goal has been met.

The Authority has continued to control costs and aggressively execute the budget. In addition to this normal level of activity, the Authority implemented TransitStat in 2008, a data-driven performance management initiative, to review operations, seek improvements, and further reduce costs. These actions have increased accountability and helped increase efficiency and effectiveness.

The Authority rolled back expenses in 2010 to 2004 levels. Sales tax recovered and is now the highest in history at \$181.2 million. Expenses have been held to the six-year rollback. Consequently, year-end balances have markedly improved. In 2013, Reimbursed Expenditures were reduced to increase the amount of funding for Capital Projects. The goal for the operating

Fund Budgets

reserve has been met or exceeded in 2010 through 2013. Excellent budget execution allowed the 2012 ending balance to remain at the 2011 level. RTA is beginning to meet its goal of a sustainable General Fund balance. The work and results of the past five years must be continued in 2016 and beyond.

General Fund Balance Analysis

Assumptions:						
Passenger Fare Annual Growth =	-1.1%	0.8%	2.1%	2.7%	5.9%	3.5%
Sales Tax Annual Growth =	4.6%	3.9%	4.8%	2.7%	2.8%	2.8%
Personnel & Fringe Cost Growth =	3.2%	7.2%	-0.1%	6.3%	2.1%	2.1%
Non-Personnel Cost Growth =	8.3%	7.9%	-1.2%	13.8%	-5.7%	0.4%
Operating Expenses Growth =	4.6%	7.4%	-0.4%	8.3%	-0.1%	1.6%
Capital Contribution =	34,094,435	36,355,659	37,966,541	38,585,897	33,295,257	34,765,834
	18.0%	18.4%	18.4%	18.2%	15.3%	15.5%
	2013	2014	2015	2016	2017	2018
	Actual	Actual	Estimate	Budget	Plan	Plan
Beginning Balance	40,713,947	38,394,321	26,870,715	25,894,064	6,672,529	1,900,508
Revenue						
Passenger Fares	48,699,580	49,085,267	50,113,420	51,475,500	54,535,500	56,456,300
Advertising & Concessions	1,400,191	1,488,870	1,477,912	1,420,000	1,400,000	1,400,000
Sales & Use Tax	189,630,645	197,118,776	206,618,710	212,243,660	218,186,482	224,295,704
CMAQ Reimbursement - Healthline	0	0	0	0	0	0
Operating Assistance - Paratransit Operations	3,889,000	4,057,815	3,125,000	0	0	0
Trolley Assistance	0	0	0	640,000	640,000	640,000
CMAQ Reimbursement - Trolley	1,104,680	704,063	934,596	0	0	0
Access to Jobs Program	2,927,754	2,470,656	1,098,518	0	0	0
Investment Income	200,188	169,211	250,000	200,000	190,000	170,000
Other Revenue	1,177,962	1,470,683	1,100,000	1,100,000	1,100,000	1,100,000
Reimbursed Expenditures	15,217,046	17,324,469	21,000,000	22,000,000	22,000,000	22,000,000
Total Revenue	264,247,046	273,889,810	285,718,156	289,079,160	298,051,982	306,062,004
Total Resources	304,960,993	312,284,131	312,588,871	314,973,224	304,724,511	307,962,512
Operating Expenditures						
Personnel Services	169,098,188	181,305,658	181,163,788	192,616,439	196,585,638	200,646,281
Diesel Fuel	13,956,183	14,335,896	11,845,797	9,274,280	7,233,370	7,050,000
Natural Gas	1,388,300	957,626	1,440,125	2,778,000	2,291,000	2,510,000
Other Expenditures	46,529,565	51,458,576	52,678,557	63,004,686	61,218,711	61,456,594
Total Operating Expenditures	230,972,236	248,057,756	247,128,267	267,673,405	267,328,719	271,662,875
Transfer to the Insurance Fund	1,400,000	900,000	1,500,000	1,200,000	2,000,000	2,200,000
Transfer to the Pension Fund	100,000	100,000	100,000	100,000	100,000	100,000
Transfers to Capital						
Bond Retirement Fund	18,324,392	20,480,914	22,273,402	23,006,085	17,486,950	18,834,857
Capital Improvement Fund	15,770,044	15,874,745	15,693,139	15,579,812	15,808,307	15,930,977
Total Transfers to Capital	34,094,435	36,355,659	37,966,541	38,585,897	33,295,257	34,765,834
Transfers to Rolling Stock Reserve Fund	0	0	0	741,392	100,027	0
Total Expenditures	266,566,672	285,413,415	286,694,808	308,300,694	302,824,003	308,728,709
Ending Balance	38,394,321	26,870,715	25,894,064	6,672,529	1,900,508	-766,197
Reserved Funds	6,900,000	6,900,000	0	0	0	0
Available Ending Balance	31,494,321	19,970,715	25,894,063	6,672,528	1,900,507	-766,198
% change	-5.70%	-30.01%	-3.63%	-74.23%	-71.52%	-140.32%

Figure 4

Fund Budgets

Revenues

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

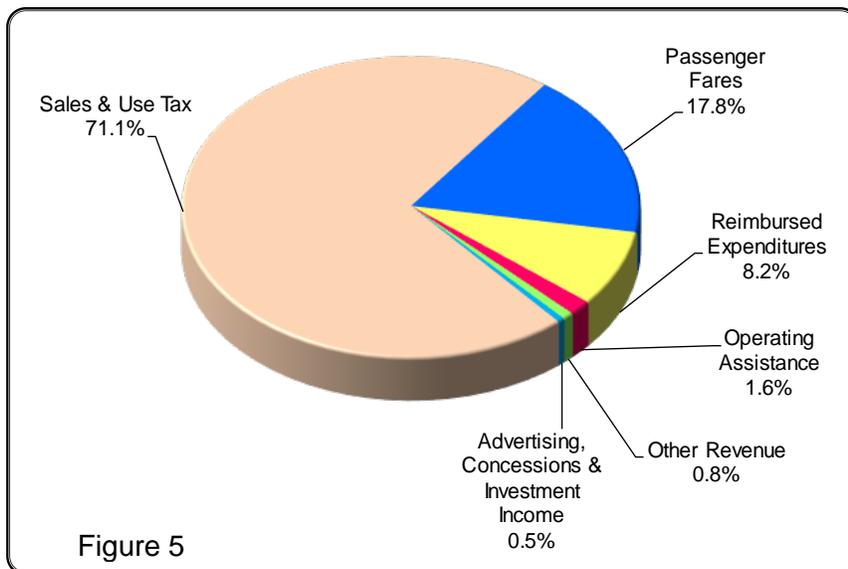
In 2008, Sales & Use Tax and Passenger Fare Revenue represented just over 55.7%, or \$221.7 million, of total Authority revenue. In 2009, Sales & Use Tax and Passenger

Fare revenues dropped significantly, primarily due to the sharp drop in Sales & Use Tax revenue. Sales & Use Tax combined with Passenger Fare Revenue, totaled 58.8% or \$204.3 million of total revenue, a drop of \$17.4 million. Sales & Use Tax revenue increased to \$163.2 million in 2010, mainly due to the addition of managed health care to the tax base. From 2011 through 2014, Sales & Use Tax continued to increase with the help of the added managed health care and the slowly reviving economy in Northeast Ohio.

Revenues for 2014 totaled \$273.9 million. Sales & Use Tax increased by 3.9%, compared to receipts from 2013.

Passenger Fares increased 0.8%, compared to 2013, mainly due to 2013 payments from Cleveland Municipal School District received in 2014. Reimbursed expenditures remained under \$20 million to put toward capital projects. In 2015, revenues are projected at \$285.7 million. Sales & Use Tax is projected to end the year at \$206.6 million, 4.8% above 2014 levels. Passenger Fares are estimated to increase by 2.1%, compared to 2014, ending the year at \$50.1 million. Intergovernmental sources (Federal and State assistance) are projected to be 9.1% of total revenue, with reimbursed expenditures projected at \$21.0 million.

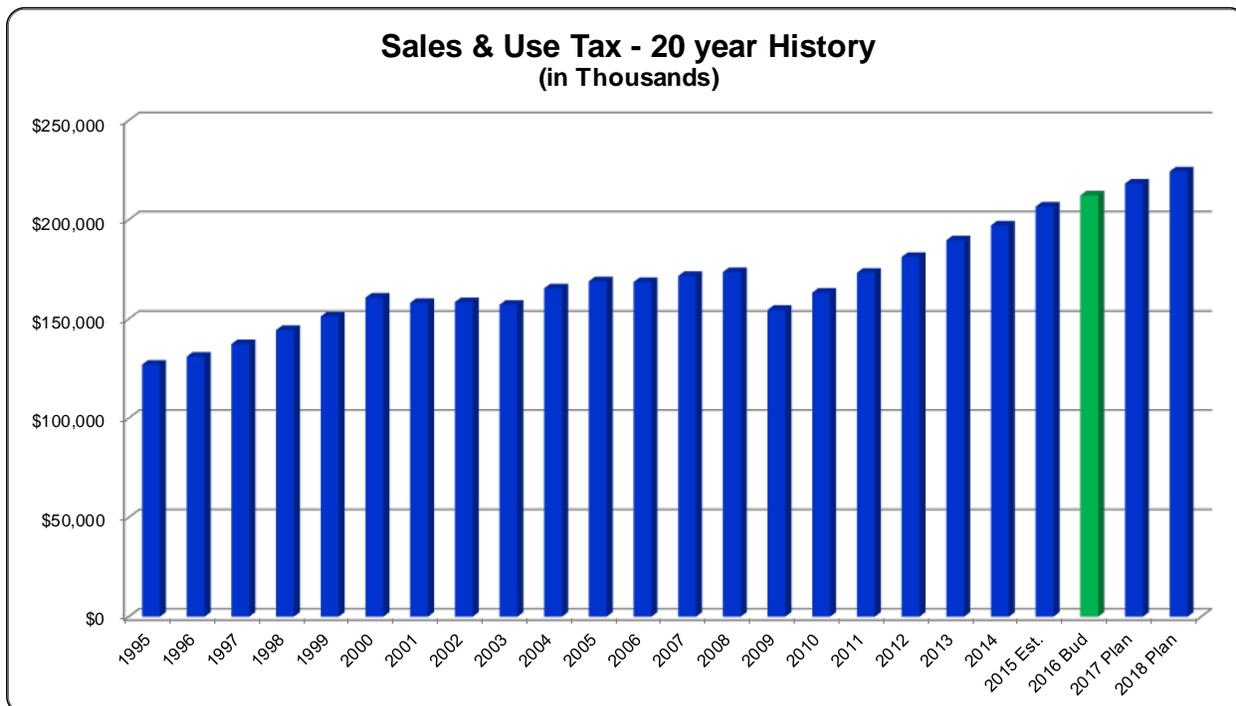
In 2016, Sales & Use Tax is projected to increase by 2.7%, compared to estimated 2015 receipts. Passenger Fares are projected to increase by 2.7% due to the budgeting of a \$0.25 fare increase, starting mid-year, a slight service decrease, and the Republican National Convention (RNC) being held in Cleveland. Federal and State assistance for Paratransit, Trolleys, and Access to Jobs will be discontinued. Total revenue is expected to increase by 1.2% from 2015 receipts. This is a significant reduction from 2015 and 2014, where the increases in total revenue were 4.3% and 3.6%, respectively. The Authority must 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.



Fund Budgets

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 five percent Sales and Use Tax levied by the State, plus the one-half percent temporary state sales tax, one-quarter percent levied for the



Medical

Figure 6

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% of annual Sales and Use Tax revenues be dedicated to capital improvements. The presentation of Sales Tax revenue (as reported in Figure 6) indicates total receipts received, not the approximately 90% that is actually used to fund operations.

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

In the past, even in slower economic growth periods, the sales tax has performed relatively well. Sales tax receipts 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

Fund Budgets

to rebound from the recession. In 2009, the Great Recession hit and Sales & Use Tax receipts plummeted 10.9%.

In late 2009, Managed Health Care was added to the tax base. In December 2013, Medicaid Managed Care Premiums were approved to be added to the tax base, starting April 1, 2014. This change is anticipated to bring an additional \$1.0 million to \$1.5 million to the Sales & Use Tax receipts, although these increases were not seen until late in the 4th quarter of 2014. The economy is slowly rebounding from the recessions in 2001 and 2009, although not back to the levels in 2000.

Since 2010, Sales Tax receipts have been increasing above 4.0% with 2010, 2011, 2012, 2013, and 2014 at 5.6%, 6.1%, 4.6%, 4.6%, and 3.9%, respectively. Receipts for 2015 are projected at 4.8%. For 2016, receipts are budgeted at 2.7% and for 2017 and 2018, receipts are planned to increase by 2.8% for each year. Although the increases are significant, they are lessening each year.

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, charges for elderly, handicapped, and special services, 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 7, 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% in 1999 to 6.7% in 2002. The population in Cuyahoga County decreased as jobs continued to decrease. In 2003, Brooklyn Garage was closed and service was consolidated to the other three Districts. By 2005, unemployment levels rose to 7.5%. The economy in northeast Ohio found it difficult to recover with many manufacturing jobs being eliminated. 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. This action helped boost fare revenue during these years.

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 to 6.3%. Diesel prices rose significantly from 2007 (\$12.1 million) to 2008 (\$19.3 million). By 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 2008-2009, the fuel surcharge was permanently added as part of the fare.

Fund Budgets

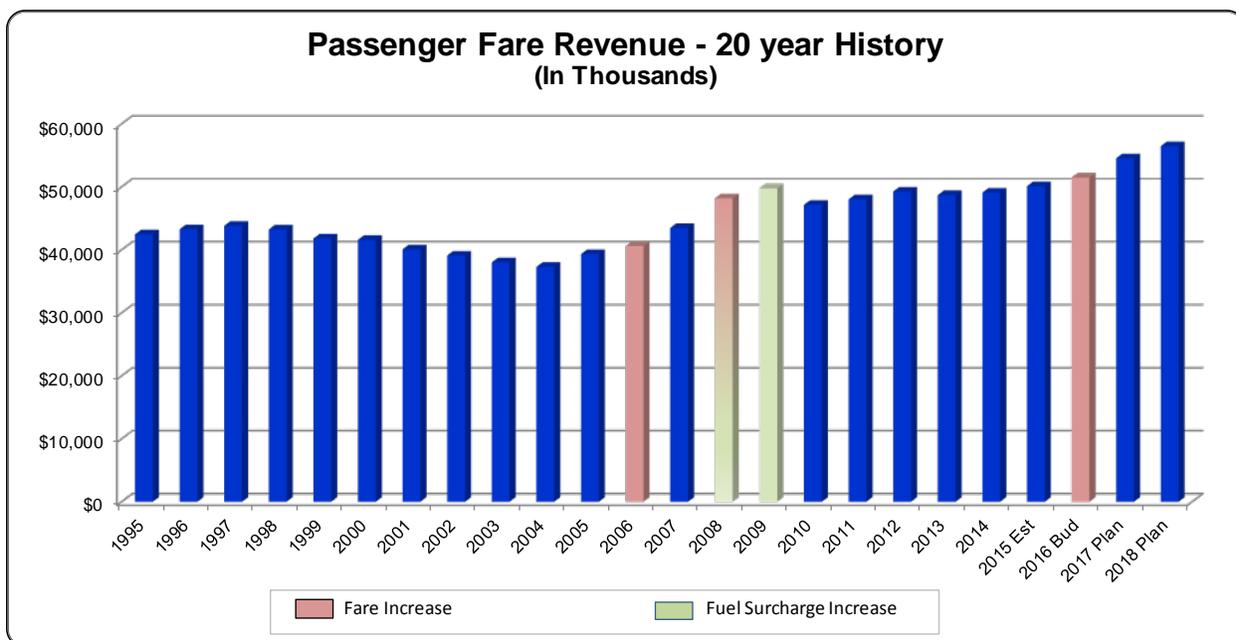


Figure 7

In 2009, the national recession affected North East Ohio with 11% unemployment and Passenger Fare revenue dropped 8.6% from budgeted levels. RTA adjusted service levels in 2010 and implemented a 12% service reduction in April and minor service changes throughout the remainder of the year. In 2011 and 2012, passenger fares increased 1.8% and 2.5%, respectively.

This change is entirely attributable to increased ridership due to the restoration of some service, an expected decline in unemployment and rising fuel prices. Passenger Fares ended 2014 at \$49.1 million, or a 0.8% increase from 2013. This was mainly due to 2013 payments from Cleveland Metropolitan School District (CMSD) being received in 2014. For 2015, Passenger Fares are projected to increase by 2.1%, compared to 2014 estimated receipts due to an audit of the CMSD contract, which resulted in an additional \$1.1 million. For 2016, a \$0.25 increase in cash fares is budgeted for mid-year. With the Republican National Convention being held in Cleveland in July 2016, a slight increase in passengers during the convention is also budgeted. Effects from the 2016 fare increase are planned in 2017 and 2018.

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).

Fund Budgets

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% and 63.9%, 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 \$200,000, as ending balances remained high. For 2016 through 2018, Investment Income is projected to slowly decrease each year.

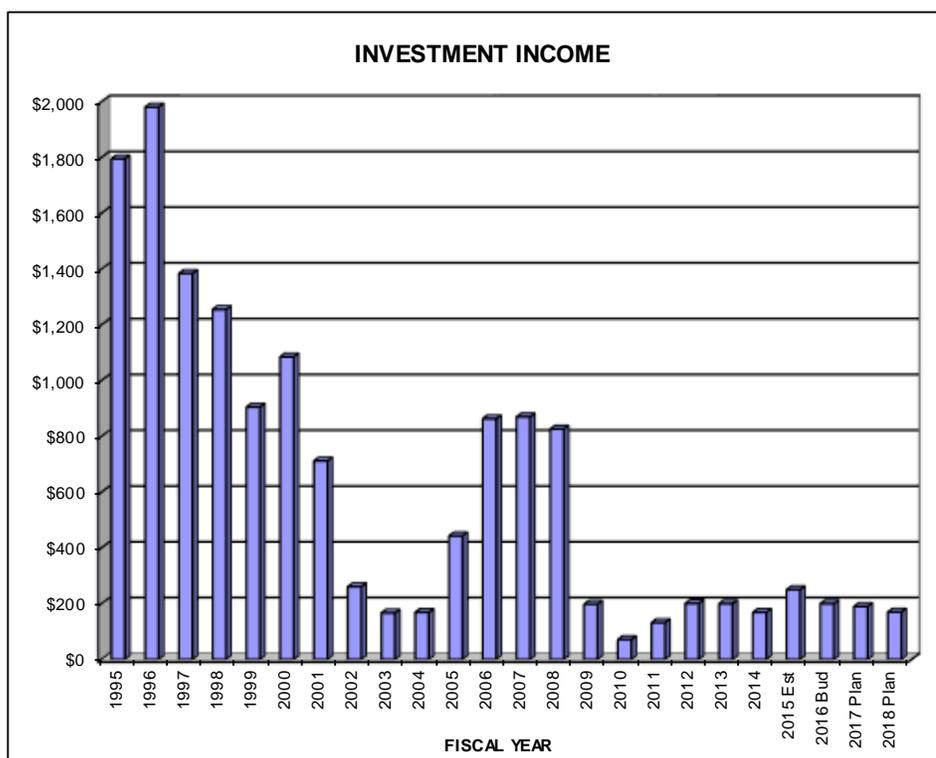


Figure 8

However, interest earned on General Fund investments varies depending upon the timing of revenue receipts, expenditures, and the transfers made to other funds (shifting interest earnings from the General Fund to other funds).

Advertising & Concessions

Another source of income is the Authority's contract to place advertisements upon buses and trains. A 3-year contract was signed in late 2011 guaranteeing \$725,000 with a potential to increase this to \$1 million. In addition, the Authority will receive \$125,000 (net) from the

Fund Budgets

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 is projected to end FY 2015 at \$1.48 million. For 2016 through 2018, the budget for Advertising and Concessions remains at \$1.4 million each year. In 2016, the Authority is beginning to advertise on buses and trains through canned “commercials” on the overhead speakers. This is a new venture for the Authority.

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, the Federal Operating Assistance declined from 1995 levels by nearly 47%. 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% 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 are received from the Ohio Department of Transportation (ODOT) for elderly and handicapped assistance. These funds are awarded annually and correspond to the state fiscal year (July 1 through June 30). In 1999, nearly \$5 million of State Operating Assistance was completely eliminated with an equivalent amount given as a capital grant. The same was true in 2000 – 2004, though flexibility was given to allow the capitalization of operating expenses, but beginning in 2005, its use for capitalized operating assistance was limited.

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

Fund Budgets

Reimbursed Expenditures and Other Revenue

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

In 2011, revenue from these sources decreased to \$38.4 million, or 14.6%, as revenue from the Sales & Use Tax improved and the State Funding Fuel Initiative expired. These revenues were decreased in 2012 to \$21.9 million, or 8.6% 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 will continue through March of 2015. This program has been discontinued as funding was eliminated. Starting in 2016, \$5.1 million of assistance was eliminated from the budget.

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

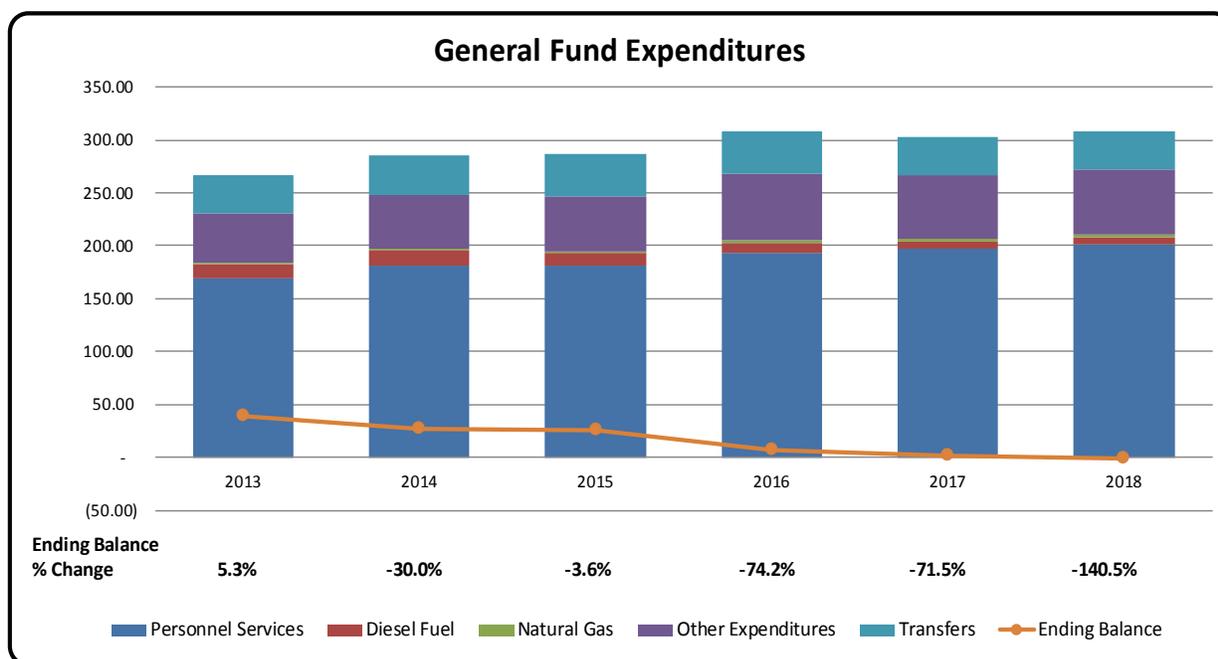


Figure 9

Fund Budgets

Expenditures

As discussed in the Citizens Summary, due to the great recession in 2008 and 2009, the Authority had to implement some drastic changes in 2010 and 2011 in order to improve the financial outlook. The 2012 budget was approved providing stability to the fares, service levels, and staffing. A 4.3% service increase was budgeted to alleviate overcrowding on the rail lines and some bus routes. As a result, a net increase of 50 positions was included in the budget. Fuel costs have been controlled and stabilized through the fuel-hedging program and electricity costs were reduced through reconciliation and monitoring of all accounts. Figure 9 represents the General Fund Expenditures from 2013 through 2018, and the ending balances for each year.

Personnel services include salaries, overtime, and fringe benefits and are budgeted at \$192.6 million, an increase of \$11.4 million, or 6.3%, from 2015 projections. This includes the budgeted positions, a 3.0% wage increase for FOP, ATU, and Non-Bargaining employees, and increases in health care 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, eliminate 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 three of the four positions that were to transfer from to ITS would in fact, stay in and the Operations Division would trade three other positions instead. The funding for Job Access/Reverse Commute (JARC) program, which provides vanpool service for Welfare to Work initiatives, has been eliminated in the new Transportation Bill, MAP21, and no alternative funding was created. The grant funds ran out in the first quarter of 2015. The FOP has agreed to a new contract continuing to match wage increases with Passenger Fare and Sales & Use Tax revenues. For 2015, Sales & Use Tax and Passenger Fares are projected to increase by 4.3%, compared to receipts received in 2014. The wage increase for 2016, then, is budgeted at 3.0%, aligning with these receipts.

Fund Budgets

Areas of Expenditure Growth 2016 Budget			
2015 Projected Operating Expenses		\$247,128,266	
Compensation Issues		\$ 11,432,652	6.3%
Operator Labor & Overtime	\$ 2,497,819		
Hourly & Salary Labor & OT Increase	\$ 6,318,158		
Fringe Benefits	\$ 2,616,675		
Fuel / Utilities		\$ (315,082)	-1.5%
Diesel Fuel	\$(2,571,517)		
Propulsion Power	\$ 616,496		
Natural Gas & CNG	\$ 738,875		
Telephone	\$ 132,281		
Other Utilities	\$ 768,783		
Service Opportunities		\$ 6,680,137	19.9%
Purchased Transportation	\$ 1,550,142		
Inventory	\$ 2,286,957		
IT Contracts & Services	\$ 675,075		
RNC	\$ 371,000		
Vanpool	\$ 100,000		
Other Maintenance Contracts	\$ 1,696,963		
Administration Changes		\$ 2,727,432	25.6%
FTA/DOT Disparity Study	\$ 250,000		
Storm Water Assessment	\$ 151,000		
Liabilities	\$ 1,366,019		
Other (Net)	\$ 960,413		
Expenditure Growth		\$ 20,525,139	8.3%
2016 Budgeted Operating Expenditures		\$267,653,405	

Figure 10

Fund Budgets

Employment Level and Service Level Changes				
FY	2013	2014	2015	2016
Positions	2,302.50	2,348.50	2,344.50	2,361.75
Net Increase (Decrease)	20.00	46.00	(4.00)	17.25
	13 Positions eliminated from HRV Overhaul; 15 Operator positions; 2.5 positions for Bus Clean Team; 4 Fare Enforcement positions; 4 Paratransit positions; 4 service positions; 3.5 administrative positions	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
Service Increase (Decrease)	5.3% Service Hours; 5.4% Service Miles	5.5% Service Hours; 3.4% Service Miles	(0.7%) Service Hours; (2.3%) Service Miles	(0.8%) Service Hours; (0.8%) Service Miles
	Alleviate overcrowding; increase in Rail service; annualization of 3 additional Trolley routes	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

Figure 11

On the Administrative side, a Wellness Coordinator was added to the 2015 budget. This position would create a wellness strategic plan, oversee the wellness programs, and work with the healthcare vendors and employees to ensure that participants are utilizing the services available. A return on investment for this position is expected to be three times the cost of the position itself. A part-time Safety Awareness Coordinator is budgeted in 2015. This position was eliminated in the 2014 budget but has been returned after a grievance ruling. In order to cut costs, ten administrative positions will remain vacant during 2015. The position count for these ten positions will remain, but the funding has not been budgeted.

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 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.

In 2016, diesel fuel costs are expected to decrease by \$2.6 million as the new CNG (compressed natural gas) buses are used. The natural gas cost per diesel gallon equivalent is significantly

Fund Budgets

lower than the cost of a gallon of diesel fuel. ADA purchased transportation continues to rise as more customers are riding Paratransit. (Figure 10) The bus districts and central bus maintenance are implementing 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 from \$14.8 million in 2008 to a projected \$23.0 million in 2016 to cover increases in debt service payments. A State Infrastructure Bank (SIB) loan was paid off early in 2011, saving over \$1.2 million, which will help to decrease the transfer to the Bond Retirement Fund for 2013 to \$18.3 million. A loan will be paid off in 2016, which will decrease the transfers to \$17.5 million in 2017 and \$18.8 million in 2018 reflecting actual debt payments.

In 2014, transfers to support the capital program totaled \$15.9 million, and in 2015 and 2016 are projected at \$15.7 million and \$15.6 million, respectively, to meet the demands for local funding by the Authority's capital program. The Authority's capital program continues to be developed in line with existing grant awards, but the need for local match funds continues at high levels due to a large number of operating expense reimbursement grants and the need to supplement available grant funds. When combined with transfers for debt service payments, total capital contribution exceeds the maximum 15% level from the General Fund recommended by the Authority's financial policies. In 2016, the capital contribution is projected at 18.2% of all revenue from Sales & Use Tax collections. To maintain the proper balance in the Insurance and Pension Funds, transfers of \$1.2 million and \$100,000, respectively, are budgeted in 2016. In 2017 and 2018, the Insurance Fund transfer will increase to \$2.0 million for 2017 and \$2.2 million for 2018. The Pension Fund is projected to need transfers of \$100,000 in both years.

Fund Budgets

Bond Retirement Fund

The Bond Retirement Fund accounts for resources set aside for the payment of principal and interest on debt obligations. At the end of 2015, the Authority has six General Obligation (G.O.) Bond Issues outstanding and outstanding debt of \$93.2 million. The policy of the Authority is to set aside resources transferred from the General Fund on a monthly basis to meet the current year's annual principal and semiannual interest payments. Under this system, the Bond Retirement Fund balance drops below one thousand dollars each December 1st.

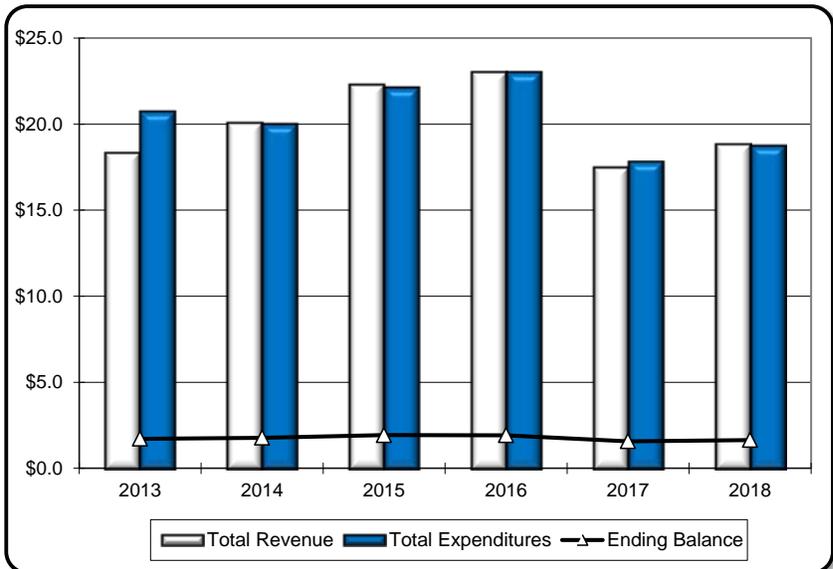


Figure 12

In Figure 13, each year's ending balance generally represents one-twelfth of the subsequent year's debt service requirement, which is set-aside on the last day of each year. Thus, the ending balance in this fund remains relatively low at all times. 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 refinancing issuance, a \$35.0 million issuance and \$27.4 million refunding issuance in 2008, a 2006 debt sale of \$38.5 million, and \$67.2 million of debt issued in 2004. Required transfers from the General Fund to make these payments are reduced by interest earned in the Bond Retirement Fund. In 2015, a transfer of \$22.3 million was required from the General Fund to cover the current overall debt service of the Authority. In 2016, a transfer of \$23.0 million will be needed.

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	\$4.1	\$1.7	\$1.8	\$1.9	\$1.9	\$1.6
Revenue	\$0.0	(\$0.4)	\$0.0	\$0.0	\$0.0	\$0.0
Fund Transfers	\$18.3	\$20.5	\$22.3	\$23.0	\$17.5	\$18.8
Total Revenue	\$18.3	\$20.1	\$22.3	\$23.0	\$17.5	\$18.8
Total Resources	\$22.5	\$21.8	\$24.0	\$24.9	\$19.4	\$20.4
Total Expenditures	\$20.7	\$20.0	\$22.1	\$23.0	\$17.8	\$18.8
Ending Balance	\$1.7	\$1.8	\$1.9	\$1.9	\$1.6	\$1.6

Figure 13

Fund Budgets

Insurance Fund

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

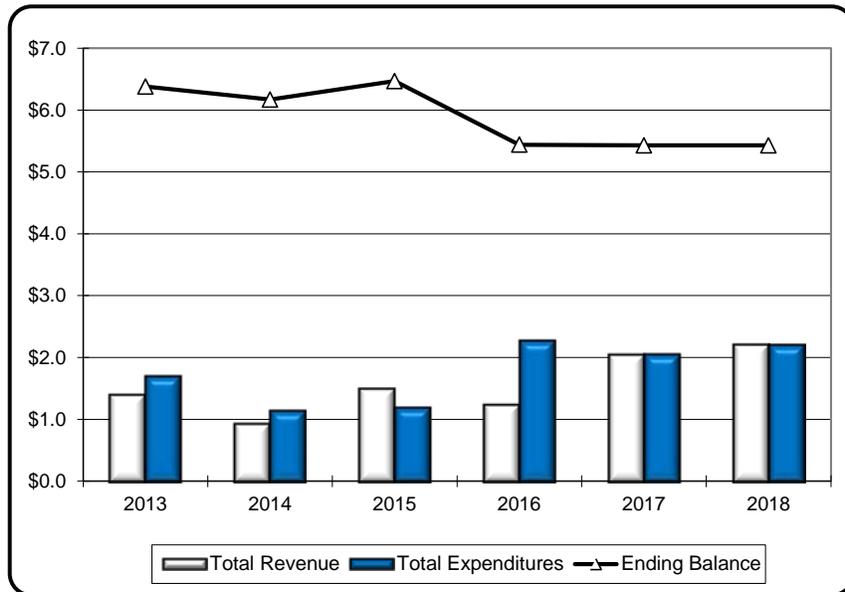


Figure 14

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

In 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, 2017, and 2018, transfers of \$2.3 million, \$2.1 million, and \$2.2 million will be needed to maintain the required minimum balance.

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	\$6.7	\$6.4	\$6.2	\$6.5	\$5.4	\$5.4
Investment Income	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Transfers	\$1.4	\$0.9	\$1.5	\$1.2	\$2.0	\$2.2
Total Revenue	\$1.4	\$0.9	\$1.5	\$1.2	\$2.0	\$2.2
Total Resources	\$8.1	\$7.3	\$7.7	\$7.7	\$7.5	\$7.6
Total Expenditures	\$1.7	\$1.2	\$1.2	\$2.3	\$2.1	\$2.2
Ending Balance	\$6.4	\$6.2	\$6.5	\$5.4	\$5.4	\$5.4

Figure 15

Fund Budgets

Supplemental Pension Fund

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

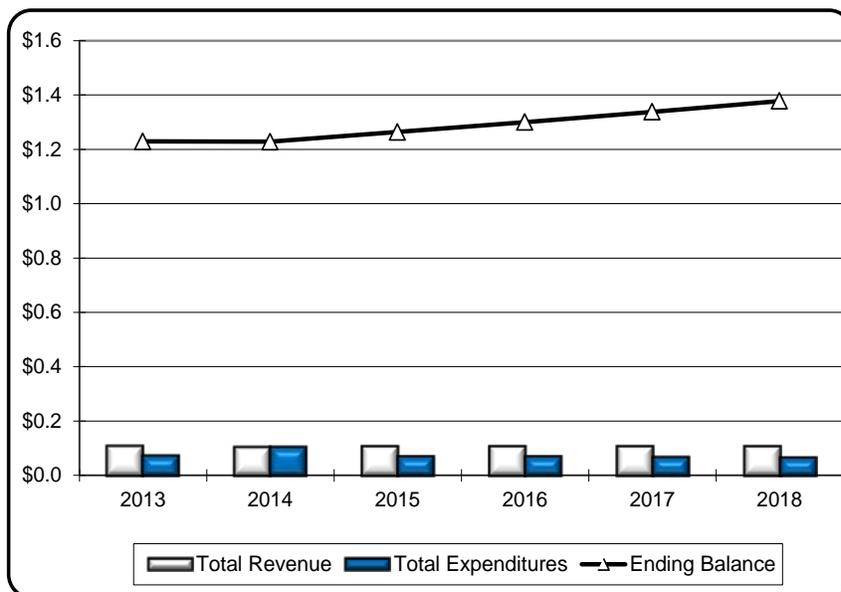


Figure 16

An actuarial evaluation is performed every two years to assess the adequacy of the fund balance. This Budget increases and maintains the fund balance at levels recommended in the last actuarial evaluation. Transfers of \$100,000 will be made from the General Fund to support this effort in 2016, 2017, and 2018, but these amounts may change with the results of the next actuarial study.

Benefit payments from this fund between 2005 and 2009 have ranged from a low of nearly \$88,000 in 2005 to a high of just under \$95,000 in the following year. In 2014, payments were \$74,676.. In 2015 totally payments of \$70,500 were made. From 2016 through 2018, 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.

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	\$1.2	\$1.2	\$1.2	\$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	\$1.3	\$1.4	\$1.4	\$1.4
Total Expenditures	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Ending Balance	\$1.2	\$1.2	\$1.3	\$1.3	\$1.3	\$1.4

Figure 17

Fund Budgets

Law Enforcement Fund

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

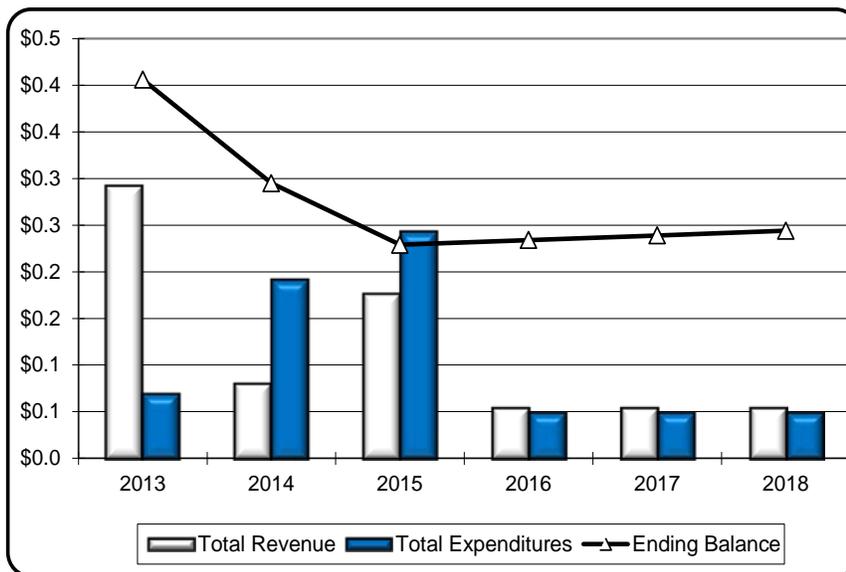


Figure 18

Revenue obtained through the Task Force can be expended for non-budgeted police items. The Authority primarily uses these proceeds for unbudgeted capital items. Furthermore, certain guidelines have been instituted by the State Attorney General's Office for the reporting of and disbursement of funds. Expenditures within this fund have varied over the years, depending upon the levels of revenue obtained through the Task Force. These expenditures funded security items, protective equipment, and technical training equipment. The expenditures projected in 2016, 2017, and 2018 are from previously appropriated budget authority and encumbrances from prior years. The only other activities expected in this fund in FY 2016 are investment earnings of \$125 and other revenue of \$55,000.

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	\$0.2	\$0.4	\$0.3	\$0.2	\$0.2	\$0.2
Total Revenue	\$0.3	\$0.1	\$0.2	\$0.1	\$0.1	\$0.1
Total Resources	\$0.5	\$0.5	\$0.5	\$0.3	\$0.3	\$0.3
Total Expenditures	\$0.1	\$0.2	\$0.2	\$0.1	\$0.1	\$0.1
Ending Balance	\$0.4	\$0.3	\$0.2	\$0.2	\$0.2	\$0.2

Figure 19

Fund Budgets

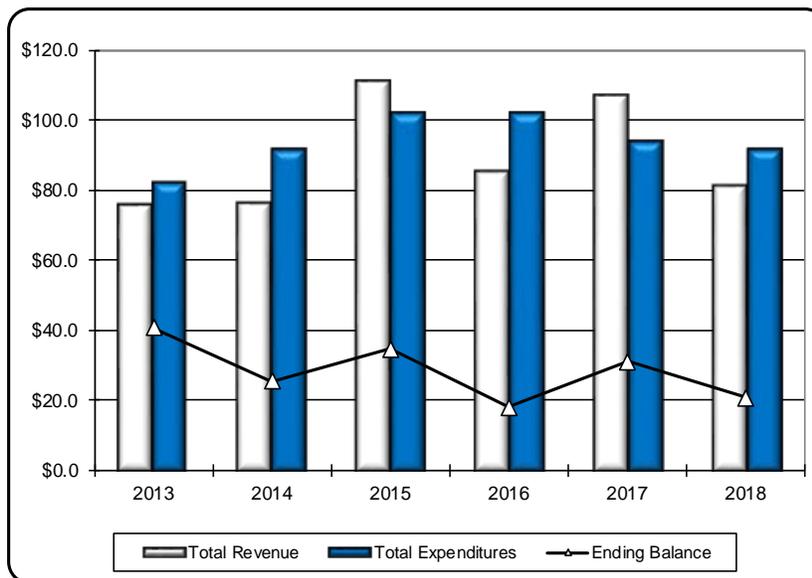
Capital Improvement Fund

Balance Analysis

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

All capital projects are included in one of two funds: the RTA Development Fund which includes all grant

funded projects as well as the majority of the larger capital projects of 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. 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. The figure above and fund statement on the following page provides a consolidated look at all Capital Improvement Funds. The fund balance normally alternates years of increases and decreases as planned activities are balanced with cash infusions. Overall, the balance has been generally decreasing since 1990 with periodic increases a direct result of cash infusion from debt sales or from other irregular one-time revenue, such as a \$15.0 million "Sale to Lease" transaction in 2002 or a \$25.0 million Capital Lease transaction in 2007.

The available balance in the combined Capital Fund increased in 2011 due to the timing of the Federal grant awards that delayed some planned project activities until the following year and again in 2012 due to a new debt issuance and a pause in the Authority's capital program in preparation for a busy 2013 construction season which drew the fund balances down to \$40.66 million. The fund balance further decreased in 2014, to \$25.43 million as balances were drawn for capital activities then increased in 2015 due to a new debt sale. It is expected to again decrease to a projected \$18.02 million in 2016 as programmed construction activities occur before increasing in the follow year as a result of planned debt service.

Fund Budgets

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 the fourth year of an on-going multi-year bus replacement program.

In 2016, the Capital Budget appropriation request totals \$75.92 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 pending 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.

Capital Improvement Fund Balance Analysis

	2012 Actual	2013 Actual	2014 Estimate	2015 Budget	2016 Plan	2017 Plan
Beginning Balance	28,043,855	46,726,229	40,656,567	29,051,093	31,002,464	12,078,302
Revenue						
Transfer from General Fund	11,636,995	15,770,044	15,874,745	15,532,963	14,848,680	14,620,654
Investment Income	115,382	100,925	63,959	62,500	61,250	61,500
Federal Capital Grants	33,570,510	59,795,463	62,075,000	71,321,250	65,981,250	62,562,500
State Capital Grants	1,135,673	264,693	1,730,822	1,384,658	1,384,658	1,384,658
Debt Service	25,000,000	0	0	25,000,000	0	20,000,000
Other Revenue	3,424,859	0	0	0	0	0
Total Revenue	74,883,419	75,931,125	79,744,526	113,301,371	82,275,838	98,629,312
Total Resources	102,927,274	122,657,354	120,401,093	142,352,464	113,278,302	110,707,614
Expenditures						
Capital Outlay	56,201,045	82,000,787	91,350,000	111,350,000	101,200,000	90,850,000
Other Expenditures	0	0	0	0	0	0
Total Expenditures	56,201,045	82,000,787	91,350,000	111,350,000	101,200,000	90,850,000
Available Ending Balance	46,726,229	40,656,567	29,051,093	31,002,464	12,078,302	19,857,614

Proceeds from debt sales, as well as from sales tax contributions, are used to fulfill the Local Match requirement on grant funded projects as well as for 100% locally funded projects. In 2016, the Transfer to Capital from the General Fund is budgeted at \$15.58 million. It will slightly increase to \$15.81 million in 2017 and to \$15.93 million in 2018. 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.

Fund Budgets

Revenues

The Authority receives various capital grants from the Federal Transit Administration (FTA). Funds are requested from FTA, as needed, to meet obligations, via wire transfer. The timing of the receipt of federal capital revenue is directly related to costs invoiced by contractors/vendors, since these funds must be disbursed within three days after receipt. FTA grants normally cover 80% of project costs with the remaining 20% 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% 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 projected \$15.69 million at the end of FY 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 slightly decrease to a planned \$15.58 million to meet the needs of the capital program in the upcoming year. This amount, when combined with an expected \$223.01 million transfer to the Bond Retirement Fund will produce a total contribution of Sales & Use Tax revenue to capital of \$38.59 million, or 18.2 percent of all Sales & Use Tax Revenue, again exceeding the Authority's maximum target goal of 15%.

Transfers to the Bond Retirement Fund to meet current debt needs of the Authority are expected to slightly increase in FY 2016 to \$23.01 million before falling to \$17.49 million in FY 2017 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, 18.2% and 15.3% of all Sales & Use Tax revenue will be directed towards the Authority's capital program and this measure will remain above the maximum goal of 15.0 percent in 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

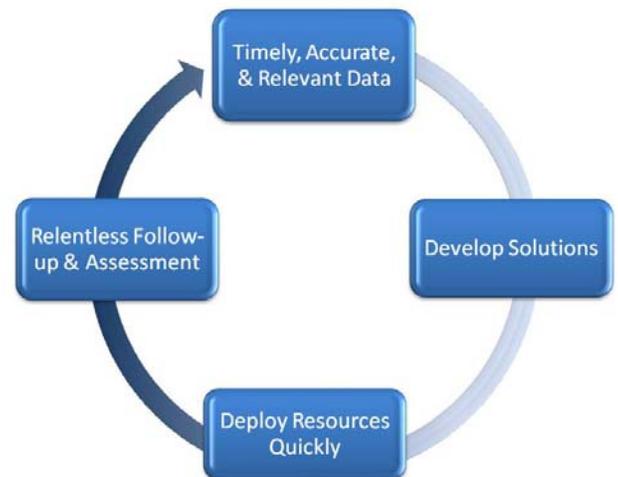
TransitStat

Over the past three decades, organizations have embraced using data metrics as a means to exceed customer expectations and achieve operational excellence. Six Sigma (6σ), Total Quality Management (TQM), Balanced Scorecard, and in the public sector, STAT programs are examples of proven management techniques. STAT programs are structured, continuous management events, which entail the frequent gathering, reviewing, and analyzing of day-to-day performance. CompStat (NYPD) and CitiStat (Baltimore, MD) are credited as the first STAT programs in government agencies. In December 2007, GCRTA adapted the STAT model to the transit environment and titled the program TransitStat.

TransitStat is characterized with bi-weekly performance monitoring forums and is a critical link to achieving high-level performance directed toward the Authority's Strategic Plan, Mission, Vision, and Values. The meetings are coordinated and directed by OMB. Other members with information pertaining to the topic of interest are also invited. The forum ensures that the people needed to address issues are at the table, therefore expediting action and eliminating excuses.

Performance Stat programs center on four principles:

- 1. Provide timely, accurate, and relevant data.**
Begin with available data; data that is already being collected for other administrative purposes. What data is needed to determine whether the agency is or is not improving?
- 2. Analyze data and develop effective solutions that respond to emerging issues.**
A performance program requires performance data. Use the data to discuss, examine, and analyze the agency's recent performance.
- 3. Deploy resources quickly to address issues.**
The staff assigned to the Panel can affect change, foster improvement in performance, and make critical decisions.
- 4. Relentless follow-up and assessment.**
Continuous follow-up on assignments and commitments must be done in order to improve agency operations.



RTA also implemented the FAST approach (a strategic development process) when identifying areas of improvement:

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

Performance Management

In 2011, fifteen employees went through the Six Sigma (6σ) Green Belt training and graduated in December of the same year. One employee has her Six Sigma Black Belt. In 2016, an additional 15 employees will receive their Six Sigma (6σ) Green Belt training from Cuyahoga Community College (Tri-C) and will graduate in June 2016. The graduates of these programs will lead several of the TransitStat projects and assist other employees in gathering, analyzing, and interpreting data and creating improvement plans based on that data.

Through the Cleveland State University, Department of Leadership Development in the Maxine Goodman College of Urban Affairs, RTA Public Transit Management Academies were created. These year-long programs consist of cohorts with 30 employees, the first three were staggered between January 2012 and June 2013. The following two cohorts will run from January 2016 through December 2017. Each cohort reviewed all aspects of a transit environment from management, including labor negotiation, crisis management, to financial management. Within each cohort, the employees divided into groups, where each group focused on a problem situation, investigated the problem, performed a root-cause analysis, identified possible solutions and submitted recommendations for improvement. At the end of the PTMA cohort program, each group presented to TransitStat their problem, analysis, recommendations or solutions, the group's implementation of the solutions, and ending results.

2015 – 2025 Strategic Plan

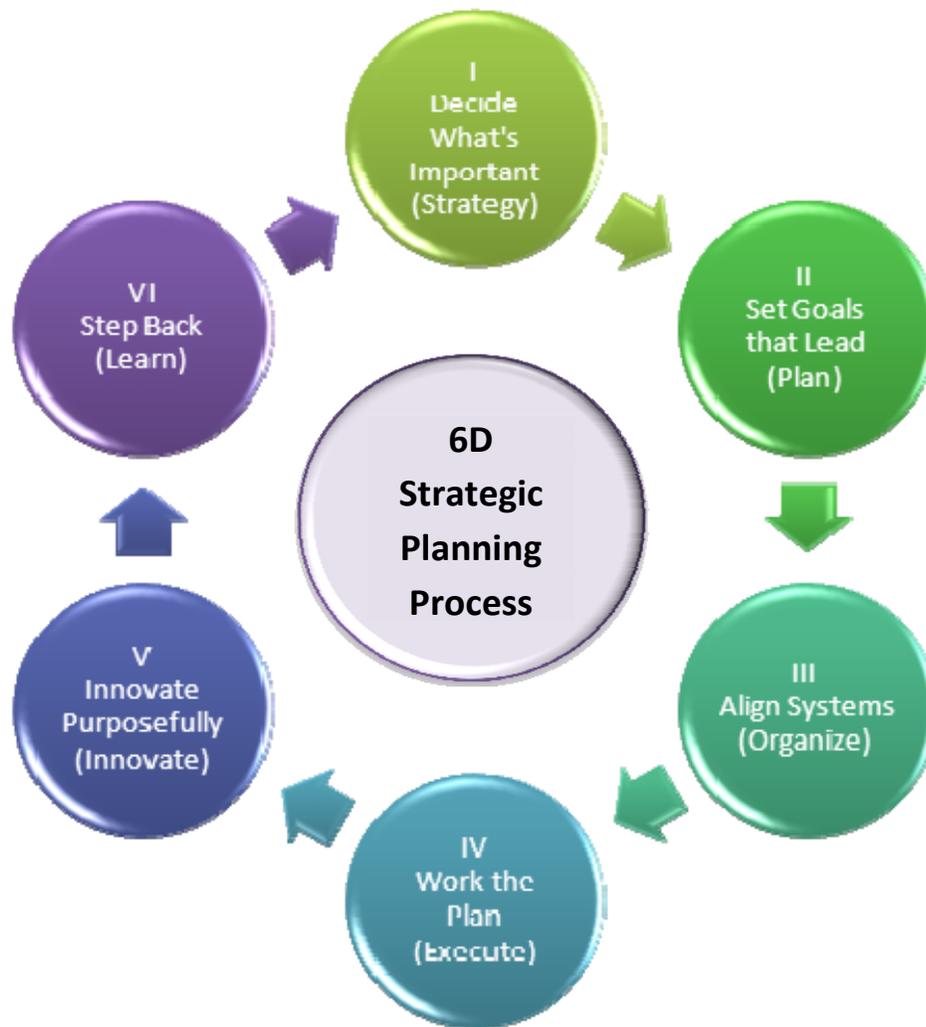
The Strategic Planning process started with a series of SWOT exercises involving key stakeholder groups, including the Board of Trustees, Citizen's Advisory Board, and internal groups from each of the different Divisions (Operations, Finance & Administration, Engineering & Project Management, Legal Affairs, Human Resources, and Executive) and a non-management employee group. Strengths, Weaknesses, Opportunities, and Threats were brainstormed using a 100-point exercise with participants voting for their top choices at the end of each session. Results for SWOT were prioritized noting the top 5 areas in each category. RTA utilized the Six-Disciplines methodology to conduct its strategic planning process (below).

Six Disciplines of Strategic Planning:

- I. **Decide What's Important (Strategy):** Answer the following questions: 'Why does this organization exist? What specific markets are we going to serve? Who are our competitors? What are we going to invest in to be distinctively different than our competitors? What are we going to "stop" doing?
- II. **Set Goals that Lead (Plan):** Where do we want to be in 10 years? 3years? 1 year? What is the growth strategy in terms of financial, customer, production process, and people perspective? What is the plan to inform and engage team members in the strategy on an on-going basis?
- III. **Align Systems (Organize):** What are the Strengths, Weaknesses, Opportunities, and Threats? Define clear outcomes, produce a schedule for each project and identify the required resources. Who is responsible? What measures and targets are required to align with strategic goals?
- IV. **Work the Plan (Execute):** What are the Vital Few Objectives (VFO) that need to get done within the next year, next quarter, next week? Are the goals on schedule? Are targets going to be met? Who are the accountability partners? When the goals are completed, were the results achieved?

Performance Management

- V. **Innovate Purposefully (Innovate):** When faced with unexpected problems or opportunities, ask 7 times why the problem is occurring and look at root causes. Brain storm on how to solve the problem within the goal constraints. List to other team members and get their perspectives on the problem.
- VI. **Step Back (Learn):** Examine everything carefully. What are the external trends that affect the organization that are outside of our control? What opportunities do we have that should be addressed in our strategic plan? What internal weaknesses do we have? Where did we not meet our goal? Why? What are we going to do in the next year to develop professionally?



Performance Management

The results of the SWOT Analysis were compiled by Division and identified into categories, for example, financial, leadership, innovation, support, etc. The highlights of the SWOT Analysis are below.

<p>STRENGTHS</p>	<ul style="list-style-type: none"> ➤ Performance management / drive for excellence / willingness to innovate and change ➤ Financial management capabilities ➤ Supportive board of trustees - allows us to focus on mission ➤ Strong perception from the community - seen as a leader in the community
<p>WEAKNESSES</p>	<ul style="list-style-type: none"> ➤ Internal communication throughout the organization - vertical and horizontal ➤ Succession planning, HR policies and practices ➤ Rail operations and infrastructure ➤ Information Technology structure; Better use of existing technology ➤ We have too much of a bureaucratic mindset within our culture - we do not work at the speed of business ➤ Lack of true safety culture
<p>OPPORTUNITIES</p>	<ul style="list-style-type: none"> ➤ Pursue key efficiency programs - such as predictive maintenance ➤ Encourage people to develop and build where we already are; Take advantage of re-development initiatives in Greater Cleveland ➤ More advocacy by a diverse group; Develop new funding sources ➤ Simplify and make our system more user friendly ➤ Pursue partnerships with other agencies ➤ Focus on attracting millenials as a key part of ridership
<p>THREATS</p>	<ul style="list-style-type: none"> ➤ Under skilled workforce population; Pending retirements/loss of institutional knowledge ➤ Inability to pursue certain funding; funding source cuts; Economic downturn ➤ Unfunded mandates; Growing demand for paratransit ➤ Aging infrastructure, equipment and facilities - overwhelming cost ➤ Negative perception of safety and or Risk of Catastrophic safety event ➤ Lack of transit knowledge and support within outside decision makers

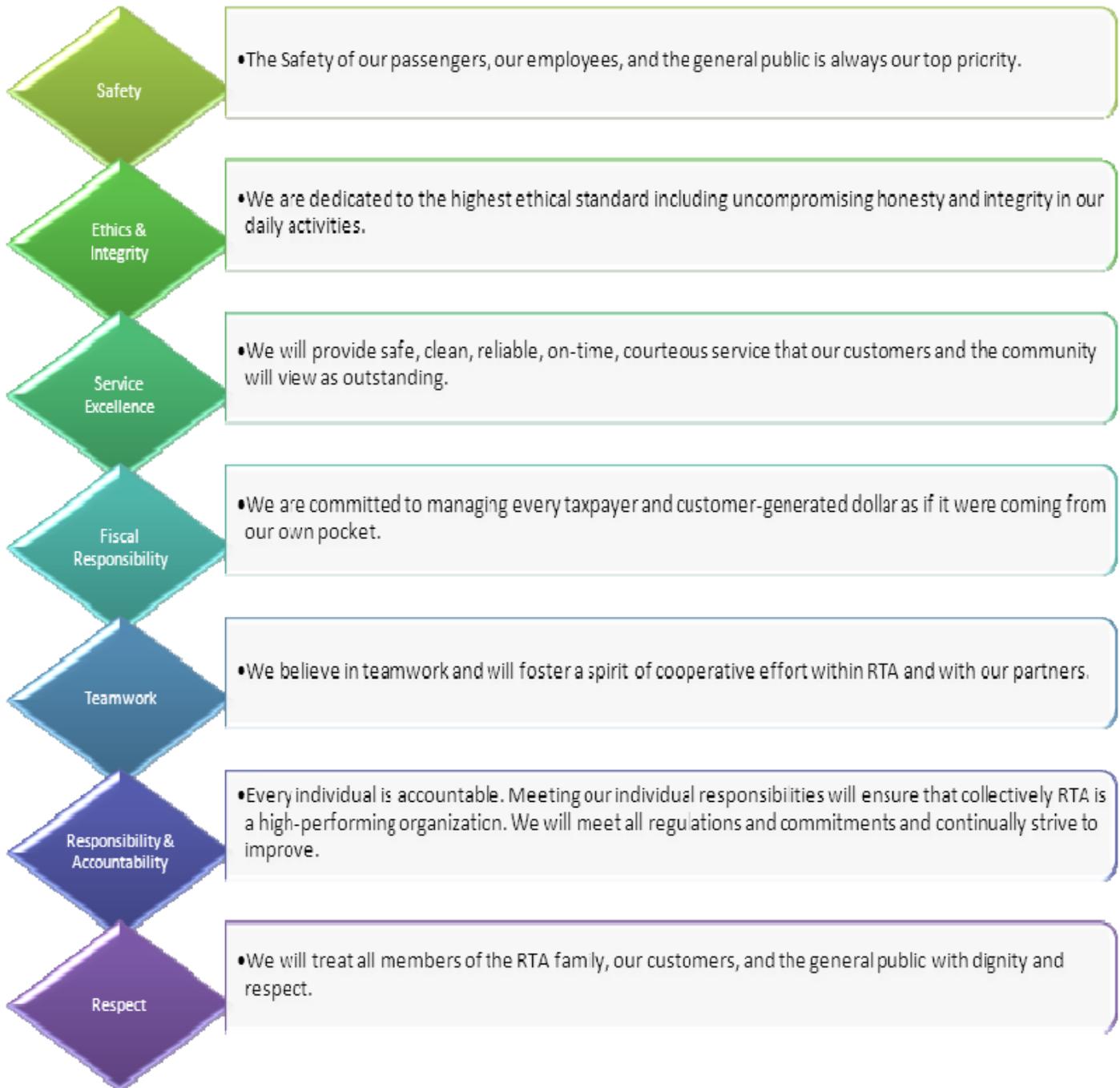
Performance Management

The Mission, Vision, and Values were then revised at a two-day retreat in August 2014:



Performance Management

Values



Performance Management

RTA leadership then developed Vital Few Objectives (VFOs) with Change Initiatives (CI) and action plans on an 18-month timeline and long-term targets on a 5-year timeline. The entire Strategic Plan, including VFOs, Change Initiatives, and Goals will be reviewed in its entirety mid-2016.

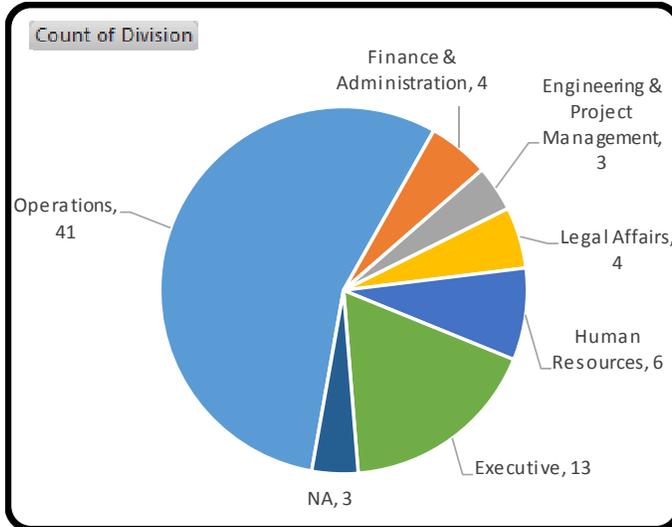
Greater Cleveland RTA Strategic Plan - Goals and Initiatives							
Vision	Measure	Division Champion(s)	Measure	2014 Target	2015 Target	2016 Target	10 Year Vision
Financial Vision							
	Operating Revenue Growth	Executive	Annual % Growth	3.5%	3.5%	3.5%	3.5%
	Capital Funding Growth	Executive	Capital Funding Dollars	\$75M	\$75M	\$75M	\$75M
	Maintain Expenses	Executive	Annual % Growth	2.5%	2.5%	2.5%	2.5%
Growth Strategy							
	Advocacy Growth	Executive	% of Identified Advocacy Groups Met with	N/A	50%	50%	50%
	Increase Service Usage	Executive	Annual Ridership	49.5M	51.25M	53.0M	2.5% Increase Annually
	Passenger Satisfaction Growth	Operations	Overall Satisfaction Rating	N/A	70%	75%	80%
Process Investments							
	Increase Service Efficiency	Operations	Miles Between Service Interruptions (MBSI); Paratransit Cost per Passenger Trip (PCPT)	6,273 (MBSI) \$42 (PCPT)	8,000 (MBSI) \$40 (PCPT)	9,000 (MBSI) \$38 (PCPT)	25,000 (MBSI) \$35 (PCPT)
	Achieve State of Good Repair (SOGR)	Engineering & Project Management	SOGR Scale 1-5	N/A	Baseline	TBD	> 3.0
	Advance Use of Technology	Executive	TBD	TBD	TBD	TBD	TBD
	Champion Sustainability	Engineering & Project Management	Emissions Reduced	5%	10%	15%	25%
People Investments							
	Achieve a Safety Culture	Legal Affairs	% Improvement of Performance Measures	Baseline	2%	5%	5% Annually
	Improve Employee Engagement	Human Resources & Executive	Engagement Rating	Baseline	TBD	TBD	TBD
	Improve Performance Management	Human Resources	Performance Evaluation Rating (TBD)	N/A	Baseline	TBD	TBD

The Strategic Plan was used as the methodology for developing the TransitStat categories, projects, and targets. Project Categories were aligned with the **Mission: Safe, Reliable, Clean, and Courteous**. Some projects continued to be monitored in 2015 (from 2014 projects) through the TransitStat program, however, more detail was required regarding the program plan, suggestions for improvements, and implementation of those improvements. Additional projects were identified through a survey of the TransitStat Planning Team. The survey identified the Strategic Plan 10 initiatives and the outcomes and activities underneath each. The Planning Team identified which initiatives were most important. Then the Planning Team identified the activities and outcomes that were most important under each initiative. The results were compiled and discussed in January at the planning meeting. The initiatives and activities/outcomes that had the most points were added to the 2015 TransitStat schedule. The other initiatives and activities/outcomes that did not make the schedule will continue to be improved and monitored throughout the year by the Champions and the team.

Performance Management

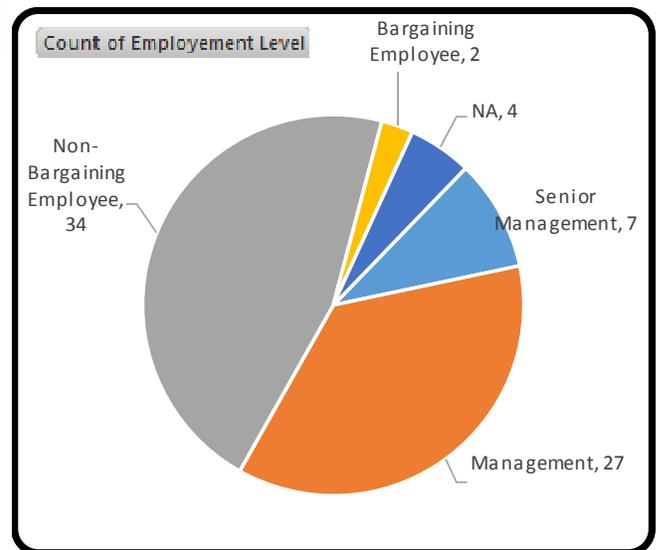
TransitStat Engagement Survey

At the end of 2015, an employee engagement survey was distributed to all members of TransitStat: planning team, project teams, special projects, and audience members. The survey response rate was 51%. The demographics of the respondents are below. (NA = No Answer)

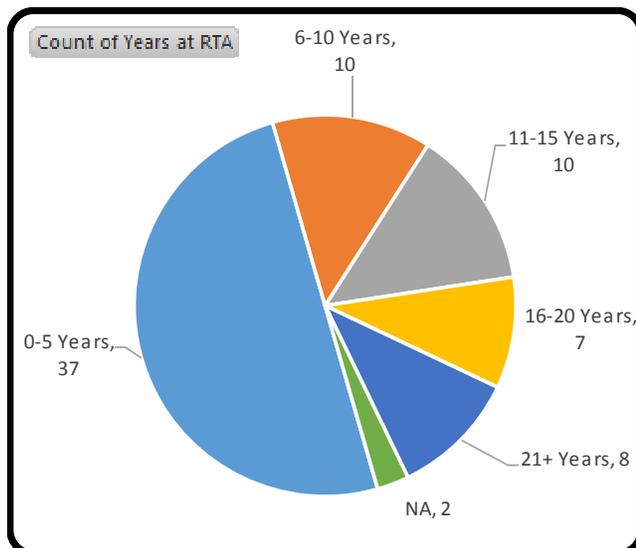


- 88% of the Authority's employees are within the Operations Division.
- 82% of the Authority's Operating Budget is within the Operations Division

- 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



- 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



Performance Management

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.

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%

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.

Performance Management

Scores were also reviewed by Division, Employment Level, and number of years working at RTA.

Average Score by Division	Years at RTA						NA	Grand Total
	0-5 Years	6-10 Years	11-15 Years	16-20 Years	21+ Years			
Operations	4.47	4.08	4.88	4.93	4.47		4.51	
Finance & Administration	4.50		5.38		4.31		4.63	
Engineering & Project Management	4.50		5.38		3.88		4.58	
Legal Affairs	3.38		5.75				3.97	
Human Resources	4.06	4.75	5.13	4.75		4.38	4.52	
Executive	5.08	4.75	4.63	5.13			4.88	
NA	4.50				5.25	4.43	4.73	
Grand Total	4.44	4.41	5.01	4.93	4.45	4.40	4.56	

The higher scores tend to be with those employees who have worked at the Authority between 11 and 20 years. They have worked for quite a few years and understand how the Authority was before TransitStat started. They have also seen the impact and change TransitStat has made. The lowest scores are from those employees who have worked at the Authority under 10 years. They have only experienced TransitStat at its current stage and do not have the breadth of knowledge about how TransitStat has transformed the culture of the organization.

Average Score by Employment Level	Yrs at RTA						NA	Grand Total
	0-5 Years	6-10 Years	11-15 Years	16-20 Years	21+ Years			
Bargaining Employee		2.75			3.88		3.31	
Non-Bargaining Employee	4.50	3.38	4.94	5.22	4.00		4.59	
Management	4.23	4.65	4.81	4.25	4.13	4.43	4.40	
Senior Management	5.25	5.50	5.56	5.13	5.06		5.30	
NA	4.50	4.63			5.25	4.38	4.69	
Grand Total	4.44	4.41	5.01	4.93	4.45	4.40	4.56	

The Average Score by Employment Level gave an interesting twist. Senior Management (CEO, District General Managers, and Executive Directors) has the highest average score. They like TransitStat because it has facilitated and accelerated the completion of projects. Non-Bargaining employees benefit from TransitStat as it has aided in the distribution of resources and helped make people accountable. Management (Directors, Managers, and Assistant Managers) are being held accountable for the work within their department or section, where this was not the case prior to TransitStat. Their scores are slightly lower than those of the Non-Bargaining Employees. The Bargaining Employees have the lowest scores. They are not as involved in the TransitStat presentations as TransitStat is more of a management tool. Non-Bargaining employees are being held accountable for their work and they have seen the environment changing. Change is difficult, especially when change happens after 21 or more years of doing things a certain way.

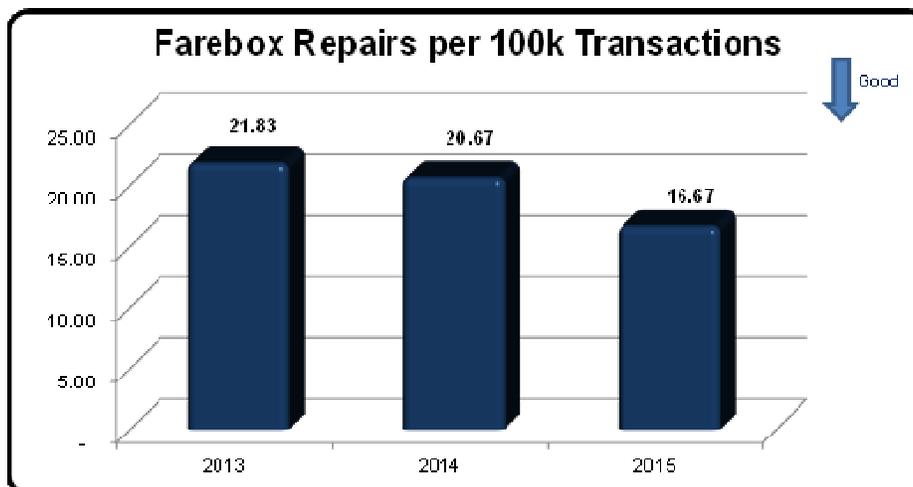
Performance Management

Successes

The first year the Authority was managing through TransitStat, the Authority saved \$2.7 million, of which, \$2.3 million was from overtime reduction. This was achieved through detailed analysis of overtime cost drivers, developing more effective ways to dispense overtime, effectively managing and monitoring the times to complete tasks, and maximizing use of the UltraMain maintenance and material system. Since then, this management technique has been used with other projects such as electricity usage, utility costs, bus tows, and safety initiatives. Over the past 8 years, TransitStat has helped to reduce costs by over \$61.6 million, and enhance operational capabilities and has become the scorecard for the Authority.

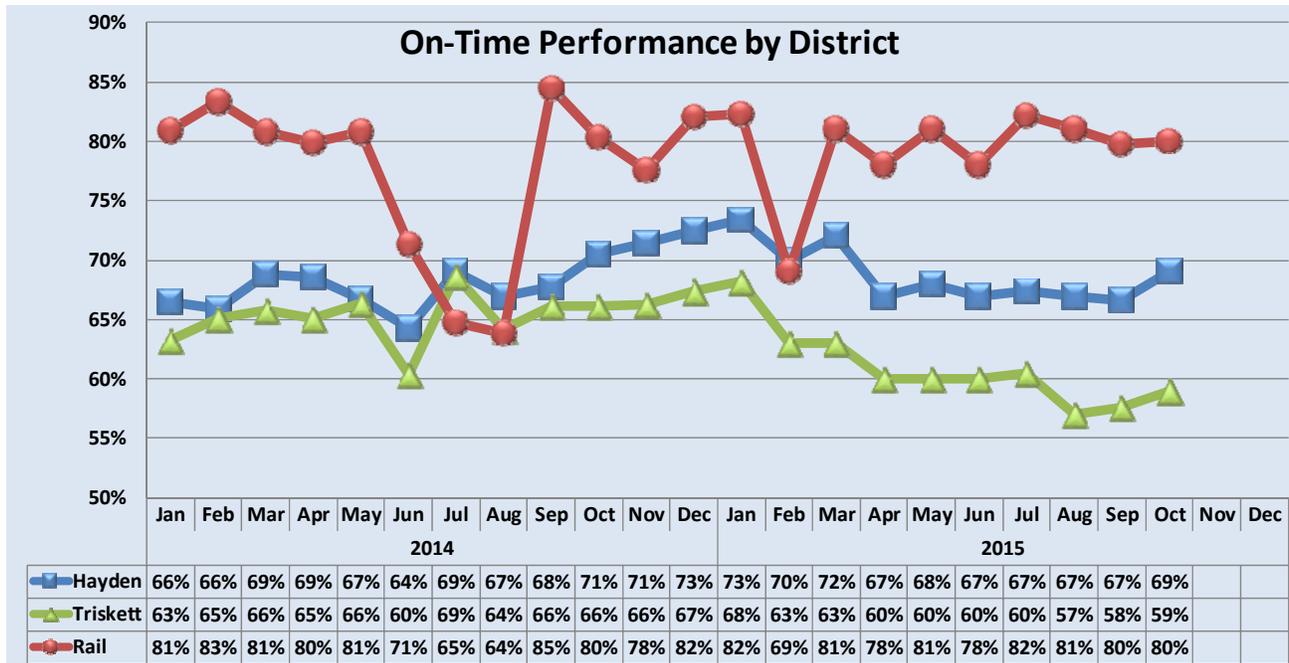
8-Year TransitStat Savings													
Year	Overtime	Inventory	Tows	Propulsion Power	Fuel Hedging	W/C Claims, Liabilities, Lawsuits	Utilities	Energy Management	P-Card	Safety Blitzes/ Initiatives	Farebox Defects	CNG	Total per Year
2008	\$ 2,300,662	\$ 433,890											\$ 2,734,552
2009	\$ 2,040,147	\$ 1,189,555	\$ 127,102										\$ 3,356,804
2010	\$ 3,380,907	\$ 2,478,111	\$ 188,802	\$ 1,027,820	\$ 9,894,237	\$ 145,444				\$ 1,532,000			\$ 18,647,321
2011	\$ 2,396,111	\$ 1,998,846	\$ 152,878	\$ 1,383,316	\$ 3,691,998	\$ 136,579	\$ 1,117,359	\$ 716,000	\$ 238,620	\$ 1,513,000			\$ 13,344,707
2012	\$ 349,746	\$ 102,417	\$ 206,989	\$ 2,144,723	\$ 2,108,072	\$ 1,007,388	\$ 2,258,017	\$ 316,499	\$ 132,675	\$ 1,613,071			\$ 10,239,596
2013	\$ 353,618	\$ (1,310,446)	\$ 204,981	\$ 2,342,114	\$ 587,769	\$ 352,292	\$ 3,044,711	\$ 667,501	\$ 94,979	\$ 807,465			\$ 7,144,984
2014	\$ (2,272,262)	\$ (970,365)	\$ 182,897	\$ 1,371,430	\$ 183,759	\$ 1,206,120	\$ 2,592,605	\$ 608,000	\$ 115,914	\$ 1,150,313	\$ 164,145		\$ 4,332,555
2015	\$ (4,683,083)	\$ (3,120,108)	\$ 193,319	\$ 1,592,091	\$ 1,387,569	\$ 2,202,363	\$ 2,015,661	\$ -	\$ 49,286	\$ 1,084,525	\$ 203,512	\$ 929,727	\$ 1,854,862
Total	\$ 3,865,846	\$ 801,900	\$ 1,256,967	\$ 9,861,493	\$ 17,853,404	\$ 5,050,186	\$ 11,028,353	\$ 2,308,000	\$ 631,474	\$ 7,700,374	\$ 367,657	\$ 929,727	\$ 61,655,381

The Electronic Repair team in the Fleet Management Department has worked with outdated equipment and facilities for many years. Through the TransitStat program, funding was identified to create a new area with updated equipment to repair fareboxes and other electrical equipment. At the end of 2015, the Electronic Repair Shop was able to reduce the number of farebox repairs by 24.5%, compared to 2014. To get an understanding of how this compares to ridership, the graph below displays the number of Farebox Repairs per 100,000 transactions (each time a customer pays the fare or swipes a farecard).



Performance Management

Assurance of quality service delivered is measured by analyzing results of miles, hours, operator and vehicle availability, and maintenance compliance. Analysis of On-time Performance reviews the frequency that the buses are at the stops at the specified times, ensuring that customers get to their destinations on time.



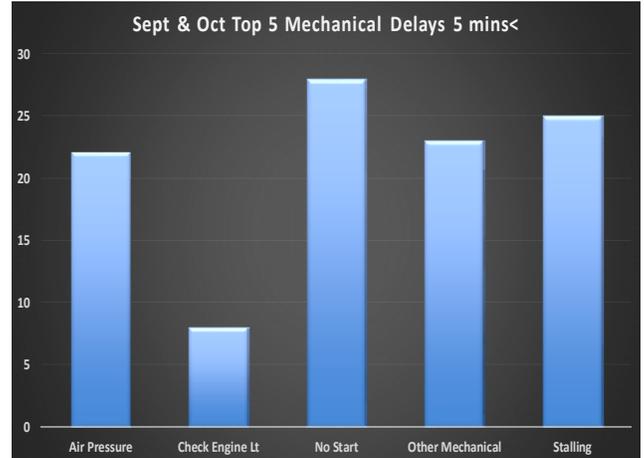
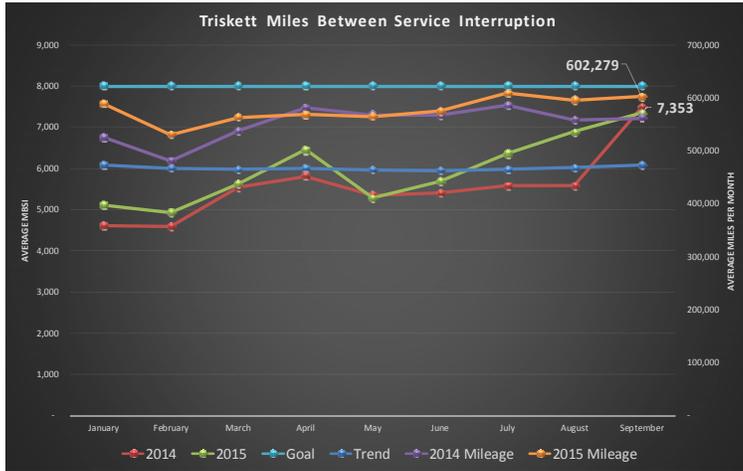
Route	On Time % Adherence Check	On Time % TransitMaster	Difference
9	79%	50%	29%
15	58%	21%	37%
20	58%	48%	10%
22	70%	67%	3%
26	60%	47%	13%
HL	78%	46%	32%

The Authority is also reviewing the stops entered in the database and where the stops are actually located. If there is a discrepancy between the two locations (the one in the database and the actual stop via Geocode), the Geocode is updated in the database.

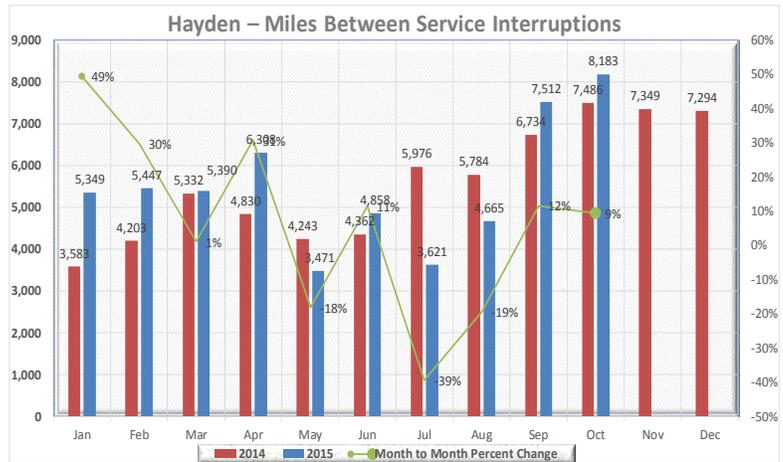
Actual on-time performance is being checked manually against the performance in the database. As discrepancies are discovered, as shown to the left, the information in the database is being reviewed and updated for increased accuracy.

Performance Management

Analysis of Miles Between Service Interruptions (MBSI) provides feedback on vehicle maintenance practices and response times. Generally, service is interrupted by mechanical or electronic vehicle failures, or unexpected emergencies. Favorable trends would see an increase in miles and a decrease in service interruptions. The target for MBSI has been 8,000 miles or more from 2011 through 2015. Each of the Districts creates their graphs for MBSI and analyzes the types of failures that hinder the service to the customers. The equipment section analyzes and uses this information when maintaining service vehicles.

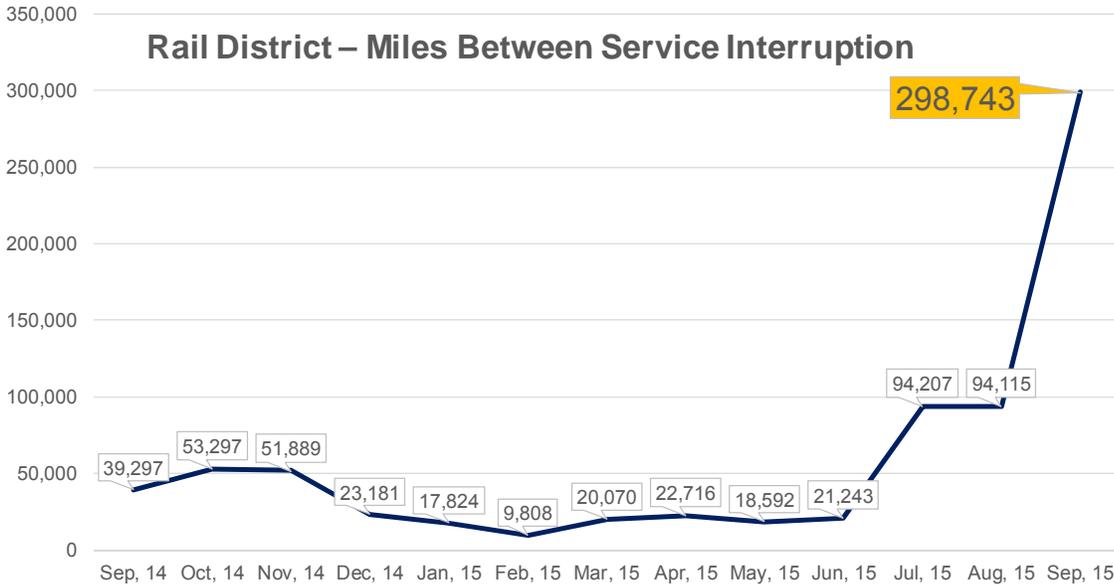


Above are two charts used by the Triskett District (bus). To the left is the chart used by the Hayden District (bus). Below is a dashboard used by the Rail District and the next page shows the graph of Miles Between Service Interruptions for the Rail District.

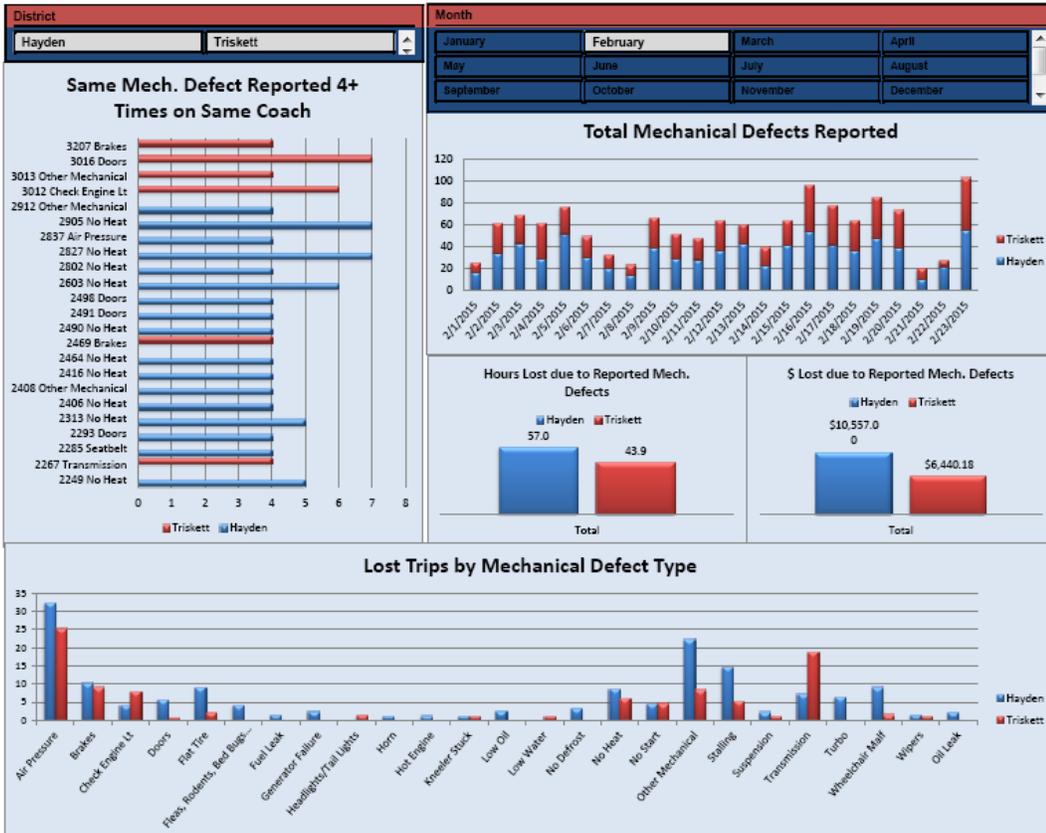


Performance Metrics	October	2015 Avg	2015 Goal
MBSI (September)	296,243	58,763	25,000
HRV "B" Inspection Compliance	79.63%	64.52%	85%
LRV "B" Inspection Compliance	73.81%	57.77%	85%
HRV Monthly Defect Calls	192	184	145
LRV Monthly Defect Calls	148	124	110
HRV Avg Days Between Wash	9.13	11.00	10
LRV Avg Days Between Wash	6.86	10.89	10
HRV Daily Service Ready Cars	30.1	28	29
LRV Daily Service Ready Cars	21.27	20	22
HRV Major Defect Turn Around Days		76	30
LRV Major Defect Turn Around Days		68.92	30

Performance Management



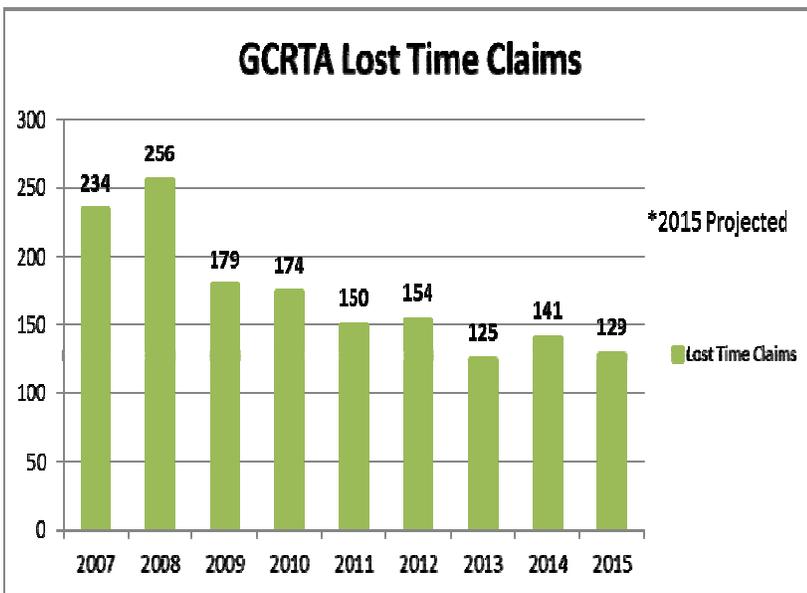
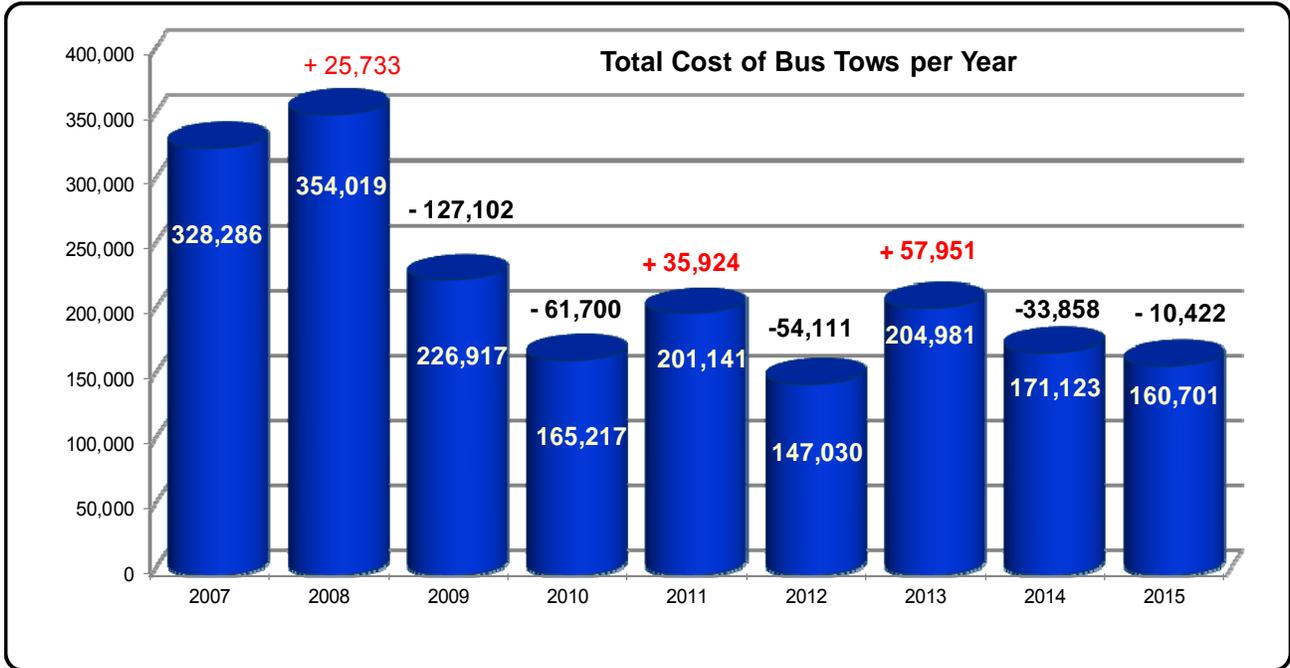
Although the target has not been met, improvements in personnel scheduling, maintenance, and inventory have helped to increase the rate from 5,980 in 2011 to just under 8,000 in 2015.



The Department of Service Quality Management created the dashboard below to monitor the mechanical defect calls received on a daily, weekly, and monthly basis. This dashboard is updated daily for the District Directors and Managers, as well as the Executive Management Team.

Performance Management

The Central Bus Maintenance (CBM) District monitors the number, cost, and reasons for revenue vehicles to be towed. Since the onset of this program, towing charges have reduced over 31% each year. Towing charges for 2010 were reduced nearly 56%, compared to the total charges for 2008. In 2011, towing charges were reduced 11.4%, over \$27,700, from 2009 levels and -43.2% from 2008 levels. For the month of November 2014, the Authority had only 54 tows, an all-time low for the Agency. Over the past three years, bus tows have decreased each year. The total cost of tows for 2015 is the second lowest, lowest being 2010, since TransitStat began.



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

Performance Management

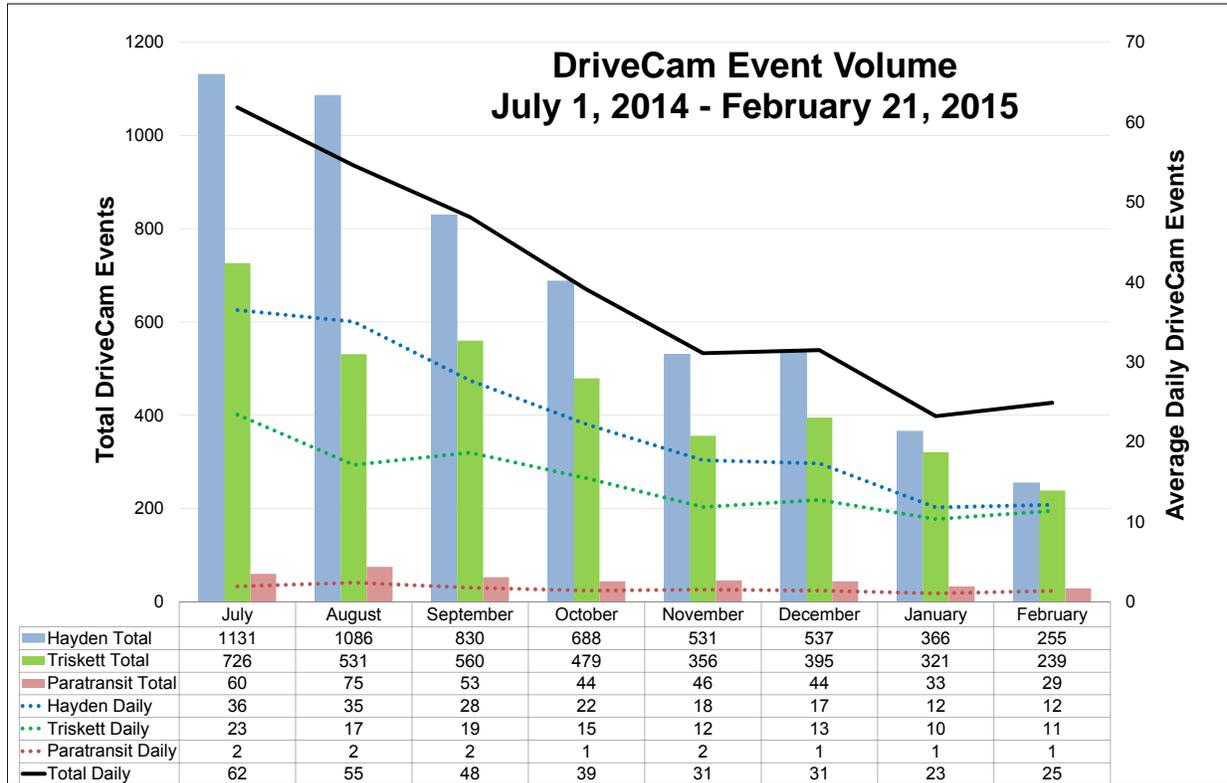
Another Safety Initiative that was implemented in 2014 was DriveCam. DriveCam is a program offered by Lytx to record driving data and provide continuous feedback. DriveCam installation has allowed for review of accidents and near accidents on all buses, and is now being added to rail vehicles. Managers are able to review video of the incident, evaluate the severity based on the video evidence, and take the appropriate follow-up action. This can include verbal coaching, training, and recognition. DriveCam has 48 standard behaviors, all of which are currently active and triggering events. Additionally, the Authority has 5 customer behaviors based on RTA policies. Operators can also manually trigger the event recorder if they feel there was something they wanted to capture on camera. Two-thirds of our Operators have never had a DriveCam incident. One Operator, Winston Borders, finished 2nd Place, out of over 400,000 Operators, in the Nationwide DriveCam/Lytx safe driving competition.

Below is the dashboard that the Operator and Transportation Manager can review. The dashboard shows the Operator how safe or unsafe was during driving over the past week. It also alerts the Operator of any issues or incidents that occurred during that time.

GCRTA GreenRoad Dashboard



Performance Management



Performance is monitored daily by Green Road Technologies and events are submitted to the Transportation Managers at the Districts. Below are pictures from the Operator celebrations at the Districts highlighting those Operators who have had safe driving records.



Performance Management

The Telephone Information Center (TIC) is a section within the Marketing and Communications Department. Since 2008, the Telephone Information Center has been monitoring their performance. They have significantly decreased their Average Speed of Answer from a high of 5 minutes in 2008 to 0:30 minutes average in 2015. The goal was to answer every call within 1:30 minutes and they have consistently met their goal. As the Average Speed of Answer continues to stay within goal, the number of lost calls continues to decline, therefore, increasing the number of customers helped. This project has “graduated” from the TransitStat forum but is continually being monitored by the Department.

Energy Price Risk Management

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

Performance Management

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 fuelling 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.

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Department Budgets

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

Budget information is organized at three levels within this section:

Authority – An Organizational Chart for the Authority is presented on page 114. General Fund expenditures by Division, with Department totals, are listed on page 115, followed by Staffing by Division, with Department totals on 116.

Division – For each of the divisions within the Authority, a narrative introduces the mission and general description of the division. Achievements from 2014 are highlighted, in addition to priorities for the upcoming 2015 Budget Year. The 2015 Strategic Plan Vital Few Objectives and Critical Initiatives are highlighted. These are explained further on page 117.

Department – Detailed information is presented for each department, including a description of the department’s mission. Detailed information on historical and current year expenditures is presented. Current year information reflects the total approved budget presented by summary object classes. Also presented is budget implementation information, including budget directives and performance indicators. Each indicator is linked to one or more of the Authority’s Values from the 2015-2025 Strategic Plan. These are listed in more detail on page 117. Further detail of how the 2015-2025 Strategic Plan was created is in the Performance Management Section on pages 94-99.

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

POSITION TITLE JOB CLASS (# OF POSITIONS)
--

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

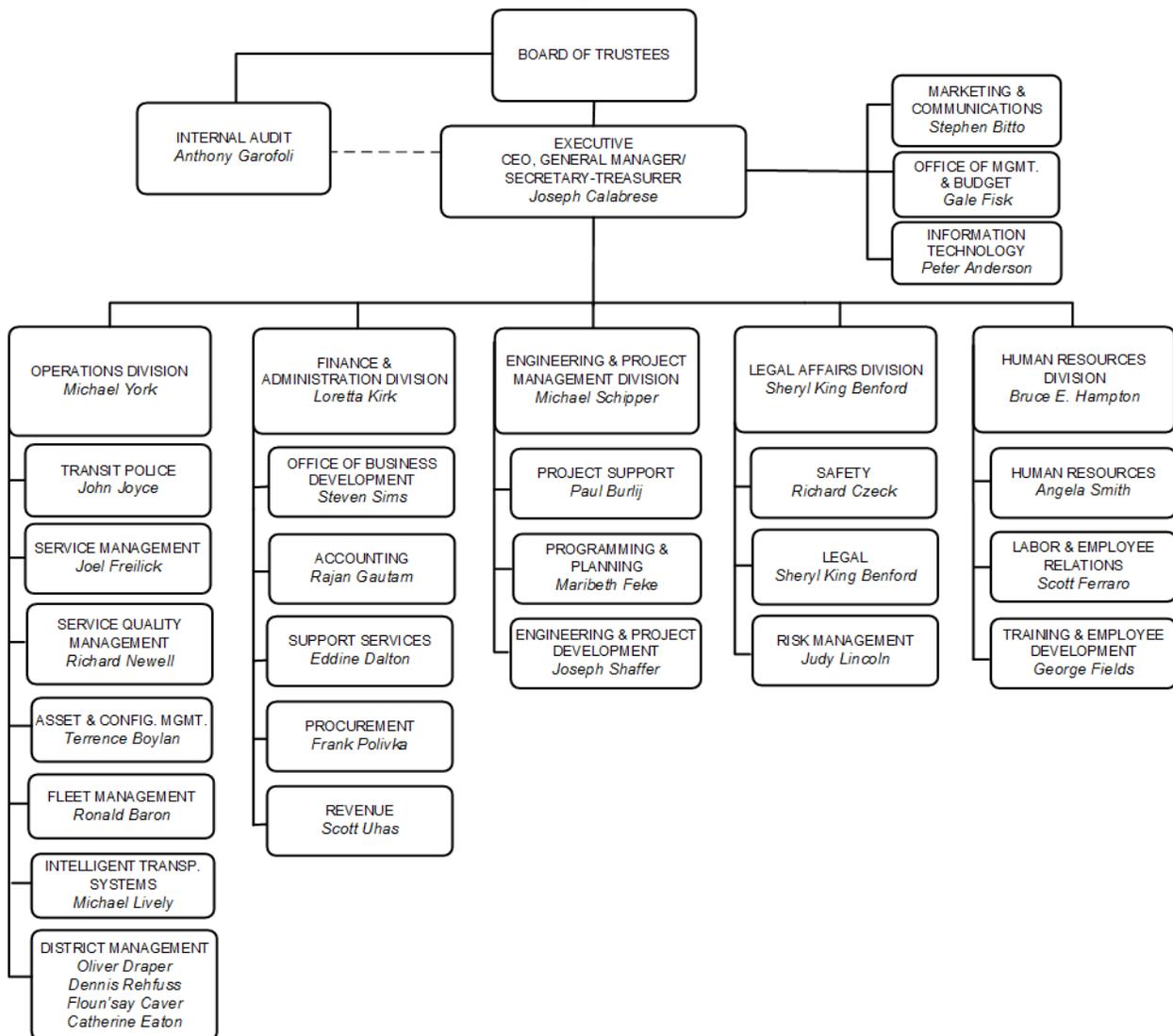
The organizational charts and budgeted positions shown in the 2016 Budget represent a snapshot in time. Accordingly, they reflect the positions and organizational structure at the time the budget was adopted. During the course of the year a budgeted position may undergo changes in responsibility and scope as a result of technology and/or process improvements. When these changes are significant, it may become necessary

Department Budgets

to re-evaluate the grade level and title of a position to ensure it is consistent with the Authority's Job Evaluation System and organizational structure.

Furthermore, the organizational charts included in the 2016 Operating Budget represent the completion of the district management reorganization. During that implementation, a number of operational departments underwent name and/or structural changes or were combined with other departments. These types of changes may also have occurred as a result of re-engineering efforts. In addition to structural changes, a number of positions may have changed in scope, title, and/or function to reflect new responsibilities. A detailed listing of staffing for each Division and Department is on page 116 and in each Department Section.

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
TABLE OF ORGANIZATION
2016



Department Budgets

General Fund Positions by Division

Department Name	2013 Actual	2014 Actual	2015 Budget	2015 Current	2016 Budget	Variance (2016 vs. 2015 current)	
Operations							
31 - Paratransit District	185.00	184.00	183.00	183.00	183.00	0.00	
32 - Rail District	355.00	361.00	365.00	365.00	371.00	6.00	(6) New Operator positions added
33 - Asset & Configuration Management	0.00	0.00	12.00	12.00	12.00	0.00	
34 - Transit Police	153.00	155.00	155.00	155.00	155.00	0.00	
35 - Service Management	74.00	76.00	71.00	69.00	62.00	-7.00	New ITS Department created - positions moved into new Department
38 - Service Quality Management	70.50	68.00	68.00	68.00	68.00	0.00	
39 - Fleet Management	167.00	173.00	166.00	166.00	167.00	1.00	(1) Inventory Specialist added (4) Operators and (2) Asst.
46 - Hayden District	605.00	606.50	605.50	605.50	611.50	6.00	Transportation Managers added (2) Asst. Transportation Managers added
49 - Triskett District	444.00	443.00	440.00	440.00	442.00	2.00	
58 - Intelligent Transportation Systems	0.00	0.00	0.00	0.00	7.00	7.00	New ITS Department created - positions moved from Service Mgmt
Totals	2,053.50	2,066.50	2,065.50	2,063.50	2,078.50	15.00	
Finance & Administration							
10 - Office of Business Development	4.00	4.00	4.00	4.00	4.00	0.00	
60 - Accounting	26.00	27.00	26.00	27.00	27.00	0.00	
61 - Information Technology	23.00	0.00	0.00	0.00	0.00	0.00	
62 - Support Services	7.00	7.00	7.00	7.00	7.00	0.00	
64 - Procurement	16.00	16.00	16.00	16.00	16.00	0.00	
65 - Revenue	18.00	18.00	18.00	18.00	18.00	0.00	
Totals	94.00	72.00	71.00	72.00	72.00	0.00	
Engineering & Project Management							
55 - Project Support	4.00	4.00	4.00	4.00	4.00	0.00	
57 - Programming & Planning	4.00	4.00	4.00	4.00	4.00	0.00	
80 - Engineering & Project Development	17.00	19.00	19.00	19.00	20.00	1.00	(1) Construction Engineer added
Totals	25.00	27.00	27.00	27.00	28.00	1.00	
Legal Affairs							
15 - Safety	7.00	7.50	7.50	7.50	7.50	0.00	
21 - Legal	15.00	24.00	24.00	24.00	24.00	0.00	
22 - Risk Management	16.50	8.50	8.50	8.50	8.75	0.25	Increased Return to Work Coordinator position from 0.5 FTE to 0.75 FTE
Totals	38.50	40.00	40.00	40.00	40.25	0.25	
Human Resources							
14 - Human Resources	16.00	16.00	17.00	17.00	16.00	-1.00	Decreased (1) MDP Business Analyst position
18 - Labor & Employee Relations	5.00	5.00	5.00	6.00	6.00	0.00	
30 - Training & Employee Development	26.00	26.00	26.00	26.00	28.00	2.00	(2) Training positions added
Totals	47.00	47.00	48.00	49.00	50.00	1.00	
Executive							
12 - Executive	5.00	4.00	4.00	4.00	4.00	0.00	
16 - Secretary/Treasurer - Board of Trustees	11.00	11.00	11.00	11.00	11.00	0.00	
19 - Internal Audit	7.00	7.00	7.00	7.00	7.00	0.00	
53 - Marketing & Communication	27.50	29.00	29.00	29.00	29.00	0.00	
61 - Information Technology	0.00	28.00	32.00	32.00	32.00	0.00	
67 - Office of Management & Budget	11.00	11.00	10.00	10.00	10.00	0.00	
Totals	61.50	90.00	93.00	93.00	93.00	0.00	
Grand Total	2,319.50	2,342.50	2,344.50	2,344.50	2,361.75	17.25	

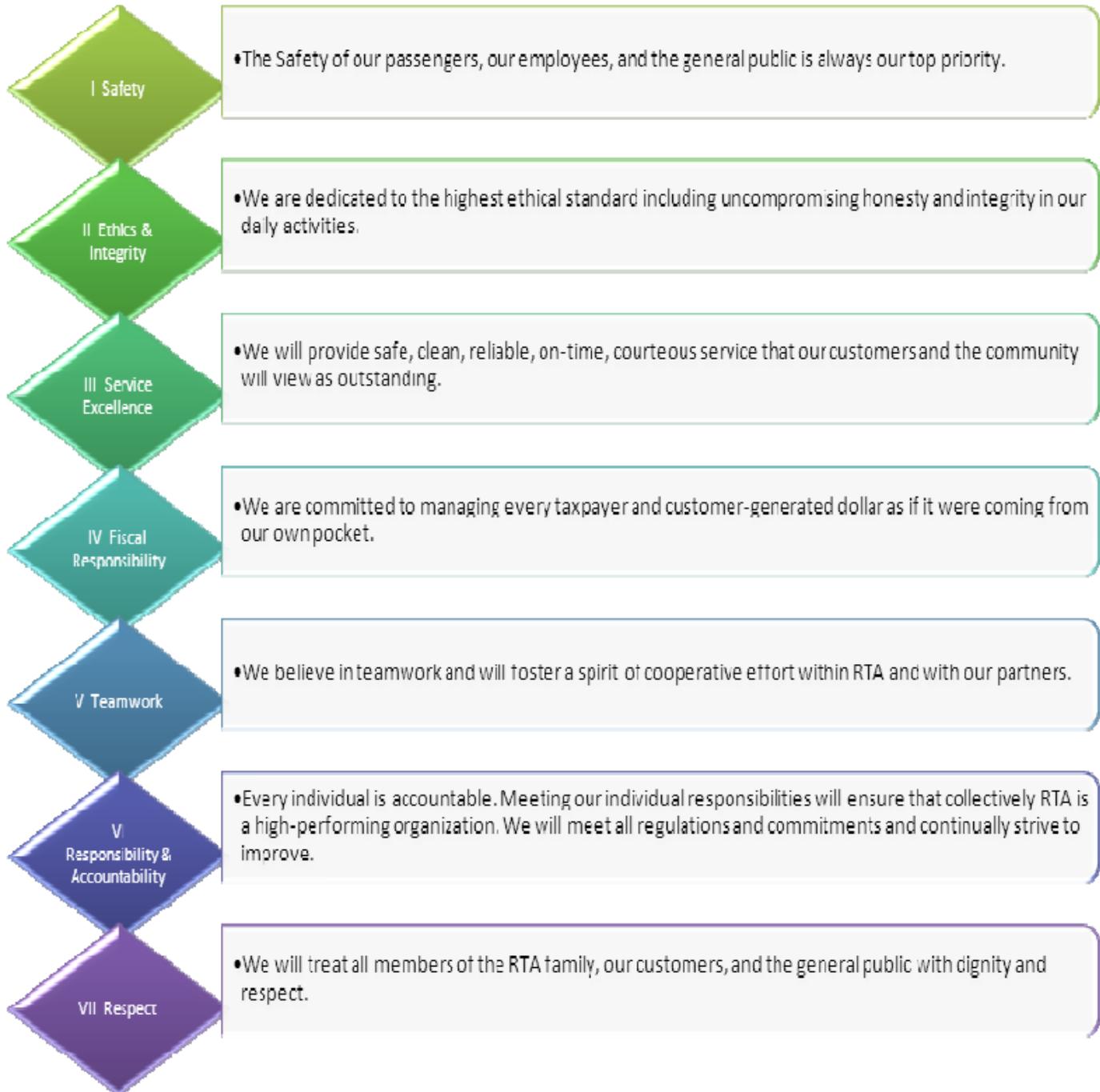
Department Budgets

The Vital Few Objectives (VFOs) and Critical Initiatives (CIs) were created for the 2015 Strategic Plan. At the beginning of each Division Section, the VFOs and CIs that relate to that Division are highlighted. The entire list of VFOs, CIs and Measures are listed below.

Greater Cleveland RTA Strategic Plan - Goals and Initiatives							
Vision	Measure	Division Champion(s)	Measure	2014 Target	2015 Target	2016 Target	10 Year Vision
Financial Vision							
	Operating Revenue Growth	Executive	Annual % Growth	3.5%	3.5%	3.5%	3.5%
	Capital Funding Growth	Executive	Capital Funding Dollars	\$75M	\$75M	\$75M	\$75M
	Maintain Expenses	Executive	Annual % Growth	2.5%	2.5%	2.5%	2.5%
Growth Strategy							
	Advocacy Growth	Executive	% of Identified Advocacy Groups Met with	N/A	50%	50%	50%
	Increase Service Usage	Executive	Annual Ridership	49.5M	51.25M	53.0M	2.5% Increase Annually
	Passenger Satisfaction Growth	Operations	Overall Satisfaction Rating	N/A	70%	75%	80%
Process Investments							
	Increase Service Efficiency	Operations	Miles Between Service Interruptions (MBSI); Paratransit Cost per Passenger Trip (PCPT)	6,273 (MBSI) \$42 (PCPT)	8,000 (MBSI) \$40 (PCPT)	9,000 (MBSI) \$38 (PCPT)	25,000 (MBSI) \$35 (PCPT)
	Achieve State of Good Repair (SOGR)	Engineering & Project Management	SOGR Scale 1-5	N/A	Baseline	TBD	➤ 3.0
	Advance Use of Technology	Executive	TBD	TBD	TBD	TBD	TBD
	Champion Sustainability	Engineering & Project Management	Emissions Reduced	5%	10%	15%	25%
People Investments							
	Achieve a Safety Culture	Legal Affairs	% Improvement of Performance Measures	Baseline	2%	5%	5% Annually
	Improve Employee Engagement	Human Resources & Executive	Engagement Rating	Baseline	TBD	TBD	TBD
	Improve Performance Management	Human Resources	Performance Evaluation Rating (TBD)	N/A	Baseline	TBD	TBD

Department Budgets

The Departments also have Performance Measures that relate to the 2015 Strategic Plan, specifically the Values, listed below. The number associated with the Value is listed after each Performance Measure. These Values are explained in further detail below.



Operations Division

Division Summary

Michael York, Deputy General Manager

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

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.

2015 Achievements

- ◆ Continued focus on the goals established for the TEAM initiatives.
- ◆ Continued development/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.
- ◆ Board approval for proposed changes for Paratransit moved to 2016.
- ◆ Completed implementation of new HASTUS Bid Dispatch System.
- ◆ Incorporated the Strategic Plan objectives in the Operations Division 2015 Performance Plans.
- ◆ Continued to focus on improving internal communications at all levels of the Operations Division.
- ◆ Developed and implemented a certification program for all position classifications in the Service Quality Department.
- ◆ Developed a 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.
- ◆ Designed and began implementation of a new SQ Field Office at the Woodhill facility.
- ◆ Developed and implemented One Stop at a Time initiative in the Service Quality Department to improve safety, on-time performance, and communications with operators.
- ◆ Awarded contract for the Predictive Maintenance plan that was developed in 2014 and implemented the pilot at the Hayden District. Based on results/structure of the Hayden pilot, began development of in-house Predictive Maintenance plans for the Triskett District and Electronic Repair. Rail will be the last District for Predictive Maintenance.
- ◆ Continued working with the Public Square Redevelopment Team to ensure that RTA services are addressed and customer inconvenience minimized. Established bus reroutes as needed during reconstruction of the Square.
- ◆ Continued development and implementation of the rail DriveCam/Event Recorder system.
- ◆ Implemented the services identified in the 2015 Service Management Plan (SMP).
- ◆ Continued supporting the operational and security teams preparing for the Republican National Convention to be held in Cleveland in 2016.
- ◆ Continued fine-tuning services to minimize cost and maximize service delivery productivity in response to changing ridership and traffic conditions.

Operations Division

- ◆ Continued priority focus on improving customer communications and service delivery. This initiative included informational signage on revenue vehicles and passenger facilities and the new bus stop target program.
- ◆ 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. The new Asset and Configuration Management Department reports directly to the DGM of Operations.
- ◆ In partnership with Engineering, completed the outdoor bus storage areas at Hayden and Triskett Districts.
- ◆ Installed automatic air drain valves and block heaters on buses parked outside.
- ◆ Continued focus on Rail infrastructure repair/upgrades.
- ◆ Began scrapping obsolete rail cars and removing usable parts/components and stocking them in Inventory.
- ◆ Developed a Winter Service Plan.
- ◆ Began implementation of text messaging for operators to reduce voice radio traffic.
- ◆ Developed and implemented a plan for Service Quality Supervisors to conduct DriveCam coaching in the field.
- ◆ Developed plan to transfer responsibility for covert alarm monitoring from Service Quality Control Center Supervisors to Transit Police Dispatchers.
- ◆ Continued to aggressively support and participate in the TransitStat program to reduce costs and improve the Authority's business practices and services.
- ◆ Continued Proof-of-Payment (POP) fare enforcement on the HealthLine and Red Line.
- ◆ Continued Brand Management efforts in conjunction with Marketing: HealthLine, Downtown Trolley, Red Line, Blue/Green Lines, Transit Centers, and Park-N-Ride service.
- ◆ Continued in-house interior rehabilitation of 40 Heavy Rail Vehicles. Project is expected to be completed in early 2016.
- ◆ Continued establishment of standards/guidelines for measuring maintenance performance.
- ◆ Continued to refine RTA's system security and emergency preparedness in Operations plans.
- ◆ Began updating the Authority's Continuation of Operations Plan (COOP).
- ◆ Reorganized the Transit Police presence on the Red Line trains, particularly during school travel periods.
- ◆ Continued efforts for reducing crime on RTA vehicles at RTA facilities.
- ◆ Continued Community Policing at Hayden and Triskett Districts and expanded the effort to Rail, whereby Transit Police Officers report to the Districts and interact with Operators.
- ◆ Procured 30+ non-revenue vehicles as provided for in the 2015 budget.
- ◆ Inspected and implemented service on 90 new Gillig CNG buses.
- ◆ Completed CNG fueling station and facility at the Hayden District.
- ◆ Completed Propane sensing/detection systems at Paratransit District.
- ◆ Developed specifications and awarded contract for new Trolley buses. First two new Trolley buses are to be delivered in December 2015. Remainder of Trolley buses are to be delivered in early 2016.
- ◆ Implemented 20 Propane Paratransit buses, purchased in 2014.
- ◆ Continued to support the Information Technology (IT) Department.
- ◆ Continued to aggressively support/enforce the Authority's sustainability initiatives including the FTA ESMS Institute Pilot at Central Bus Maintenance (CBM) facility. Received ISO 14001 certification for CBMF.
- ◆ Began rebuild of RTV transmission and energy storage system, which is expected to save RTA over \$400,000 as well as reduce RTV downtime.

Operations Division

- ◆ Began campaign to replace TVM shells to stainless steel.
- ◆ Completed Electronic Repair move from CBMF to Woodhill, which improved workspace and led to gains in efficiency and quality.

2016 Objectives

- ◆ Continue to focus on the goals established for the TEAM initiatives.
- ◆ 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. Implement new 2016 Strategic Plan VFOs and Initiatives as they are developed and approved.
- ◆ Continue participating on interagency teams responsible for other VFOs and Initiatives.
- ◆ Implement approved changes for Paratransit in 2016.
- ◆ Incorporate the Strategic Plan objectives in the Operations Division 2016 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 2016 Service Management Plan (SMP) and the services that are approved after public hearing review for cost savings modifications.
- ◆ Implement the fixed-route and Paratransit fare increases that are approved after public hearing review.
- ◆ Continue improving internal communications at all levels of the Operations Division.
- ◆ Implement a new Communications Specialist position in Service Quality.
- ◆ Continue 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.
- ◆ Complete the ICC Strategic Plan modernization with applicable ITS 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.
- ◆ Complete and staff the new Service Quality Field Office at the Woodhill facility.
- ◆ Complete transfer of covert alarm monitoring responsibility from Service Quality Control Center Supervisors to Transit Police Dispatchers.
- ◆ Complete implementation of text messaging for operators to reduce voice radio traffic.
- ◆ Continue implementation of Predictive Maintenance at the Hayden District and begin implementation of Predictive Maintenance for the Triskett District and Electronic Repair. Rail will be the last district for Predictive Maintenance.
- ◆ Continue working with the Public Square Redevelopment Team to ensure that RTA services are addressed and customer inconvenience minimized.
- ◆ Implement 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.
- ◆ Continue supporting the operational and security teams preparing for the Republican National Convention to be held in Cleveland in 2016.
- ◆ Implement bus re-routes affected by street closures during the RNC.
- ◆ Provide Transit Police resources for RNC security.
- ◆ Implement bus bridge rail replacements during periods of rail construction service closures.

Operations Division

- ◆ Continue fine-tuning services to minimize cost and maximize service delivery productivity in response to changing ridership and traffic conditions.
- ◆ Continue the new bus stop target program and bus stop geo-coding program.
- ◆ In partnership with Safety, continue efforts to instill a Safety culture orientation within all Operations Division and organizational units.
- ◆ Continue implementation of the MAP-21 Safety and State-of-Good-Repair standards.
- ◆ Continue to focus on Rail infrastructure repair/upgrades.
- ◆ Complete scrapping obsolete rail cars and remove usable parts/components and stocking them in Inventory.
- ◆ After scrap cars are removed from the rail yard, develop a plan for repairing the track where the cars have been stored and repair as funding will permit.
- ◆ Develop a rail yard storage plan to be implemented after the yard track is repaired.
- ◆ Continue to aggressively support and participate in the TransitStat program to reduce costs and improve the Authority's business practices and services.
- ◆ Continue Brand Management efforts in conjunction with Marketing; HealthLine, Cleveland State Line, Downtown Trolley, Red Line, Blue/Green Lines, Transit Centers, and Park-N-Ride service.
- ◆ Complete in-house interior rehabilitation of 40 Heavy Rail vehicles.
- ◆ Continue establishment of standards/guidelines for measuring maintenance performance.
- ◆ Conduct time motion analyses of equipment maintenance functions.
- ◆ Continue to refine RTA's system security and emergency preparedness and operations plans.
- ◆ Complete updating the Authority's Continuation of Operations Plan (COOP).
- ◆ Continue increased Transit Police presence on Red Line trains, particularly during school travel periods.
- ◆ Continue efforts for reducing crime on RTA vehicles and at RTA facilities.
- ◆ Continue Community Policing at Hayden, Triskett, and Rail Districts, whereby Transit Police Officers report to the districts and interact with operators.
- ◆ Procure non-revenue vehicles as provided for in the 2016 budget.
- ◆ Inspect and put in service new Gillig CNG buses to be acquired in 2016.
- ◆ Implement 20 MV1 Paratransit buses purchased in 2015.
- ◆ Implement the new ITS Department approved for 2016 that will report directly to the DGM of Operations.
- ◆ Continue to aggressively support/enforce the Authority's sustainability initiatives and expand the FTA ESMS Institute Pilot program that was developed at CBM and to other Operations Districts.
- ◆ Continue rebuilding RTV transmissions and energy storage systems.
- ◆ Complete replacement of TVM shells with stainless steel.
- ◆ Schedule all Trolley Ambassadors through the TravelBackers Program.
- ◆ In-service the balance of new Trolley vehicles

Operations Division

2015-2025 Strategic Plan Critical Initiatives and Measures

Critical Initiative	Division Champion(s)	Team	
Outcomes			
Activities	Plan Start	Plan End	% Complete
Implement Predictive Maintenance Program	Mike York	Ron Baron, Floun'say Caver, Oliver Draper, Mike Lively, Richard Newell	
Achieve Improve Service Efficiency VFO for Average Miles Between Service Interruption (MBSI) of 8,000 miles			
Reduce Work Requests by 20% in 2015 (over 2014 total requests)			
Increase PM Compliant Percentage to X% (Floun'say to finalize %)			
Decrease the % of unplanned maintenance by 5% of 2014 total			
Develop RFP for Consultant to Develop Predictive Maintenance Program	9/1/2014	12/31/2014	100%
Award Contract for Predictive Maintenance Program	9/1/2014	12/31/2014	100%
Hayden Implementation: Predictive Maintenance Program for Gilligs, HL, 28/2600's, and other implement on % of fleet	1/1/2015	12/31/2015	75%
Implement Predictive Maintenance Program at Electronic Repair – Implement on X% of Fleet	1/1/2015	12/31/2016	
Implement Predictive Maintenance Program for Triskett Fleet – Implement on X% of Fleet	1/1/2015	12/31/2016	

Operations Division

Analyze Paratransit Practices	Mike York	Ron Baron, Floun'say Caver, Oliver Draper, Mike Lively, Richard Newell, Gale Fisk	
Achieve Improved Service Efficiency VFO for Average Paratransit Cost per Trip of \$40 for 2015			
Decrease Annualized exposure due to current fare policies (Currently Assessed as \$12.1 million of exposure)			
Define Plan to re-work functional testing for Paratransit and move the process back in-house	9/1/2014	11/5/2014	Decision not made
Gain Go/No Go on proposal to start charging fares for non-ADA and PCA customers on fixed route	9/1/2014	3/1/2016	25%
Implement change in policy to start charging fares for non-ADA and PCA customers on fixed route	3/1/2015	6/30/2016	
Re-engineer the ADA application form	3/1/2015	6/30/2015	100%
Develop RFP for Consultant to Analyze RTA's entire Paratransit Service and Processes, i.e. Fare Analysis, Curb-to-Curb vs. Door-to-Door, on-line booking, vehicle type, CDL Requirements, registration, eligibility, etc.	1/1/2015	3/31/2015	NA
Award Contract	4/1/2015	7/31/2015	NA
Complete Study	TBD		
Develop Implementation Strategy	TBD		
Implement Recommendations	TBD		
Gain approval to start Charging fares for non-ADA and PCA customers on fixed route	TBD		
Define plan to re-work functional testing moved internally	TBD		

Operations Division

Assess Top Priorities for State of Good Repair (SOGR)		Mike Schipper		William Boyce, Joeseoph Shaffer, Mike York, Joe Bilek, Ron Finerty, Jim Stock, Terrance Boylan, Eugene Cranford	
Baseline our current SOGR by end of 2015					
Implement processes to use SOGR data for project prioritization and capital forecasting needs for backlog					
Development and acceptance of an Asset Management Plan in Compliance with MAP21	9/1/2014	12/31/2014	95%		
Identification of Fleet Assets (Revenue and Non-Revenue)	1/1/2015	6/30/2015	95%		
Identification of Bridge Assets	3/1/2014	12/31/2014	100%		
Identification of Track Assets	1/1/2014	12/31/2014	80%		
Identification of Catenary Assets	1/1/2014	12/31/2015	20%		
Identification of Power Assets (Substations)	1/1/2014	12/31/2015	75%		
Identification of Fiber Optic/Communication Assets	1/1/2014	12/31/2015	20%		
Identification of Transit Center Assets	1/1/2014	12/31/2015	100%		
Identification of Rail Station assets	1/1/2014	12/31/2015	25%		
Identification of Park & Ride Assets	1/1/2014	12/31/2015	25%		
Identification of Bus Loop Assets	1/1/2014	12/31/2015	25%		
Identification of Operating District Assets	1/1/2014	12/31/2015	25%		
Identification of Main Office Assets	1/1/2014	12/31/2015	100%		
Identification of Elevators & Escalators Assets	1/1/2014	12/31/2015	100%		

Operations Division

2015 OPERATING BUDGET SUMMARY Department 31 – Paratransit District

OLIVER DRAPER, DISTRICT DIRECTOR

Department Priorities for 2016

- ◆ Monitor Paratransit services.
- ◆ Improve customer utilization of IVR and Web Access for scheduling.
- ◆ Create efficiencies to manage growth/demand for services.
- ◆ Complete construction of walkway for Hostlers' access to Propane fueling station.
- ◆ Create energy conservation survey.
- ◆ Place MV-1 vehicles into service.

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.

Specific	Measureable	Attainable/Realistic	Time-Bound
What you want to accomplish /deliver (Who, What, Where)	Measureable (How Much, How Many)	Attainable (The goal should be within your control)	Time-Bound (Must have a completion date)
<ul style="list-style-type: none"> • Monitor Purchased Transportation compliance • Enrich communication between Dispatch offices • Continue to focus on Improving Customer Communication. 	<ul style="list-style-type: none"> • Ensure adherence of Authority policies and safety procedures/ initiatives • Advocate contractor access to web based software (PASS-CT) • Reduction of incoming calls to Dispatch & Call Center, Reduce Call Times 	<ul style="list-style-type: none"> • Develop inspection protocols/guidelines • Paratransit Management Monitor <ul style="list-style-type: none"> ✓ Trapeze ✓ PhoneTree ✓ Call Volume ✓ OT/ Staffing ✓ Cancel Hotline ✓ Handle Times 	<ul style="list-style-type: none"> • Complete/Ongoing • March 2016 • Complete/Ongoing

Smart Goal: <u>S</u> pecific, <u>M</u> easureable, <u>A</u> ttainable/ <u>R</u> ealistic, <u>T</u> ime-bound			
Action Steps	Development Strategies	Resources Needed	Target Date
1. Advocate access to web based software for "Purchased Transportation" providers	<ul style="list-style-type: none"> • Meet with "Purchased Transportation Providers" ITS and IT to develop strategies and identify barriers to access 	<ul style="list-style-type: none"> • Information Technology • Trapeze 	04/29/16
2. Hardware upgrade 3. Get Contractors to Utilize Tablets	<ul style="list-style-type: none"> • Comprehensive analysis of hardware in the form of MDTs, radios, and tablets 	<ul style="list-style-type: none"> • Information Technology • ITS • Trapeze 	04/29/16
4. Use PhoneTree to Reduce Overtime & Increase Productivity	<ul style="list-style-type: none"> • Configure PhoneTree Database 	<ul style="list-style-type: none"> • Trapeze • PhoneTree 	Complete /Ongoing
6. Encourage Customers to use Web & IVR-Based Scheduling System	<ul style="list-style-type: none"> • Maintenance of Trapeze • IVR and Web-Based Booking Modules 	<ul style="list-style-type: none"> • IT • Trapeze 	Complete /Ongoing

Operations Division

2015 Highlights

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

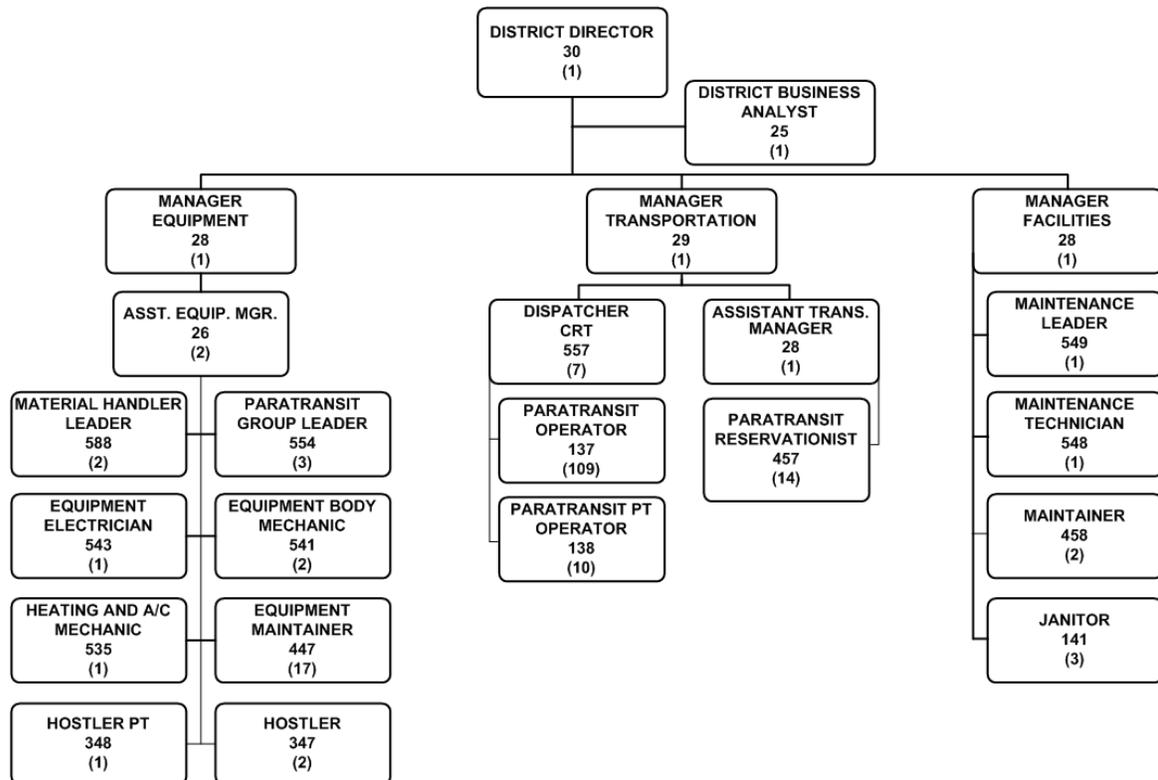
Below are budget and staffing highlights of the Paratransit District Department

Object Class	Description	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
501100	BUS OPERATORS' LABOR	5,170,370.30	5,136,650.07	5,008,439.87	5,583,109.25
501110	OVERTIME - BUS OPERATORS	798,410.31	1,336,934.53	1,497,896.54	600,000.00
501200	HOURLY EMPLOYEES PAYROLL	2,587,217.41	2,681,659.12	2,746,344.13	2,651,360.73
501210	OVERTIME - HOURLY EMPLOYEES	261,704.61	351,318.36	224,070.41	200,000.00
501300	LABOR - SALARIED EMPLOYEES	879,151.10	1,015,965.85	1,031,060.08	992,491.99
501310	OVERTIME - SALARIED EMPLOYEES	50,861.67	67,225.46	66,859.83	30,000.00
502000	FRINGE BENEFITS	3,395,170.81	3,727,235.04	3,697,969.32	3,619,611.86
502071	W. C. - INJURIES & DAMAGES	2,326.23	5,314.56	2,015.95	0.00
503000	SERVICES	33,142.58	66,583.92	9,696.60	500.00
503042	VENDOR IN-HOUSE SERVICE (NAPA)	134,590.00	126,136.00	283,004.00	216,000.00
503052	OTHER MAINTENANCE CONTRACTS	0.00	32,880.73	42,571.88	77,600.00
504000	MATERIAL & SUPPLIES	11,384.08	23,823.44	-8,095.66	49,322.50
504031	GASOLINE - STORAGE TANKS	797.34	568.61	368.46	3,300.00
504032	PROPANE FUEL	140,000.00	0.00	0.00	140,000.00
504081	VENDOR IN-HOUSE PARTS (NAPA)	660,407.00	537,564.00	700,372.00	720,000.00
508020	PURCHASED TRANSPORTATION - SUBURBAN	6,411,352.30	6,498,377.35	7,865,204.52	8,466,538.00
509000	MISCELLANEOUS EXPENSES	(148,189.95)	19,219.54	-13,231.90	18,100.00
512000	LEASES & RENTALS	(190.86)	1,600.00	1,010.12	2,860.00
DEPT TOTAL		20,388,504.93	20,629,056.58	23,155,556.15	23,370,794.33

Operations Division

Staffing Comparison

Grade	Job Name	2013	2014	2015	2016
01	0137 Paratransit Operator	109.0	109.0	109.0	109.0
	0138 Paratransit Operator – PT	10.0	10.0	9.0	9.0
	0141 Janitor	3.0	3.0	3.0	3.0
02	0203 Clerk/Typist	1.0	0.0	0.0	0.0
03	0347 Hostler	2.0	2.0	2.0	2.0
	0348 Hostler – PT	2.0	2.0	2.0	2.0
04	0442 Equipment Servicer	0.0	3.0	3.0	3.0
04	0447 Equipment Maintainer	18.0	14.0	14.0	14.0
	0457 Paratransit Reservations Op	14.0	14.0	14.0	14.0
	0458 Maintainer	2.0	2.0	2.0	2.0
05	0535 Heating A/C Mechanic	1.0	1.0	1.0	1.0
	0541 Equipment Body Mechanic	1.0	1.0	1.0	1.0
	0543 Equipment Electrician	1.0	1.0	1.0	1.0
	0548 Maintenance Technician	1.0	1.0	1.0	1.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0554 Paratransit Group Leader	3.0	3.0	3.0	3.0
	0557 Dispatcher – Paratransit	7.0	7.0	7.0	7.0
	0588 Material Handler	2.0	2.0	2.0	2.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	1069 Asst. Supt. Paratran Equip	2.0	2.0	2.0	2.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0851 Manager Equipment	1.0	1.0	1.0	1.0
	1084 Assistant Manager	1.0	1.0	1.0	1.0
29	0786 Manager Transportation	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
Total		185.0	184.0	183.0	183.0



Operations Division

2016 OPERATING BUDGET SUMMARY Department 32 – Rail District

DENNIS REHFUSS, DISTRICT DIRECTOR

Department Priorities for 2016

- ◆ Complete the Heavy Rail Vehicle (Red Line) Interior Overhaul 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.
- ◆ Aggressively perform signal system maintenance during relay testing, junction box replacement, and double bonding to mitigate track circuit failure, reduce service delays, and ensure a safe system.
- ◆ In conjunction with Engineering, Power & Way and Facilities will continue to support the Brook Park station rehabilitation project along with the W 117th track replacement project including an overhaul on the signal systems and catenary pole maintenance.
- ◆ Implement use of TourGuard system for Facilities, Equipment, and Power & Way employees
- ◆ Design and build new microprocessors for HRV's and explore new chopper technology for the LRV fleet replacing the outdated pre-exciter.
- ◆ Support 2016 Operations Division initiatives and projects as assigned.

Mission Statement

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

2015 Highlights

- ◆ Exceeded TEAM (Together Everyone Achieves More) goal (8,500 miles) for miles between service interruptions, 2015 average: 73,146
- ◆ Saved over \$800,000 in the completion of the HRV Overhaul project
- ◆ Opened Little Italy Station in August 2015
- ◆ Replaced over 2500 deteriorated railroad crossties throughout the system.
- ◆ Completed a three year project of total replacement of the S5G switch machines.
- ◆ Retrofitted 100% of the LED lights at the Airport RTS location
- ◆ Rebuilt the Rail lifts located in the Rail Shop

Operations Division

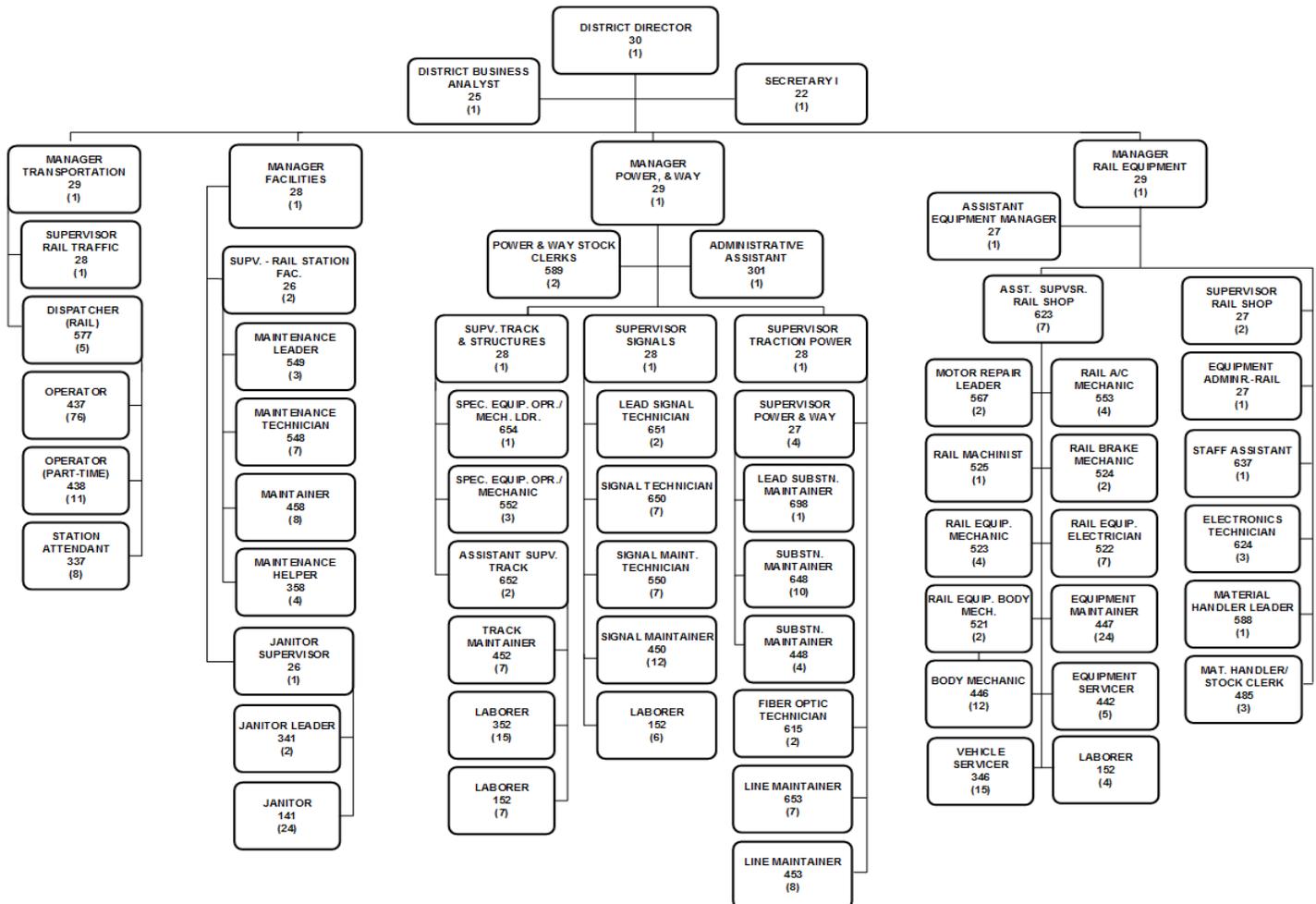
Specific	Measurable	Attainable/Realistic	Time-Bound
What you want to accomplish /deliver (Who, What, Where)	Measurable (How Much, How Many)	Attainable (The goal should be within your control)	Time-Bound (Must have a completion date)
<ul style="list-style-type: none"> <u>Tour Guard System</u> <u>Robert Prince</u> 	<ul style="list-style-type: none"> <u>All rail restrooms, stations, and key areas of customer and employee traffic</u> 	<ul style="list-style-type: none"> <u>Yes</u> 	<u>July 1, 2016</u>

Smart Goal: <u>S</u> pecific, <u>M</u> easurable, <u>A</u> ttainable/ <u>R</u> ealistic, <u>T</u> ime-bound			
Action Steps	Development Strategies	Resources Needed	Target Date
•Develop procedure.	• Obtain resources	Obtained resources	Done
•Establish locations & Install buttons, readers & download terminals.	• Identify where to install and how for buttons, readers and download terminals.	Facilities Maintenance	Done
•Enter locations in data base	• Develop a user accessible platform	Program Administrator, Tour Guard Systems database	Done
•Train employees.	• Start with Lead Janitors, train to train down	Facilities Maintenance Management and Supervisory staff	January 30, 2016
•Give and receive feedback.	• What are our expectations?	Janitorial Staff and Management	February 29 th , 2016
•Work out bugs. Rework procedures	• Retrain and inform when necessary	Program Administrator	April 30 th , 2016
•Develop employees with retraining	• Keeping track of customer complaints and employee accountability	Management Staff	May 31st, 2016
•Look for system expansion	• Facilities Maintenance & Rail Equipment uses, Power & Way uses	Additional buttons and readers.	September 30 th , 2017

Operations Division

Below are budget and staffing highlights of the Rail District Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501100	Rail Operator Labor	4,571,479.67	4,645,814.14	4,523,685.91	5,074,274.49
501110	Overtime – Rail Operators	415,674.65	540,622.75	766,414.58	775,033.00
501200	Hourly Employees Payroll	11,331,346.11	12,287,204.77	12,322,940.98	12,826,534.58
501210	Overtime – Hourly Employees	1,386,301.46	1,687,454.92	2,218,981.13	1,003,000.00
501300	Labor – Salaried Employees	2,213,532.40	2,423,789.18	2,394,637.97	2,690,330.09
501310	Overtime – Salaried Employees	148,747.94	168,758.54	179,348.21	75,000.00
502000	Fringe Benefits	6,855,666.33	7,828,164.25	7,876,273.18	8,077,860.75
502071	W.C. – Injuries & Damages	3,059.24	3,915.04	2,717.58	0.00
503000	Services	743,670.91	917,165.34	650,177.81	308,180.00
503052	Other Maintenance Contracts	2,019,526.22	2,043,311.84	2,673,620.47	2,933,709.00
504000	Materials & Supplies	877,397.88	1,199,719.21	863,823.97	930,100.00
504090	Tires & Tubes	6,501.00	0.00	0.00	3,000.00
505000	Utilities	(73,801.23)	0.00	0.00	0.00
505010	Propulsion Power	2,199,704.11	3,170,388.37	2,913,504.11	3,530,000.00
505020	Sewers	3,000.00	(1,481.12)	977.13	3,000.00
505021	Electricity	556,400.00	418,203.12	430,089.82	596,000.00
509000	Miscellaneous Expenses	34,630.89	41,697.00	53,411.67	80,825.00
509022	Meals & Concessions	0.00	0.00	500.00	1,000.00
512000	Leases & Rentals	(218.81)	0.00	0.00	0.00
Total:		33,292,618.77	37,374,727.35	37,871,104.52	38,907,846.92



Operations Division

Grade	Job Name	2013	2014	2015	2016
00	9943 HRV Overhaul Leaders	0.0	0.0	0.0	0.0
01	0141 Janitor	25.0	25.0	25.0	24.0
	0152 Laborer	11.0	13.0	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	1.0	1.0	2.0
	0346 Vehicle Servicer	15.0	15.0	15.0	15.0
	0352 Laborer	18.0	15.0	15.0	15.0
	0358 Maintenance Helper	4.0	4.0	4.0	4.0
	1635 Vehicle Servicer – PT	1.0	0.0	0.0	0.0
04	0437 Operator	60.0	70.0	70.0	76.0
	0438 Operator – PT	15.0	11.0	11.0	11.0
	0442 Equipment Servicer	8.0	7.0	9.0	5.0
	0446 Body Mechanic	6.0	12.0	12.0	12.0
	0447 Equipment Maintainer	30.0	31.0	29.0	24.0
	0448 Substation Maintainer	5.0	4.0	4.0	4.0
	0450 Signal Maintainer	15.0	14.0	14.0	12.0
	0452 Track Maintainer	7.0	7.0	7.0	7.0
	0453 Line Maintainer	8.0	8.0	8.0	8.0
	0455 Upholsterer	0.0	0.0	0.0	0.0
	0458 Maintainer	8.0	8.0	8.0	8.0
	0485 Mat Handler/Stock Clerk	3.0	3.0	3.0	3.0
05	0521 Rail Equip Body Mechanic	2.0	2.0	2.0	2.0
	0522 Rail Equip Electrician	5.0	5.0	5.0	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	2.0	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 A/C Mechanic	3.0	3.0	3.0	4.0
	0567 Motor Repair Leader	1.0	1.0	1.0	2.0
	0577 Dispatcher	5.0	5.0	5.0	5.0
	0588 Material Handler Leader	1.0	1.0	1.0	1.0
	0598 Power & Way Stock Clerk	0.0	0.0	0.0	2.0
06	0615 Fiber Optic Techician	0.0	0.0	0.0	2.0
	0623 Asst Supervisor Rail Shop	6.0	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
	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	2.0
	0653 Line Maintainer	7.0	7.0	7.0	7.0
	0654 Spec Equip Op/Mech Ldr	1.0	1.0	1.0	1.0
	0698 Lead Substn Maintainer	1.0	1.0	1.0	1.0
22	0721 Secretary I	1.0	1.0	1.0	1.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	0799 Supv Rail Station Fac	2.0	2.0	2.0	2.0
	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
	1705 Assistant Equipment Manager	0.0	1.0	1.0	1.0
28	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0895 HRV Project Manager	0.0	0.0	0.0	0.0
	1234 Supervisor Signals	1.0	1.0	1.0	1.0
	1239 Supervisor Overhead	1.0	1.0	1.0	0.0
	1239 Supervisor Traction Power	0.0	0.0	0.0	1.0
	1249 Supervisor Rail Traffic	1.0	1.0	1.0	1.0
	1273 Supervisor Track and Stru	1.0	1.0	1.0	1.0
29	0786 Manager Transportation	1.0	1.0	1.0	1.0
	0792 Manager Rail Equipment	1.0	1.0	1.0	1.0
	1526 Manager Power & Way	1.0	1.0	1.0	1.0
30	0777 District Director	1.0	1.0	1.0	1.0
	Total	364.0	354.0	361.0	371.0

Operations Division

2016 OPERATING BUDGET SUMMARY Department 33 – Asset & Configuration Management

TERRENCE BOYLAN, MANAGER

2015 Achievements.

- ◆ Implemented the 2014 Asset Management Plan
- ◆ Continued to improve the cost effectiveness and efficiency in maintaining assets throughout the Authority.
- ◆ Implement Predictive Maintenance Program ay Hayden.
- ◆ Completed Asset Validations of Rail Stations, Bus Loops, and Shelters.
- ◆ 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 State of Good Repair Backlog and identify potential capital projects.
- ◆ Develop 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.
- ◆ Develop appropriate preventive maintenance programs and monitor compliance based on Asset Management Standards.
- ◆ 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.
- ◆ Repaired the West 25th Elevator Hydraulic Cylinder and Piston.
- ◆ Completed all VFO initiatives developed for 2015. (Top Priorities for SOGR.)

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.

Specific	Measureable	Attainable/Realistic	Time-Bound
What you want to accomplish /deliver (Who, What, Where)	Measureable (How Much, How Many)	Attainable (The goal should be within your control)	Time-Bound (Must have a completion date)
<ul style="list-style-type: none"> • WHO –Maintenance Planners for Hayden, Triskett, CBM, Electronic Repair • WHAT – Use Ultramain & Code Red information to create blueprint for fleets • WHERE – Hayden, Triskett, CBM • WHEN - 2016 	<ul style="list-style-type: none"> • % of fleet completed • Time to complete Predictive Maintenance 	<ul style="list-style-type: none"> • Use information provided by Code Red • Use Ultramain to set up parts, Maintenance requirements. 	By the end of 2016

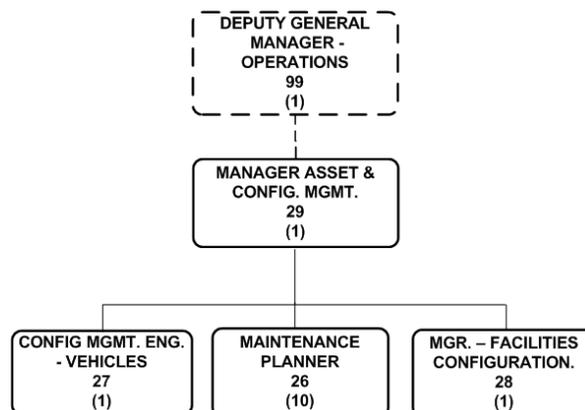
Operations Division

Smart Goal: <u>S</u> pecific, <u>M</u> easurable, <u>A</u> ttainable/ <u>R</u> ealistic, <u>T</u> ime-bound			
Action Steps	Development Strategies	Resources Needed	Target Date
1. Identify Fleets/Equipment	<ul style="list-style-type: none"> Use data in Ultramain to make decision if it is good to start Predictive maintenance 	<ul style="list-style-type: none"> Ultramain Planners 	2-12-2016
2. Create parts list for systems to be repaired/replaced- revise as needed with inventory	<ul style="list-style-type: none"> Work with Inventory to identify parts 	<ul style="list-style-type: none"> Ultramain Planners Inventory 	3-18-2016
3. Create Maintenance Requirements for each system	<ul style="list-style-type: none"> Use manufacturer's manuals and standards to build MRs with part specifications 	<ul style="list-style-type: none"> Ultramain Planners 	3-31-2016
4. Attach Maintenance Requirements for bus fleet	<ul style="list-style-type: none"> Ultramain 	<ul style="list-style-type: none"> Ultramain Planners 	3-31-2016
5. Open work order for system to be repaired/replaced prior to being worked on	<ul style="list-style-type: none"> Work with inventory to ensure part availability according to schedule 	<ul style="list-style-type: none"> Ultramain Planners Inventory 	As needed
6. Monitor corrective maintenance, if any, is being required after Predictive Maintenance has been completed	<ul style="list-style-type: none"> Use data in Ultramain to track and report data 	<ul style="list-style-type: none"> Ultramain Planners 	12-31-2016

Below are budget and staffing highlights of the Asset & Configuration Management Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	0.0	0.0	763,704.76	793,295.96
501310	Overtime – Salaried Employees	0.0	0.0	0.0	0.0
502000	Fringe Benefits	0.0	0.0	260,000.0	289,626.28
503000	Services	0.0	0.0	134,648.0	99,150
503052	Other Maintenance Contracts	0.0	0.0	1,130,200.0	1,231,350
504000	Materials and Supplies	0.0	0.0	1,200.0	1,900
509000	Miscellaneous Expenses	0.0	0.0	5,950.0	8,600
512000	Leases & Rentals	0.0	0.0	0.0	0.0
Total:		0.0	0.0	2,295,702.76	2,295,702.76

Grade	Job Name	2012	2013	2014	2015
26	0837 Maintenance Planner	0.0	0.0	0.0	10.0
27	0884 Configuration Management Engineer	0.0	0.0	0.0	1.0
29	1695 Manager Asset & Configuration Mgmt	0.0	0.0	0.0	1.0
Total		0.0	0.0	0.0	12.0



Operations Division

2016 OPERATING BUDGET SUMMARY Department 34 – Transit Police

JOHN P. JOYCE, DIRECTOR OF SECURITY / CHIEF OF POLICE

Department Priorities for 2016

- ◆ 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 Republican National Convention.
- ◆ Install new computer and radio systems into all marked units.
- ◆ Initiate procurement process for Body Cameras for Transit Police Officers.

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.

	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Homicide	1	1	0	0
Rape	0	2	0	0
Robbery	253	159	91	167
Felonious Assault	12	19	24	25
Larceny/Theft	174	252	136	210
Auto Theft	21	14	25	21
Operator Assaults	12	19	11	14
Quality of Life Crimes (open container, disorderly conduct, trespassing, soliciting, disorderly conduct intoxication)	734	788	575	719
Misconduct on Public Transportation	4503	6546	5872	6170

Operations Division

2015 Highlights

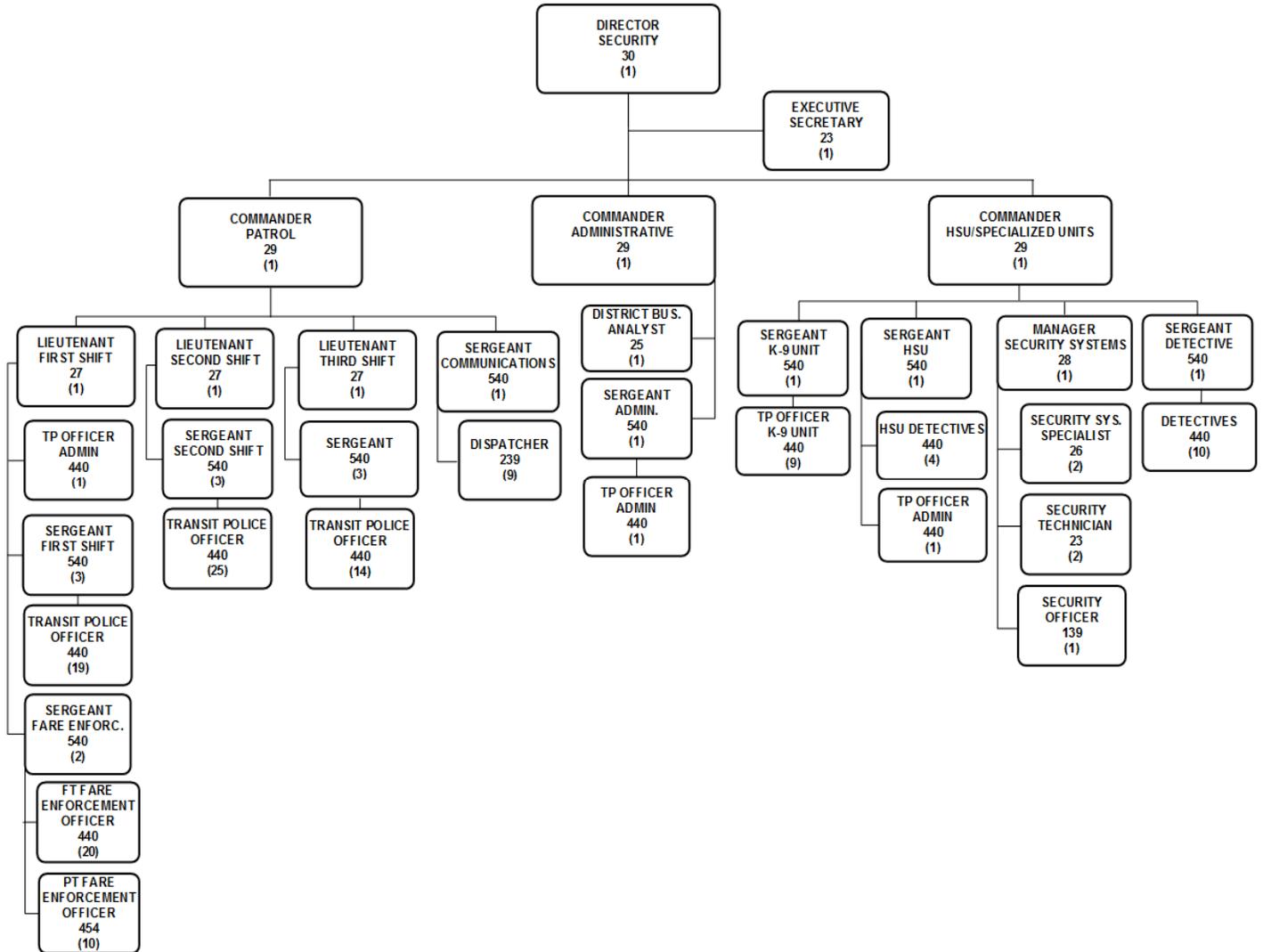
- ◆ Completed successful TSA Baseline Assessment and Security Enhancement (BASE).
- ◆ Increased GCRTA Police visibility on revenue vehicles and at passenger facilities through community policing initiatives and rush hour train details.
- ◆ Decreased overall Part I crime rates and Operator Assaults.
- ◆ Worked with Human Resources and brought the department to full budgeted staff for all Full-Time Officers and hired 2 new Police Dispatchers.
- ◆ Instituted new vehicle inspection procedures to ensure vehicle fleet is in top working condition and properly equipped.

Below are budget and staffing highlights of the Transit Police Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees Payroll	6,690,774.22	7,184,057.67	7,630,180.73	8,367,223.84
501210	Overtime – Hourly Employees	431,956.41	378,848.51	370,155.88	561,200.00
501300	Labor – Salaried Employees	755,208.50	777,845.38	784,661.12	1,013,090.93
501310	Overtime – Salaried Employees	141.08	0.00	0.00	10,000.00
502000	Fringe Benefits	2,735,551.13	2,965,477.84	3,108,400.26	3,802,361.52
503000	Services	398,888.61	131,520.07	186,097.26	201,150.00
504000	Materials & Supplies	43,088.51	64,113.79	100,161.81	139,900.00
506000	Casualty & Liability Costs	6,160.00	6,280.00	5,880.00	7,500.00
509000	Miscellaneous Expenses	32,341.86	42,007.65	27,785.16	61,600.00
512000	Leases & Rentals	4,028.16	4,748.16	4,750.88	8,000.00
Total:		11,098,138.48	11,554,899.07	12,218,073.10	14,172,026.30

Grade	Job Name	2013	2014	2015	2016
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 FT Transit Police Fare Enforcement	15.0	15.0	20.0	20.0
	0454 PT Transit Police Fare Enforcement	15.0	15.0	10.0	10.0
05	0540 Transit Police Sergeant	18.0	18.0	17.0	17.0
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
	1079 Security Technician	0.0	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	1.0	1.0	1.0	1.0
29	1248 Commander	0.0	0.0	3.0	3.0
	1356 Dpty Dir Security/Police	1.0	1.0	0.0	0.0
30	1151 Director Security/COP	1.0	1.0	1.0	1.0
Total		153.0	155.0	155.0	155.0

Operations Division



Operations Division

2016 OPERATING BUDGET SUMMARY Department 35 – Service Management

JOEL FREILICH, DIRECTOR Department Priorities for 2016

- ◆ Implement the 2016 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.

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.

2015 Highlights

- Improved the cost-effectiveness of fixed-route service
- Used an improved process to plan, schedule and communicate temporary and permanent service adjustments
- Prepared for the 2015 start and 2016 end of Public Square construction
- Improved safety & spacing of bus stops and installed more informative bus stop signs
- Completed a bus stop design guidelines document
- Addressed maintenance issues including Lexan safety barriers on the HealthLine

Operations Division

Specific	Measureable	Attainable/Realistic	Time-Bound
What you want to accomplish /deliver (Who, What, Where)	Measureable (How Much, How Many)	Attainable (The goal should be within your control)	Time-Bound (Must have a completion date)
<ul style="list-style-type: none"> Who: All sections of Service Management Department, SQ, Marketing What: Modify service to provide best service within available resources 	<ul style="list-style-type: none"> Persons within walking distance of transit stop Resources- vehicle miles and hours within budget Communications internal and external- including bus stop signs (directly carried out by Service Management) Capacity- reliable vehicles, etc. 		<ul style="list-style-type: none"> 4 Quarterly deadlines

Smart Goal: <u>S</u> pecific, <u>M</u> easureable, <u>A</u> ttainable/ <u>R</u> ealistic, <u>T</u> ime-bound			
Action Steps	Development Strategies	Ext. Resources Needed	Target Date
1. Bus Stop Group Meeting		<ul style="list-style-type: none"> Marketing, telephone information, SQ, Districts, Training, Municipalities 	
2. Create estimate of bus stop changes			
3. Ordering Materials			
4. Specify exact changes/location/of changes, and install signs and shelters- including removals			
4. Inform internal and external of changes			
5. Changes into HASTUS			

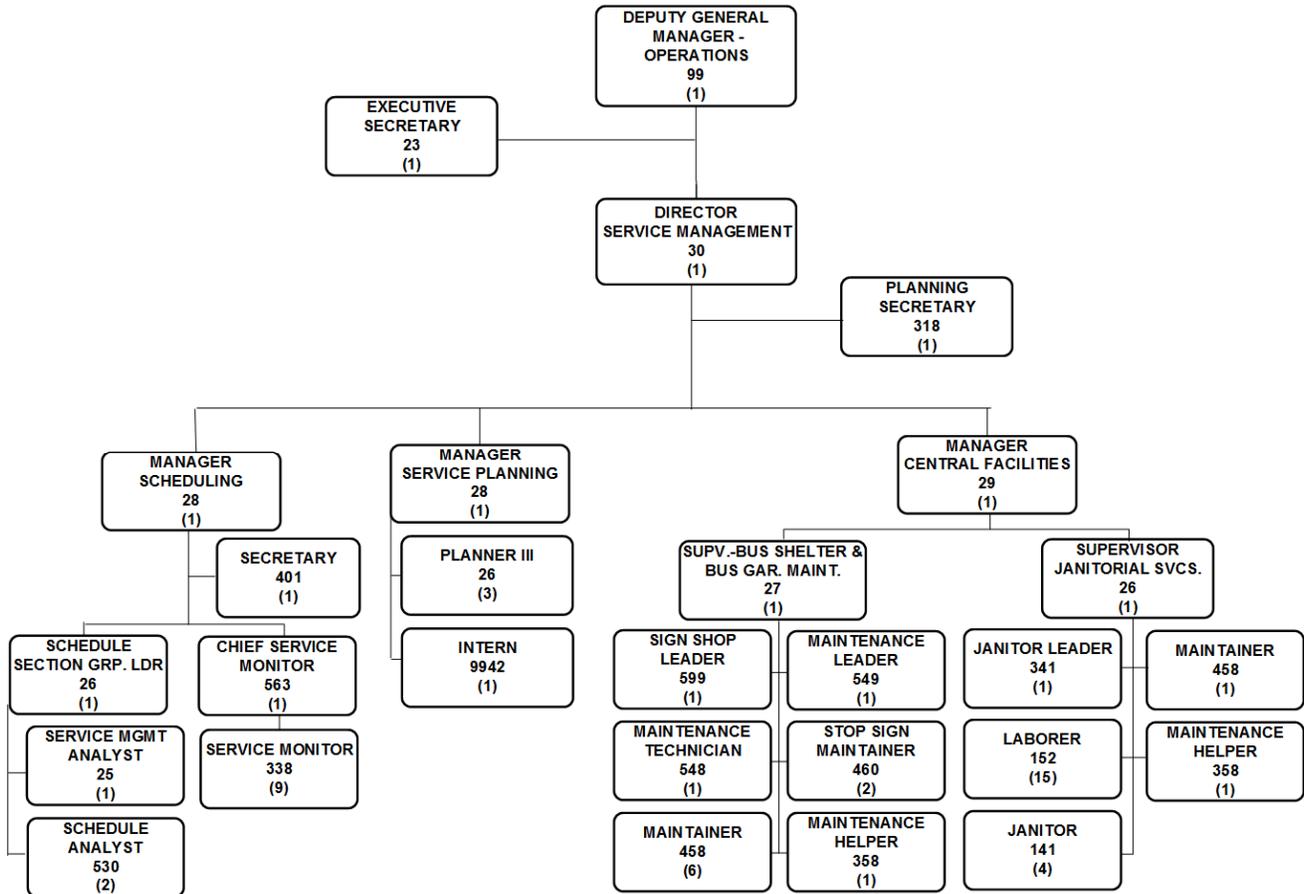
Below are budget and staffing highlights of the Service Management Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees Payroll	1,687,214	1,916,132	1,932,837	2,049,974
501210	Overtime – Hourly Employees	44,587	30,315	40,000	40,000
501300	Labor – Salaried Employees	1,773,370	1,999,886	1,382,641	1,357,997
501310	Overtime – Salaried Employees	334	38	1,000	1,000
502000	Fringe Benefits	1,278,133	1,480,182	1,217,930	1,256,619
502071	W/C –Injuries and Damages to Employees	445	0	0	0
503000	Services	774,071	234,427	176,960	177,208
503052	Other Maintenance Contracts	1,095,472	576,762	923,787	708,872
504000	Materials & Supplies	145,036	134,226	447,101	503,950
508024	Purchased Transportation – Work Access	1,200,000	648,897	0	100,000
509000	Miscellaneous Expenses	17,806	35,738	97,650	7,000
509022	Meals & Concessions	0	0	3,750	12,550
512000	Leases & Rentals	0	0	500	500
Total:		8,016,470	7,056,603	6,224,156	6,215,669

Operations Division

Grade	Job Name	2013	2014	2015	2016
01	9942 Service Management Intern	0.0	1.0	1.0	1.0
	0141 Janitor	4.0	4.0	4.0	4.0
	0152 Laborer	15.0	15.0	15.0	15.0
03	0318 Planning Secretary	1.0	1.0	1.0	1.0
	0338 Service Monitor	10.0	9.0	8.0	8.0
	0341 Janitor Leader	1.0	1.0	1.0	1.0
	0358 Maintenance Helper	2.0	2.0	2.0	2.0
04	0401 Secretary	1.0	1.0	1.0	1.0
	0447 Equipment Maintainer	1.0	0.0	0.0	0.0
	0458 Maintainer	7.0	7.0	7.0	7.0
	0460 Stop Sign Maintainer	2.0	2.0	2.0	2.0
05	0530 Schedule Analyst	2.0	2.0	2.0	2.0
	0548 Maintenance Technician	1.0	1.0	1.0	1.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0563 Chief Service Monitor	1.0	1.0	1.0	1.0
	0577 Dispatcher	1.0	1.0	1.0	0.0
	0599 Sign Shop Leader	0.0	1.0	1.0	1.0
	1962 Dispatch Analyst	0.0	0.0	1.0	0.0
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
25	0836 Mobility Specialist	2.0	2.0	2.0	0.0
	1085 District Business Analyst	2.0	2.0	1.0	0.0
26	0793 Scheduling Section Group Leader	0.0	0.0	1.0	1.0
	0837 Maintenance Planner	4.0	4.0	4.0	0.0
	0881 Systems Admin CITME	1.0	1.0	1.0	0.0
	0887 Transportation Data Analyst	2.0	1.0	1.0	0.0
	1691 ITS Specialist	0.0	2.0	2.0	0.0
	0900 Supv Janitorial Service	1.0	1.0	1.0	1.0
	1274 Planner III	1.0	3.0	3.0	3.0
	1625 Performance Leader Ops	2.0	0.0	0.0	0.0
27	0867 Bus Shltr/Grg Maint Supv	1.0	1.0	1.0	1.0
28	0854 Mgr Oper Analysis/Res/Sys	1.0	1.0	1.0	0.0
	1346 Mgr Service Planning	0.0	1.0	1.0	1.0
	1436 Manager Scheduling	1.0	1.0	1.0	1.0
	1695 Manager Facilities Configuration	0.0	1.0	1.0	0.0
29	0791 Mgr Central Facilities	1.0	1.0	1.0	1.0
	1621 Asst. Dir – Service Mgmt	1.0	1.0	1.0	0.0
30	0775 Director	1.0	1.0	1.0	1.0
99	9921 DGM Operations	1.0	1.0	1.0	1.0
Total		76.0	71.0	69.0	62.0

Operations Division



Operations Division

2016 OPERATING BUDGET SUMMARY Department 38 – Service Quality Management

RICHARD NEWELL, DIRECTOR

Department Priorities for 2016

- ◆ Continued focus on the goals established for the TEAM Initiatives.
- ◆ Continued efforts for improving on-time service delivery.
- ◆ Continued to focus on improving internal communications.
- ◆ Developed and implemented a certification program for all position classifications in SQ.
- ◆ Continued use of performance management system for supervisors which assigns point values to supervisory work behaviors/tasks; which not only establishes a quantifiable basis for performance assessments, but also creates an indirect method for managers to set work priorities in response to the dynamics of a changing work environment.
- ◆ Continued use of Commuter Alerts Program. This Program allows for the transmission of certain service status information to rail customers via e-mail and text. A comparable service is planned for bus customers in the future.
- ◆ Developed a 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.
- ◆ 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 Winter Service Plan.
- ◆ Began text messaging for operators to reduce voice radio traffic.
- ◆ Developed a plan for SQ supervisors to conduct DriveCam coaching in the field.
- ◆ Continued to aggressively support and participate in the TransitStat program.
- ◆ Continued to support Brand Management activities.

Mission Statement

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

2015 Highlights

- ◆ Continued work with Service Management Department to adjust time points.
- ◆ Continued to work with Service Management Department to adjust time points.
- ◆ Coordinated with Safety and Battelle to support implementation of the E-TRP project.
- ◆ Established the Communications Specialist Position.

Operations Division

Specific	Measureable	Attainable/Realistic	Time-Bound
<p>What you want to accomplish /deliver (Who, What, Where)</p> <p>Who: Service Quality, Bus and Rail Districts, Training, Safety</p> <p>What: Improve service efficiency by focusing on safety, customer service, and schedule at each stop</p> <p>Where: Field operations</p> <p>When: 2016 and ongoing</p>	<p>Measureable (How Much, How Many)</p> <ul style="list-style-type: none"> • Reduced preventable accidents • Reduced customer complaints • Increased on time performance 	<p>Attainable (The goal should be within your control)</p> <ul style="list-style-type: none"> • 1 accident per every 100,000 miles • 1 Ride Happy Ride Free per every 30,000 riders • 80% on time performance 	<p>Time-Bound (Must have a completion date)</p> <ul style="list-style-type: none"> • On-going/December 31, 2016

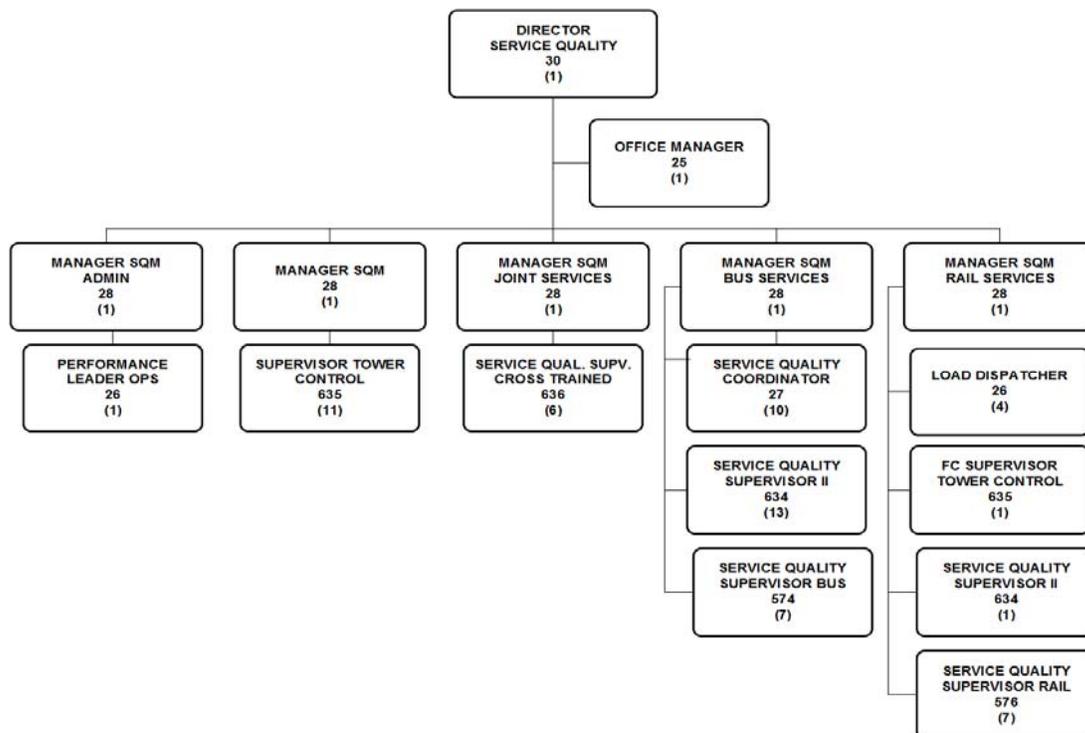
Smart Goal: S pecific, M easureable, A ttainable/ R ealistic, T ime-bound			
Action Steps	Development Strategies	Resources Needed	Target Date
1. Roll out One Stop at a Time at each Operating District	<ul style="list-style-type: none"> • SQ & DGM of Operations visits each operating district to meet with Management staff and operators • Present initiative at Accident Prevention Weeks at Districts for new operators 	<ul style="list-style-type: none"> • Districts • SQ • Training 	3/31/16 Quarterly
2. Measure performance metrics before implementation of initiative	<ul style="list-style-type: none"> • Analyze 2015 metrics for preventable accidents, customer complaints and on time performance 	<ul style="list-style-type: none"> • Customer Service • Risk Management • SQ 	2/1/16
3. Train SQ Supervisors to support operators in the initiative	<ul style="list-style-type: none"> • Present initiative to SQ Supervisors 	<ul style="list-style-type: none"> • SQ • External Training 	6/30/16
4. Measure performance metrics after implementation of initiative	<ul style="list-style-type: none"> • Analyze 2016 metrics for preventable accidents, customer complaints, and on time performance 	<ul style="list-style-type: none"> • SQ • Customer Service • Risk Management 	1/1/17

Operations Division

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

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees Payroll	30,820.10	65,487.27	73,336.55	0.00
501210	Overtime – Hourly Employees	0.00	0.00	100.00	0.00
501300	Labor – Salaried Employees	4,045,879.31	4,135,631.87	4,529,950.99	5,816,883.77
501310	Overtime – Salaried Employees	317,765.54	366,816.55	294,446.81	294,446.81
502000	Fringe Benefits	1,499,869.99	1,670,838.26	1,774,803.64	2,212,714.43
503000	Services	0.00	59,190.00	47,144.00	36,000.00
504000	Materials & Supplies	(4,419.52)	2,158.12	5,800.00	2,000.00
509000	Miscellaneous Expenses	3,901.22	2,563.43	19,600.00	9,500.00
509022	Meals & Concessions	0.00	0.00	500.00	17,650.00
Total:		5,893,816.64	6,302,685.50	6,745,681.98	8,389,195.02

Grade	Job Name	2012	2013	2014	2015
01	1676 Mobile Clean Ambassador	1.0	1.0	1.0	0.0
	1677 Mobile Clean Ambassador - PT	1.0	1.5	1.5	0.0
05	0574 Service Quality Supervisor I	7.0	7.0	7.0	7.0
	0576 Service Quality Supervisor	7.0	7.0	7.0	7.0
06	0634 Service Quality Supervisor II	13.0	14.0	11.0	11.0
	0635 Supervisor Control Tower	12.0	12.0	12.0	12.0
	0636 Supervisor Cross Trained	6.0	6.0	9.0	9.0
25	1675 Office Manager	0.0	0.0	1.0	1.0
26	1137 Load Dispatcher	5.0	5.0	4.0	4.0
	1625 Performance Leader Ops	1.0	1.0	1.0	1.0
27	1147 Service Quality Coordinator	10.0	10.0	10.0	10.0
28	0890 Manager Service Quality	4.0	5.0	5.0	5.0
30	1351 Director Service Quality	1.0	1.0	1.0	1.0
Total		68.0	70.5	70.5	68.0



Operations Division

2016 OPERATING BUDGET SUMMARY Department 39 – Fleet Management

RONALD BARON, DIRECTOR

Department Priorities for 2016

- ◆ Support the Predictive Maintenance Program Plan (PMPP) implementation at Hayden, Triskett, Rail, and Electronic Repair.
- ◆ Use Computer Integrated Transit Maintenance Environment (CITME) to streamline inventory and maintenance processes.
- ◆ Provide technical support to departments within the Authority to support the progress of product reliability and sound maintenance practices.
- ◆ Administer Quality Assurance/Warranty program to ensure the receipt of quality goods/services and warranty recovery.
- ◆ Improve vehicle reliability and miles between service interruptions through data analysis; improve maintenance procedures and communication with the bus districts.
- ◆ Administer and control provision and delivery of materials within the inventory materials and supplies budget to all user departments.
- ◆ Manage the purchase of new vehicles and ensure the delivery of quality built vehicles that meet the needs of the Authority.
- ◆ Continue to improve efficiencies through the use of TransitStat data to control labor and material costs while maintaining Fleet Management operations.
- ◆ Manage contracts and associated budgets assigned to Fleet Management.
- ◆ Complete facility modifications to CBMF to accommodate new CNG buses.

Mission Statement

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

2015 Highlights

- ◆ Inspected, received and successfully prepped 90 Gillig CNG 40' buses for revenue service in less than 30 days from time of delivery to RTA property.
- ◆ Began rebuild of RTV transmission and energy storage system, which is expected to save RTA over \$400,000 as well as reduce RTV downtime.
- ◆ Began campaign to replace TVM shells from carbon steel to stainless steel.
- ◆ Implemented 5S in CBMF Brake department, Electronic Repair shop at Woodhill, and Transmission rebuild section.
- ◆ Identified and led CWRU Lean Six Sigma projects on Hayden Storeroom and CBM Warehouse.
- ◆ Completed Electronic Repair move from CBMF to Woodhill, which has led to a much improved workspace that in turn led to gains in efficiency and quality.
- ◆ Fleet Management took over spec writing for products and services.
- ◆ Fleet Management took over the process of selling obsolete vehicles for the RTA.
- ◆ Completed the installation of LED STOP lights, proximity sensors, decal lights, and strobe lights on 50 NABI buses and 23 New Flyer buses.
- ◆ Facilities PM Maintenance On-Time performance estimated to be at 95%.

Operations Division

Specific	Measurable	Attainable/Realistic	Time-Bound
What you want to accomplish /deliver (Who, What, Where)	Measurable (How Much, How Many)	Attainable (The goal should be within your control)	Time-Bound (Must have a completion date)
<ul style="list-style-type: none"> Who: Inventory Dept., ER, Asset Mgmt., District Mgmt., Procurement What: Materials support, system/component ID, labor Where: Central Inventory, Woodhill and Districts When: On-going 	<ul style="list-style-type: none"> Identify required inventory and ER parts Provide all inventory parts required for PMP efforts throughout the authority Staying within budget provided for PMP 	<ul style="list-style-type: none"> Working with Asset Management Dept., Electronic Repair, and the repair districts we will assist in developing the appropriate list of parts for their PMP efforts 	<ul style="list-style-type: none"> 2016 through the duration of PMP efforts

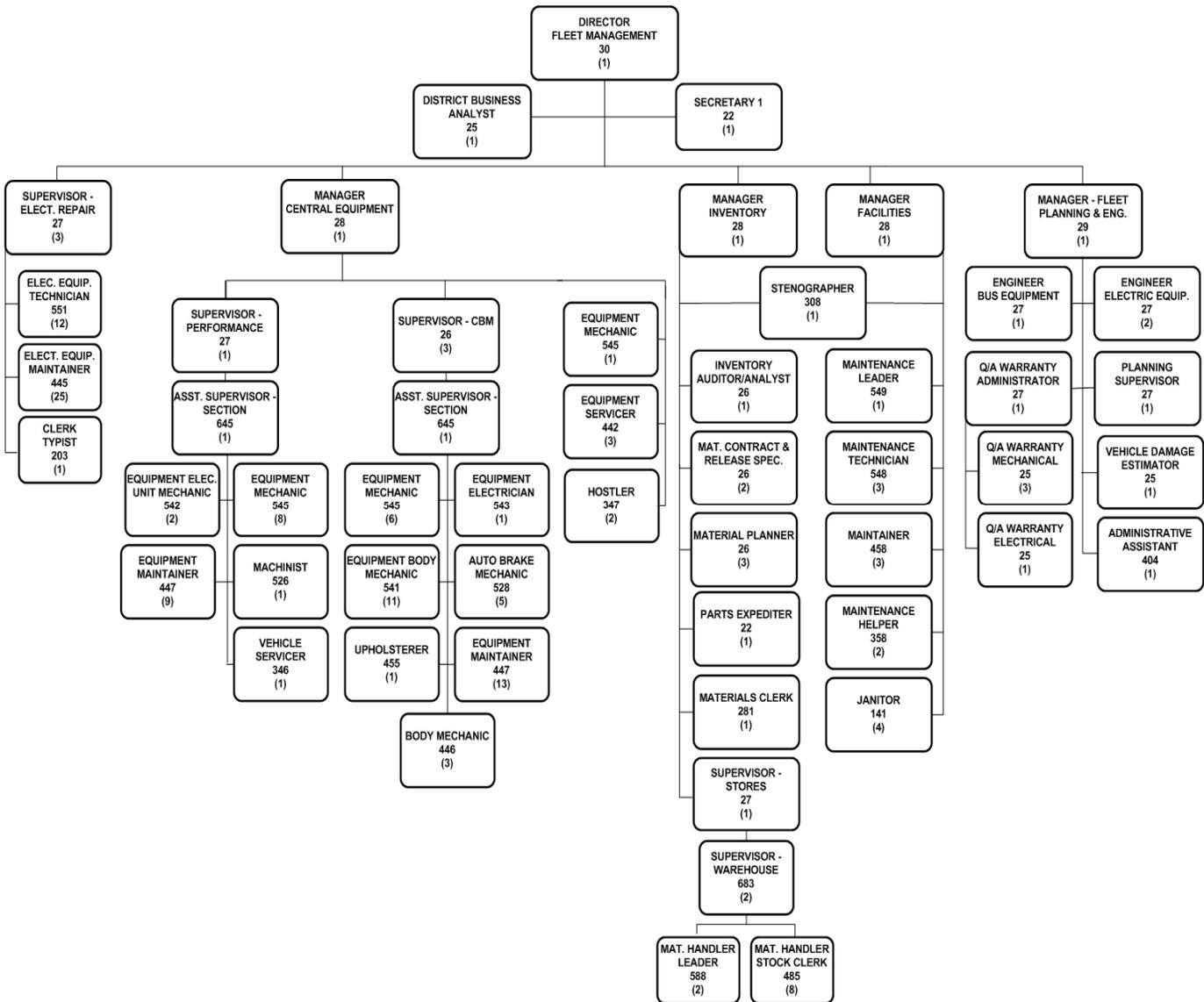
Smart Goal: <u>S</u> pecific, <u>M</u> easurable, <u>A</u> ttainable/ <u>R</u> ealistic, <u>T</u> ime-bound			
Action Steps	Development Strategies	Resources Needed	Target Date
1. Using the provided matrix, identify required parts for each PMP asset	<ul style="list-style-type: none"> Obtaining the matrix as soon as it is available Identify which ER systems are candidates for PMP Develop part numbers Set-up the parts into Ultramain 	<ul style="list-style-type: none"> Inventory Material Planner Asset Management District Personnel ER Personnel 	<ul style="list-style-type: none"> On-going as new assets are identified for inclusion into PMP
2. Utilizing the resulting parts lists, develop kits for specific systems contained in each asset	<ul style="list-style-type: none"> Understanding scope of work, determine if there should be one kit for entire asset or multiple kits for specific systems in the asset 	<ul style="list-style-type: none"> Inventory Material Planner Asset Management District Personnel ER Personnel 	<ul style="list-style-type: none"> On-going as new assets are identified for inclusion into PMP
3. Procure required kits for each asset or procure the individual parts and kit the parts in the Inventory Central Warehouse	<ul style="list-style-type: none"> With the knowledge of which parts are required and how kits will be formed create stock requisitions and expedite 	<ul style="list-style-type: none"> Inventory Material Planner Procurement Inventory Specialist ER Personnel 	<ul style="list-style-type: none"> On-going as new assets are identified for inclusion into PMP
4. Deliver kits to appropriate District at the appropriate time to support the efforts of the District	<ul style="list-style-type: none"> Inventory Dept. will pack kits Kits will be labeled with asset and system identification Kits will be delivered to District and segregated for PMP use 	<ul style="list-style-type: none"> Supervisor of Stores Inventory Personnel at Central Warehouse District storeroom personnel ER Personnel 	<ul style="list-style-type: none"> On-going as new assets are identified for inclusion into PMP

Operations Division

Below are budget and staffing highlights of the Fleet Management Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees Payroll	5,597,304.33	6,358,092.64	6,488,402.00	7,235,102.23
501210	Overtime – Hourly Employees	283,071.26	335,061.95	237,325.89	285,600.00
501300	Labor – Salaried Employees	2,448,396.48	2,678,706.61	2,284,860.62	2,523,032.46
501310	Overtime – Salaried Employees	428.55	1,011.81	3,804.10	8,000.00
502000	Fringe Benefits	3,183,629.28	3,788,152.26	3,910,306.84	3,651,378.95
502071	W.C. – Injuries & Damages	1,782.98	5,199.96	406.12	0.00
503000	Services	220,256.66	204,822.59	149,925.85	258,955.00
503052	Other Maintenance Contracts	24,294.70	216,921.59	276,014.42	323,334.00
504000	Materials & Supplies	431,839.60	428,885.15	384,134.76	352,400.00
201009	Materials & Supplies – Inventory	12,113,653.92	11,799,003.86	13,959,662.59	14,900,000.00
504020	Diesel Fuel	13,956,182.67	14,138,836.49	11,855,506.92	9,274,280.00
504021	Compressed Natural Gas	0.00	0.00	0.00	0.00
504031	Gasoline	420,351.55	424,835.88	311,724.92	536,250.00
504090	Tires & Tubes	1,564,500.00	1,389,783.27	1,914,606.93	1,550,000.00
507050	State Fuel Tax	1,343,705.48	1,416,438.59	1,399,387.38	1,354,987.75
509000	Miscellaneous Expenses	36,379.33	67,996.87	58,634.07	71,203.00
512000	Leases & Rentals	0.00	0.00	0.00	0.00
Total:		41,625,776.79	43,253,749.52	43,234,703.41	42,324,523.39
Total (Net Inventory):		29,512,122.87	31,454,745.66	29,275,040.82	27,424,523.39

Operations Division



Operations Division

Grade	Job Name	2013	2014	2015	2016
01	0141 Janitor	4.0	4.0	4.0	4.0
02	0203 Clerk Typist	1.0	1.0	1.0	1.0
	0281 Materials Clerk	1.0	1.0	1.0	1.0
03	0308 Stenographer	1.0	1.0	1.0	1.0
	0347 Hostler	3.0	3.0	2.0	2.0
	0358 Maintenance Helper	2.0	2.0	2.0	2.0
04	0404 Administrative Assistant	1.0	1.0	1.0	1.0
	0442 Equipment Servicer	3.0	3.0	3.0	6.0
	0445 Elec Equipment Maintainer	21.0	25.0	25.0	25.0
	0446 Body Mechanic	3.0	3.0	3.0	4.0
	0447 Equipment Maintainer	21.0	21.0	22.0	18.0
	0455 Upholsterer	1.0	1.0	1.0	1.0
	0458 Maintainer	3.0	3.0	3.0	3.0
	0485 Mat Handler/Stock Clerk	8.0	8.0	8.0	9.0
05	0526 Machinist	1.0	1.0	1.0	1.0
	0528 Automotive Brake Mechanic	5.0	5.0	5.0	5.0
	0537 Administrative Assistant	0.0	0.0	0.0	0.0
	0541 Equipment Body Mechanic	11.0	11.0	11.0	11.0
	0542 Equip Elec Unit Mechanic	2.0	2.0	2.0	2.0
	0543 Equipment Electrician	1.0	1.0	1.0	1.0
	0545 Equipment Mechanic	16.0	16.0	16.0	16.0
	0548 Maintenance Technician	3.0	3.0	3.0	3.0
	0549 Maintenance Leader	1.0	1.0	1.0	1.0
	0551 Elec Equipment Technician	10.0	12.0	12.0	12.0
	0566 Certified Welder	0.0	0.0	0.0	0.0
	0588 Material Handler Leader	2.0	2.0	2.0	2.0
	0598 Material Mechanic Tech	0.0	0.0	0.0	0.0
06	0645 Asst Supervisor Section	2.0	2.0	2.0	2.0
	0683 Supervisor Warehouse	2.0	2.0	2.0	2.0
22	0721 Secretary I	1.0	1.0	1.0	1.0
24	1685 Inventory Specialist	0.0	0.0	0.0	1.0
25	1047 QA/Warranty Electrical	1.0	1.0	1.0	1.0
	1048 QA/Warranty Mechanical	3.0	3.0	3.0	3.0
	1062 Vehicle Damage Estimator	1.0	1.0	1.0	1.0
	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	0837 Maintenance Planner	5.0	6.0	0.0	0.0
	0863 Mat Cont & Release Spec	2.0	2.0	2.0	2.0
	0874 Inventory Auditor/Analyst	1.0	1.0	1.0	1.0
	0889 Material Planner	3.0	3.0	3.0	3.0
	1258 Supervisor CBM	3.0	3.0	3.0	3.0
27	0753 Supervisor Elec Repair	3.0	3.0	3.0	2.0
	0883 Config Mgmt Eng Fac	0.0	0.0	0.0	0.0
	0884 Config Mgmt Eng Vehicles	1.0	1.0	0.0	0.0
	1050 Supervisor Performance	1.0	1.0	1.0	1.0
	1173 Supervisor Stores	1.0	1.0	1.0	1.0
	1251 QA/Warranty Administrator	1.0	1.0	1.0	1.0
	1327 Equip Engineer Electrical	1.0	2.0	2.0	2.0
	1341 Engineer Bus Equipment	1.0	1.0	1.0	1.0
28	0759 Mgr Central Equipment	1.0	1.0	1.0	1.0
	0761 Manager Facilities	1.0	1.0	1.0	1.0
	0774 Manager Inventory	1.0	1.0	1.0	1.0
	1686 Manager of Electronic Repair	0.0	0.0	0.0	1.0
29	0768 Mgr Fleet Planning & Eng	1.0	1.0	1.0	1.0
30	0779 Director	1.0	1.0	1.0	1.0
	Total	165.0	173.0	166.0	167.0

Operations Division

2016 OPERATING BUDGET SUMMARY Department 43 – Pass Thrus

MICHAEL YORK
DEPUTY GENERAL MANAGER – OPERATIONS

Mission Statement

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

Department Priorities for 2016

- ◆ Administer 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.

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
509100	Brunswick Operating Assistance	\$235,053	284,343	318,923	320,000
509107	Pass Through Medina – MCPT	0.0	370,000	63,160	348,883
Total:		\$235,053	654,343	382,083	668,883

Operations Division

2016 OPERATING BUDGET SUMMARY Department 46 – Hayden District

DR. FLOUN'SAY CAVER, DISTRICT DIRECTOR

Department Priorities for 2016

- ◆ Implement Predictive Maintenance Program on the remaining HealthLine fleet and begin Predictive Maintenance Program on the Gillig fleet.
- ◆ Complete 18 of 24 HealthLine RTV Predictive Maintenance 210K Mid-Life Overhauls.
- ◆ Complete all Gillig 50K Predictive Maintenance Services.
- ◆ Achieve 9,000 Miles Between Service Interruptions.
- ◆ Leverage the DriveCam Performance Monitoring System in order to achieve collisions and risky driving reductions.
- ◆ Achieve vehicle cleanliness goal of 14 days between major cleans.

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.

2015 Highlights

- ◆ Vital Few Objective (VFO): Procured the Predictive Maintenance Consultant
- ◆ Vital Few Objective (VFO): Implemented the Predictive Maintenance Program Plan
- ◆ Vital Few Objective (VFO): Completed the first two Predictive Maintenance Vehicles (210K) Mid-Life
- ◆ Vital Few Objective (VFO): Achieved 8,000 miles between service interruptions in October and November 2015. December 2015 estimate is 9,000 miles between service interruptions.
- ◆ Completed the 2015 asset validation for 100% of Hayden assets in compliance with MAP-21 requirements
- ◆ Installed the CNG Compression Station at Hayden
- ◆ Rolled out 90 new 2015 CNG Gillig buses
- ◆ Completed all building modifications in order to obtain a CNG occupancy permit for light maintenance.
- ◆ Implemented the DriveCam IPad field coaching program.

Operations Division

Specific	Measureable	Attainable/Realistic	Time-Bound
What you want to accomplish /deliver (Who, What, Where)	Measureable (How Much, How Many)	Attainable (The goal should be within your control)	Time-Bound (Must have a completion date)
<ul style="list-style-type: none"> Complete twenty 210K Midlife services on the 2900 fleet (Glen Marzette) Complete all 50K Planned Maintenance on the 3300 Gillig Fleet Strategically complete the 100K Maintenance on the 26/28 Fleet 	<ul style="list-style-type: none"> 20 RTVs by Year-end 2016 Approximately 90 Gilligs by year-end 2016 Specific coaches 26/28 and specific systems to be identified by Asset Management, Inv. and Hayden. 	<ul style="list-style-type: none"> 20 is a stretch goal. With interdepartmental cooperation, it is attainable. Must occur. May need assistance from CBM. . Not all parts are ordered. No goal established yet. Must identify the strategic opportunities. May need assistance from CBM 	<ul style="list-style-type: none"> December 31, 2016 Dec 31, 2016 March 31, 2016 for identification and plan.

Smart Goal: <u>S</u> pecific, <u>M</u> easureable, <u>A</u> ttainable/ <u>R</u> ealistic, <u>T</u> ime-bound			
Action Steps	Development Strategies	Resources Needed	Target Date
1. Identify 2900 with the highest risk for the upcoming 210K.	<ul style="list-style-type: none"> Use SQ and UltraMain Data in order to identify the worst performing 2900s and complete them first. 	<ul style="list-style-type: none"> Kitted Parts, Hayden Labor Availability, Planner assistance and CBM for heavy repairs, ie Transmission or Brakes. 	12-31-16 Monthly Updates in TransitStat
2. Identify upcoming 50K Gilligs	<ul style="list-style-type: none"> Work with Planner and Code Red in order to create strategy for completing all buses within the year. 	<ul style="list-style-type: none"> Code Red Planner 	12-31-16
3. Complete 50K services	<ul style="list-style-type: none"> Identify 50K service team members Review Predictive Maintenance goals Make daily assignments 	<ul style="list-style-type: none"> Parts and kits Labor hours Potentially CBM assistance 	Develop plan 3-31-16 Complete services 12/2016
4. Strategically begin 26/28 Predictive Maintenance 100K	<ul style="list-style-type: none"> Work with Code Red and Planners to identify worst performance 26/2800s. Schedule them for the 100K service 	<ul style="list-style-type: none"> Planner and Code Red Labor Hours Potentially CBM assistance 	3-31-16

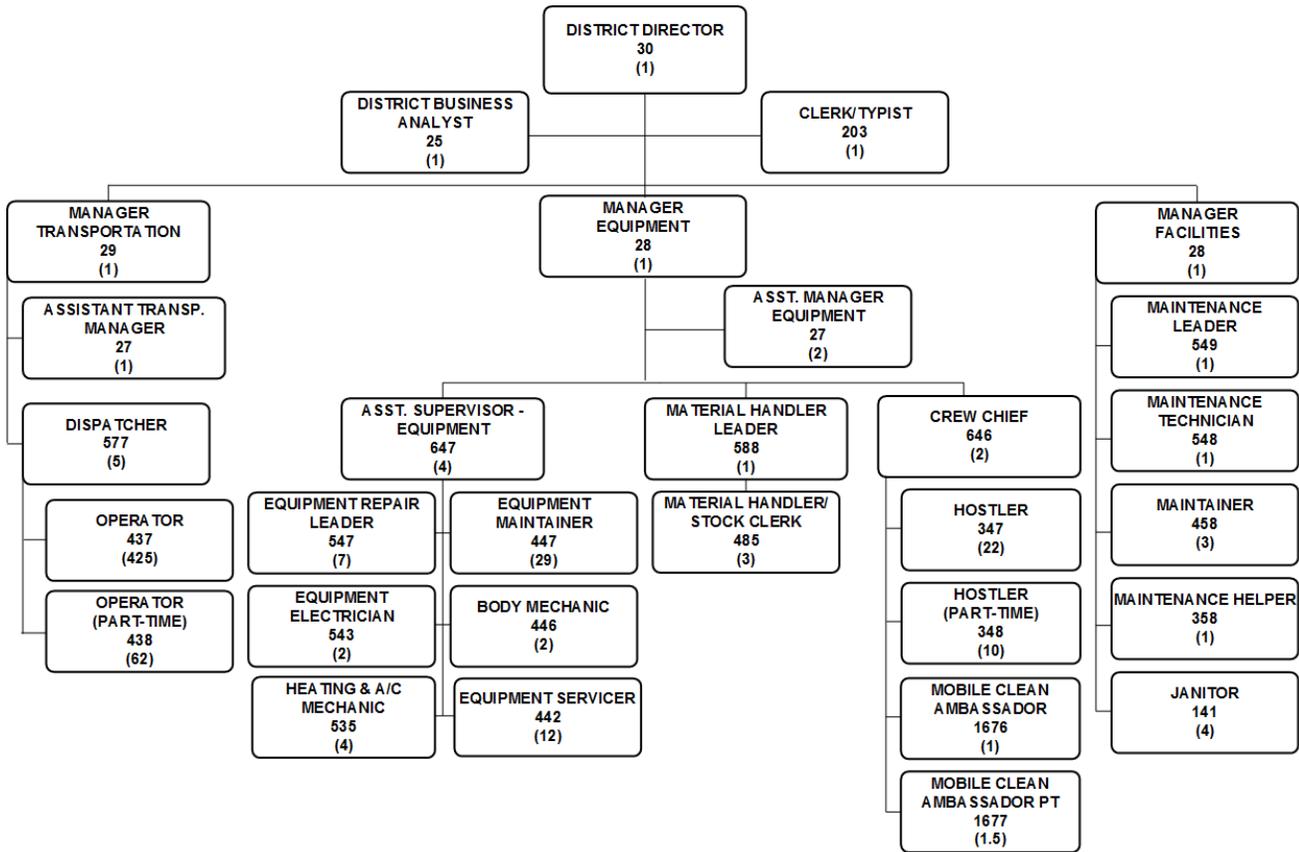
Operations Division

Below are budget and staffing highlights of the Hayden District Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501100	Operator Labor	23,321,576.12	23,497,749.44	21,331,957.57	25,581,058.00
501110	Overtime – Bus Operators	1,909,191.53	2,982,223.45	4,027,809.92	2,464,407.00
501200	Hourly Employees Payroll	5,534,442.27	5,690,753.98	6,436,726.79	5,308,148.72
501210	Overtime – Hourly Employees	571,011.93	702,436.70	378,798.68	351,375.00
501300	Labor – Salaried Employees	945,322.07	1,145,143.32	1,145,358.01	1,348,180.19
501310	Overtime – Salaried Employees	110,375.20	156,340.59	129,378.91	80,000.00
502000	Fringe Benefits	11,501,995.84	12,516,283.03	12,975,427.99	12,645,051.83
502071	W.C. – Injuries & Damages	6,278.23	9,248.12	2,665.98	0.00
503000	Services	38,792.43	15,768.40	160,260.91	51,000.00
504000	Materials & Supplies	83,386.47	123,422.28	136,696.97	553,420.00
509000	Miscellaneous Expenses	3,258.38	1,143.49	1,480.05	7,860.00
509022	Meals & Concessions	0.00	0.00	0.00	1,500.00
512000	Leases & Rentals	0.00	0.00	0.00	1,000.00
Total:		44,025,630.47	46,840,512.80	46,726,561.78	48,393,000.74

Grade	Job Name	2013	2014	2015	2016
01	0141 Janitor	4.0	4.0	4.0	4.0
	1676 Mobile Clean Ambassador	0.0	0.0	1.0	1.0
	1677 Mobile Clean Ambassador PT	0.0	0.0	1.5	1.5
02	0203 Clerk/Typist	1.0	1.0	1.0	1.0
03	0347 Hostler	22.0	21.0	21.0	22.0
	0348 Hostler PT	11.0	11.0	11.0	10.0
	0358 Maintenance Helper	1.0	1.0	1.0	1.0
04	0437 Operator	426.0	434.0	428.0	425.0
	0438 Operator PT	63.0	62.0	61.0	62.0
	0442 Equipment Servicer	6.0	12.0	13.0	12.0
	0446 Body Mechanic	2.0	2.0	2.0	2.0
	0447 Equipment Maintainer	35.0	29.0	29.0	29.0
	0458 Maintainer	3.0	3.0	3.0	3.0
	0485 Mat Handler/Stock Clerk	4.0	3.0	3.0	3.0
05	0535 Heating/AC 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	1.0	1.0
06	0646 Crew Chief	2.0	2.0	2.0	2.0
	0647 Asst Supervisor Equip	4.0	4.0	4.0	4.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
27	1705 Assistant Equipment Manager	0.0	2.0	2.0	2.0
	1088 Assistant Transportation Manager	0.0	0.0	0.0	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		609.0	616.0	612.5	611.5

Operations Division



Operations Division

2016 OPERATING BUDGET SUMMARY Department 49 – Triskett District

CATHERINE EATON, DISTRICT DIRECTOR

Department Priorities for 2016

- ◆ 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.
- ◆ In servicing New Trolley Fleet
- ◆ Training operator, hostlers and mechanics on New Trolley coaches.
- ◆ Entering service plans for New Trolley Fleet and 3200s into the Ultramain /Citme
- ◆ 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.

Mission Statement

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

	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Vehicle Miles (III, IV)	6,572,478	6,660,828	7,046,995	7,003,023
Preventable Collisions per 100,000 miles (I, II, III, IV, VI, VII)	1.06	1.47	1.63	1.40
Collision Accidents per 100,000 miles (I, II, III, IV, VI, VII)	3.54	4.39	4.63	2.9
Miles Between Service Interruptions (I, II, III, IV, VI, VII)	6,727	5,947	6,471	8,500
Absence Rate (II, IV, VI, VII)	4.8%	5.0%	6.8%	5.0%

2015 Highlights

- ◆ Aggressively work with operators to reduce collisions and on the job injury.
- ◆ Monitor Drive Cam events and aggressively work with operators to reduce the frequency of events caused by risky behavior.
- ◆ Continue Safe driving competition: a TEAM-based incentive program offering a reward to members of the team with the lowest number of accidents.
- ◆ Reduced vehicle tows by evaluating each tow and road call as not to duplicate towing
- ◆ Achieve vehicle cleanliness goals of less than 14 days between interior washes.
- ◆ PM Compliance of 90% or higher
- ◆ Maintain and ensure on time service for the new CSU line.
- ◆ Effectively Manage Overtime to cover staffing deficiency
- ◆ Continue vehicle cleanliness goals
- ◆ Vital Few Objective (VFO) Increase on time reliable service. Grow Passenger Satisfaction
- ◆ Achieve 8,000 miles between service interruptions throughout the year 2016
- ◆ In Service new Trolley Fleet (12)
- ◆ Support the RTA Mission, Vision, Values

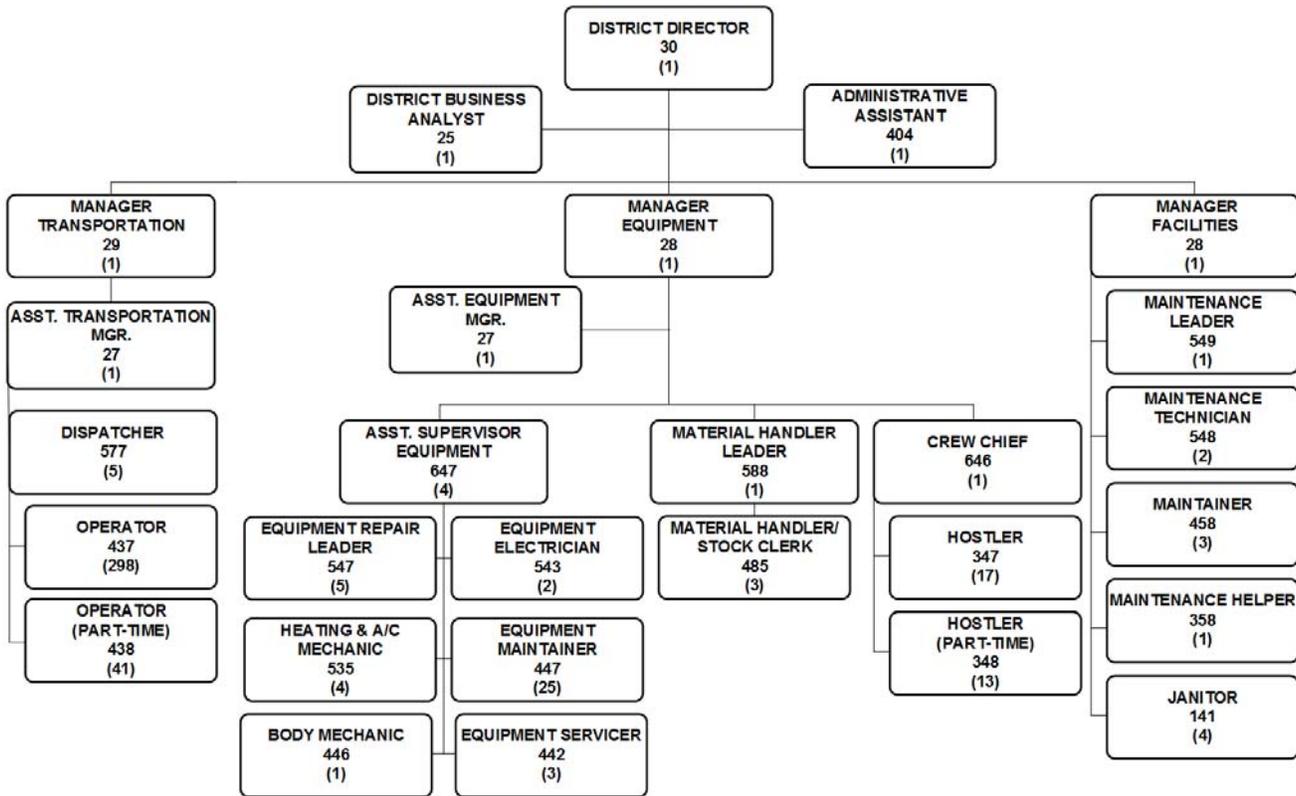
Operations Division

Below are budget and staffing highlights of the Triskett District Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
501100	Operator Labor	15,758,332.95	15,425,027.77	14,946,019.77	15,914,009.00
501110	Overtime – Bus Operators	1,292,303.43	1,579,919.75	2,470,492.14	1,860,079.00
501200	Hourly Employees Payroll	4,031,581.65	4,124,458.76	4,340,803.78	4,294,845.48
501210	Overtime – Hourly Employees	422,135.70	574,559.91	226,431.87	301,350.00
501300	Labor – Salaried Employees	1,089,049.88	1,108,211.05	1,083,722.27	1,259,502.30
501310	Overtime – Salaried Employees	171,016.61	128,057.30	102,305.51	80,000.00
502000	Fringe Benefits	8,083,237.19	8,502,003.36	8,306,509.45	8,515,542.85
502071	W.C. – Injuries & Damages	2,796.18	3,518.74	3,650.31	0.00
503000	Services	22,080.13	36,097.99	65,957.80	73,300.00
503049	Temporary Help	11,600.00	(3,052.49)	0.00	0.00
504000	Materials & Supplies	87,295.74	89,632.36	88,841.12	78,300.00
509000	Miscellaneous Expenses	1,712.79	1,764.69	1,657.19	17,500.00
509022	Meals & Concessions	0.00	0.00	0.00	500.00
512000	Leases & Rentals	0.00	0.00	0.00	1,500.00
Total:		30,973,142.25	31,570,199.19	31,636,391.21	32,396,428.62

Grade	Job Name	2013	2014	2015	2016
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	13.0	13.0
	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	276.0	293.0	290.0	298.0
	0438 Operator PT	45.0	43.0	41.0	41.0
	0442 Equipment Servicer	3.0	4.0	4.0	3.0
	0446 Body Mechanic	1.0	1.0	1.0	1.0
	0447 Equipment Maintainer	26.0	25.0	25.0	25.0
	0458 Maintainer	3.0	3.0	3.0	3.0
	0485 Mat Handler/Stock Clerk	3.0	3.0	3.0	3.0
05	0535 Heating/AC Mechanic	4.0	4.0	4.0	4.0
	0543 Equipment Electrician	1.0	1.0	1.0	2.0
	0547 Equipment Repair Leader	6.0	6.0	6.0	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	1.0	1.0
06	0646 Crew Chief	1.0	1.0	1.0	1.0
	0647 Asst Supervisor Equip	4.0	4.0	4.0	4.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
27	1088 Asst Transportation Mgr	0.0	0.0	0.0	1.0
	1705 Asst Equipment Mgt	0.0	0.0	0.0	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		423.0	438.0	433.0	442.0

Operations Division



Operations Division

2016 OPERATING BUDGET SUMMARY

Department 58 – Intelligent Transportation Systems

MICHAEL LIVELY, MANAGER

Department Priorities for 2016

- ◆ Increase service efficiency through managing and implementing Operating Transit Systems that share reliable, accurate information on RTA's service
- ◆ Support and complete the ICC Modernization Project.
- ◆ Complete project plan and acquire hardware for Ultramain upgrade
- ◆ Refine the ITS Purchase Approval process
- ◆ Develop and launch a USI Training Program

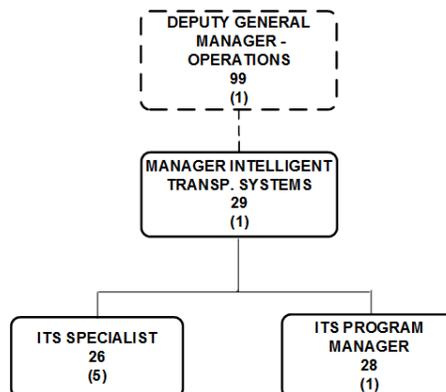
Obj. Class	Description	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
501300	Labor – Salaried Employees	0	0	0	466,273
501310	Overtime – Salaried Employees	0	0	0	0
502000	Fringe Benefits	0	0	0	170,233
503000	Services	0	0	0	0
503052	Other Maintenance Contracts	0	0	0	249,500
504000	Materials & Supplies	0	0	0	100,600
509000	Miscellaneous Expenses	0	0	0	24,000
509022	Meals & Concessions	0	0	0	250
512000	Leases & Rentals	0	0	0	0
Total:		0	0	0	761,356

Grade	Job Name	2013	2014	2015	2016
26	ITS Specialist	0.0	0.0	0.0	5
28	ITS Program Manager	0.0	0.0	0.0	1
29	Manager of ITS	0.0	0.0	0.0	1
Total		0.0	0.0	0.0	7.0

Operations Division

Specific	Measurable	Attainable/Realistic	Time-Bound
What you want to accomplish /deliver (Who, What, Where)	Measurable (How Much, How Many)	Attainable (The goal should be within your control)	Time-Bound (Must have a completion date)
<p>Who: Service Quality, IT, ITS, Districts, Transit Police</p> <p>What: Integrate and Utilize ITS applications/modules to improve service delivery</p> <p>Where: ICC and Field operation</p> <p>When: 2016 - 2018</p>	<ul style="list-style-type: none"> Hardware/Software <ul style="list-style-type: none"> Hastus TransitMaster Ultramain Radio System Paledin Commuter Alerts ITS Interfaces CTDS SCADA SQ processes and goals Funding: TBD 	<ul style="list-style-type: none"> Developed new ITS department ITS manages the software and vendor contracts (not all software) ITS works closely with SQ and IT teams 	<ul style="list-style-type: none"> Strategic Vision: 1st Quarter 2016 ICC Modernization: 2016-2018

Smart Goal: <u>S</u> pecific, <u>M</u> easurable, <u>A</u> ttainable/ <u>R</u> ealistic, <u>T</u> ime-bound			
Action Steps	Development Strategies	Resources Needed	Target Date
1. Hire ITS Program Manager	<ul style="list-style-type: none"> Job is Posted and resumes/applications are being submitted 	<ul style="list-style-type: none"> HR Interview Panel 	2/29/16
2. Develop Process Maps and Work flows for each SQ job function	<ul style="list-style-type: none"> Shadow team members Review flow of information Identify process goal 	<ul style="list-style-type: none"> SQ, ITS, IT, Districts, TP, Marketing 	5/31/16
3. Develop SWOT Analysis for each process and function	<ul style="list-style-type: none"> Truly analyze ourselves and identify areas of improvements 	<ul style="list-style-type: none"> SQ, ITS, IT, Districts, TP, Marketing 	6/30/16
4. Identify ITS applications/modules/interfaces to improve processes (started)	<ul style="list-style-type: none"> Develop implementation and training plan for modules Vendor Assistance for development 	<ul style="list-style-type: none"> SQ, ITS, IT, Districts, TP, Marketing 	6/30/16
5. Develop Program Plan to execute the ICC Modernization (2-3 year program)	<ul style="list-style-type: none"> Identify Project Managers, Effectively coordinate Project Plans/Schedules, Develop KPIs, etc. 	<ul style="list-style-type: none"> SQ, ITS, IT, Districts, TP, Marketing 	7/31/16



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Finance & Administration Division

Division Summary

Loretta Kirk, Deputy General Manager

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

Mission Statement

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

2015 Achievements

- ◆ 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.
- ◆ Assisted in management of the Authority's Records Management Program.
- ◆ Assisted with Energy Price Risk Management Program.
- ◆ Administered 2015 Capital Grant Application process.
- ◆ Completed sale of Sales Tax Supported Bonds.
- ◆ Secured increase in bond rating from Moody's.
- ◆ Completed implementation of the Financial Management System.
- ◆ Implemented process improvements within Finance & Administration Division.

Finance & Administration Division

2016 Objectives

- ◆ 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.
- ◆ Complete implementation of report writer system.
- ◆ Administer the Authority's Disadvantaged Business (DBE) Program.
- ◆ Assist departments in minimizing the Authority's overall administration costs.
- ◆ Continue support and monitoring of Authority's Records Management Program.
- ◆ Continue to assist with Energy Risk Management Program.
- ◆ Administer 2016 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.

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Finance & Administration Division

2016 OPERATING BUDGET SUMMARY Department 10 – Office of Business Development

STEVEN SIMS, DIRECTOR

Department Priorities for 2016

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

Mission Statement

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

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Conduct in-field construction compliance reviews (II, IV, V, VI, VII)	22	10	8	24
Conduct on-site certification and recertification reviews (II, IV, V, VI, VII)	N/A	34	29	30
Host contract information sessions for DBE and prime contractors regarding RTA procurements (II, IV, V, VI, VII)	1	2	1	2
Sponsor and support business-focused workshops and training sessions for women and minority business owners (II, IV, V, VI, VII)	7	27	21	25
Conduct DBE certification workshops (II, IV, V, VI, VII)	1	2	2	2

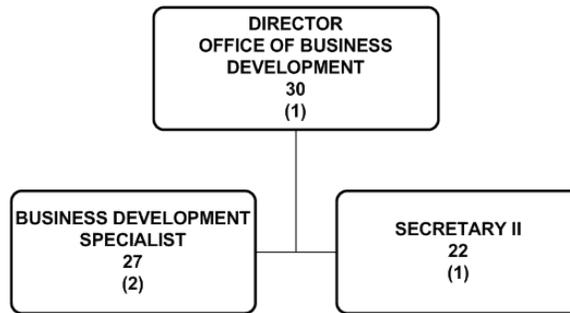
Finance & Administration Division

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

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	267,914.37	251,603.79	290,180.83	299,614.32
501310	Overtime – Salaried Employees	(44.59)	(41.04)	0.00	0.00
502000	Fringe Benefits	95,501.34	97,330.55	111,082.76	99,092.73
503000	Services	0.00	0.00	0.00	\$250,000.00
503020	Advertising Fees	0.00	0.00	501.26	1,100.00
504000	Materials & Supplies	818.48	1,051.40	4,125.00	500.00
509000	Miscellaneous Expenses	2,066.80	2,329.67	2,140.00	7,350.00
Total:		366,256.40	352,274.37	408,029.85	657,657.04

Staffing Comparison

Grade	Job Name	2013	2014	2015	2016
22	0723 Secretary II	1.0	1.0	1.0	1.0
27	0879 Business Dev Specialist	2.0	2.0	2.0	2.0
30	0872 Director	1.0	1.0	1.0	1.0
Total		4.0	4.0	4.0	4.0



Finance & Administration Division

2016 OPERATING BUDGET SUMMARY Department 60 – Accounting

RAJAN GAUTAM, DIRECTOR

Department Priorities for 2016

- ◆ 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 2015 Financial Audit
- ◆ Prepare and submit Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association (GFOA).
- ◆ Coordinate the completion of the 2015 Single Audit Report.
- ◆ Coordinate the completion of the FTA triennial audit.
- ◆ Continue to assist with implementation of Oracle R-12 Project Costing Module.
- ◆ Complete Grant Reconciliations of Capital Grants.
- ◆ Coordinate the implementation of the new report writer.
- ◆ Continue efforts in improving internal financial reporting.

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.

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	1,373,270.88	1,556,292.53	1,734,383.46	1,787,770.89
501310	Overtime – Salaried Employees	36,382.84	43,205.61	36,850.00	36,850.00
502000	Fringe Benefits	420,289.73	521,825.76	617,896.26	602,282.00
503000	Services	52,875.97	72,122.45	69,000.00	56,500.00
503049	Temporary Help	86,745.79	24,485.15	0.00	0.00
504000	Materials & Supplies	17,019.33	10,081.08	17,400.00	17,525.00
509000	Miscellaneous Expenses	11,181.31	27,358.71	26,400.00	41,350.00
Total:		1,997,765.85	2,283,940.15	2,255,371.29	2,542,277.89

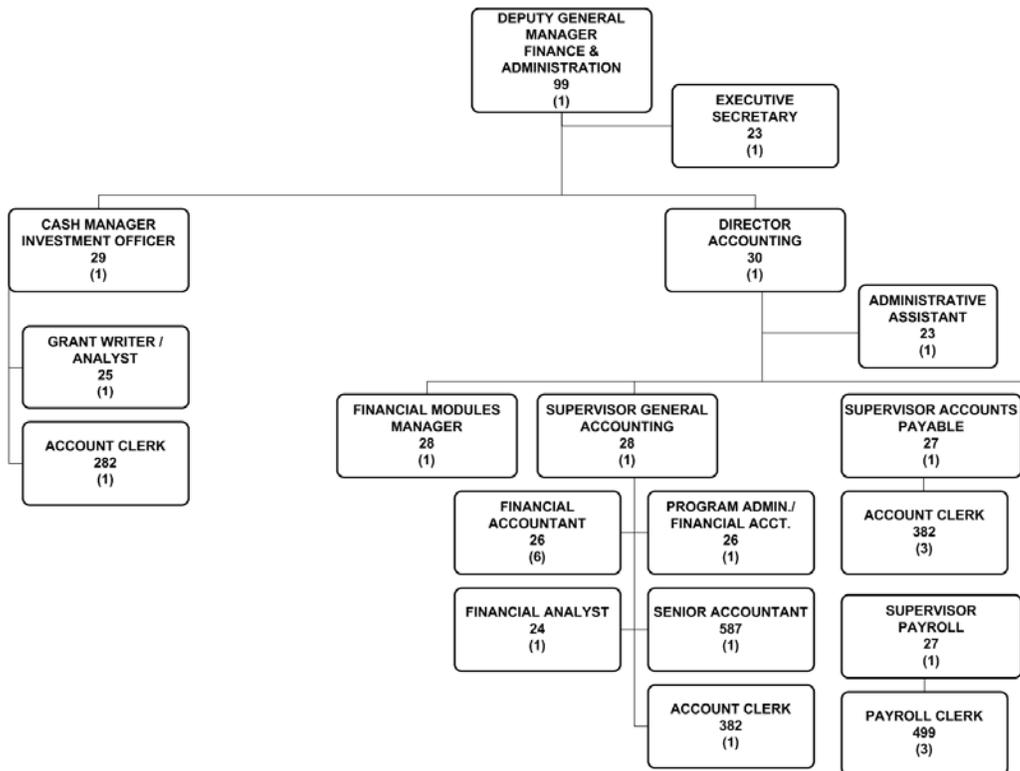
2015 Highlights:

- ◆ Reduced time required to process payments to vendors and employees by revising the payments process and streamlining procedures.
- ◆ Improved department performance to eliminate audit citations and expedite workflow
- ◆ Prepared Comprehensive Annual Financial Report (CAFR), conforming to the requirements outlined by the Government Finance Officers Association.
- ◆ Participated in the implementation of Oracle R-12 Project Costing Module.
- ◆ Completed the 2014 Financial Audit.
- ◆ Completed the 2014 Single Audit Report.
- ◆ Completed Grant Reconciliations of Capital Grants.
- ◆ Regular monthly closing and generation of internal use financial statements.

Finance & Administration Division

Below are budget and staffing highlights of the Accounting Department

Grade	Job Name	2013	2014	2015	2016
02	0282 Account Clerk	1.0	1.0	0.0	0.0
03	0301 Administrative Assistant	0.0	0.0	0.0	0.0
	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	1.0	1.0	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	1.0	1.0	1.0	2.0
25	0765 Grants Writer/Analyst	1.0	1.0	1.0	1.0
26	1080 Financial Accountant I	5.0	5.0	6.0	6.0
	1725 Program Administrator	0.0	1.0	1.0	1.0
27	1086 Financial Accountant II	0.0	0.0	0.0	2.0
	1162 Supv Accounts Payable	1.0	1.0	1.0	1.0
	1163 Supervisor Payroll	1.0	1.0	1.0	1.0
28	1161 Supv General Accounting	1.0	1.0	1.0	1.0
	1670 Financial Modules Manager	1.0	1.0	1.0	0.0
29	1263 Cash Manager	1.0	1.0	1.0	1.0
30	1427 Director	1.0	1.0	1.0	1.0
99	9941 DGM Finance & Administration	1.0	1.0	1.0	1.0
Total		25.0	26.0	26.0	27.0



Finance & Administration Division

2016 OPERATING BUDGET SUMMARY Department 62 – Support Services

EDDINE F. DALTON, MANAGER

Department Priorities for 2016

- Records Management Program – Continuous efforts to update GCRTA Records Retention Schedules; Convert to electronic system; Coordinate purging of obsolete records to reduce storage cost
- Reduce cost of support services by evaluation and assessment of current processes and need relevant to postage, printing services, & office paper use. Coordinate efforts with all departments
- Purge (reduce) paper timetable mailing list while notifying and encouraging customers towards alternative GCRTA rider information options and sources that may meet customer needs
- Implement ways to optimize efficiency and educate with emphasis on Reduce, Reuse, Recycle congruent with our sustainability initiatives.

Mission Statement

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

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

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

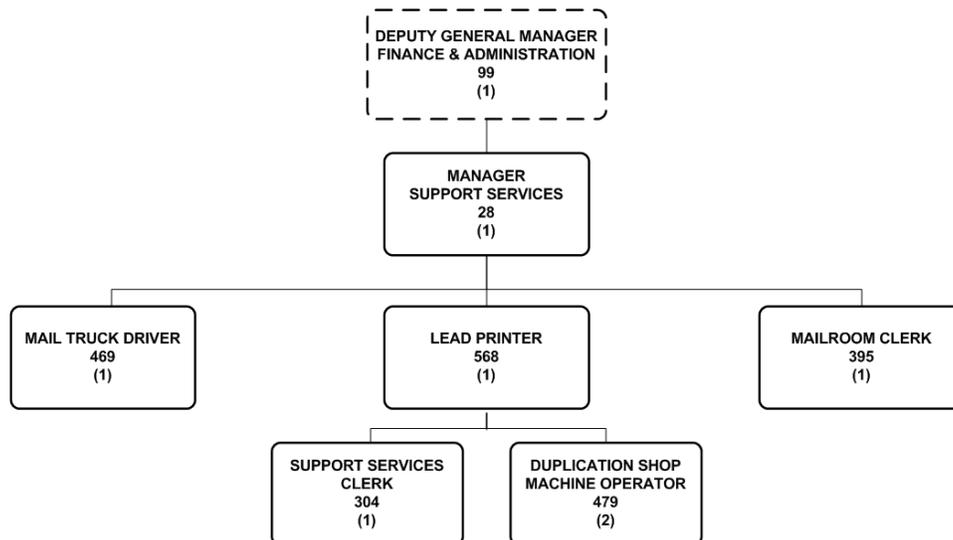
	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Print & Distribute Timetables (III, V, VI, VII)	10,000,000	10,200,000	10,404,000	9,400,000
Duplicate Copies (III, IV, V, VI, VII)	11,500,000	11,730,000	11,964,600	10,500,000

Finance & Administration Division

Below are budget and staffing highlights of the Support Services Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees Payroll	52,702.00	56,355.21	55,480.26	55,956.45
501210	Overtime – Hourly Employees	23.67	17.70	0.00	1,000.00
501300	Labor – Salaried Employees	277,600.10	300,108.66	305,827.24	311,942.29
501310	Overtime – Salaried Employees	1,316.71	1,163.82	2,782.85	5,000.00
502000	Fringe Benefits	118,030.31	137,292.63	138,772.72	123,468.57
503000	Services	157,290.93	235,068.59	151,874.91	107,300.00
503052	Other Maintenance Contracts	1,757.23	22,455.23	21,549.57	39,000.00
504000	Materials & Supplies	23,225.41	39,867.30	56,352.83	84,600.00
504051	Postage Expense	81,291.35	84,370.05	90,130.42	96,250.00
504052	Duplicating Material & Supplies	116,329.07	49,960.72	33,969.08	114,000.00
509000	Miscellaneous Expenses	1,129.93	49.98	459.63	2,300.00
512000	Leases & Rentals	38,164.00	39,000.00	57,710.43	59,500.00
Total:		868,860.71	965,709.89	914,909.94	1,000,317.31

Grade	Job Name	2013	2014	2015	2016
03	0304 Support Services Clerk	1.0	1.0	1.0	2.0
	0395 Mailroom Clerk	1.0	1.0	1.0	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



Finance & Administration Division

2016 OPERATING BUDGET SUMMARY Department 64 – Procurement

FRANK POLIVKA, DIRECTOR

Department Priorities for 2016

- ◆ 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.

Mission Statement

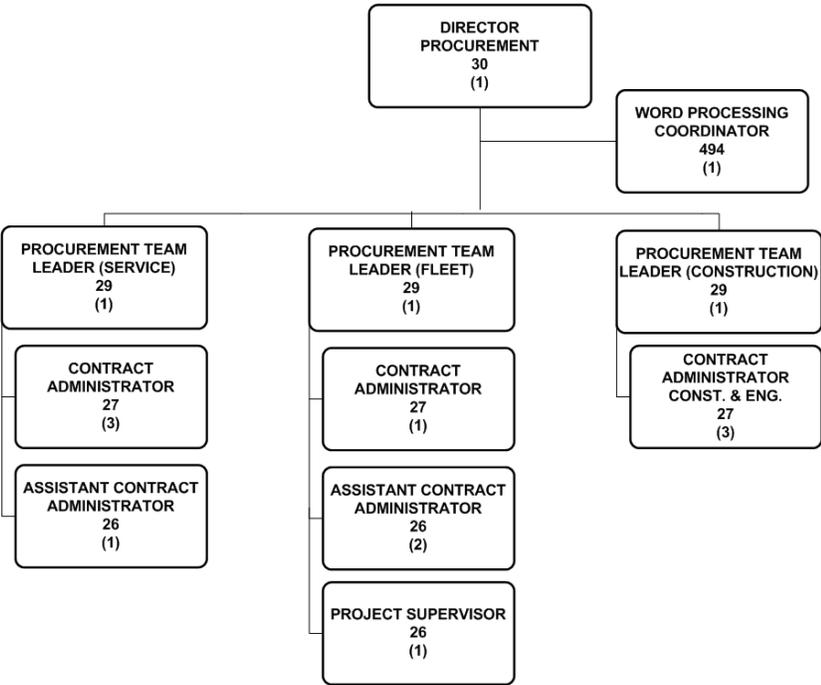
The mission of the Procurement Department is to efficiently procure the Authority's goods, services, and capital improvements in a manner consistent with GCRTA Board Policy, Federal Regulations, State Law, and Generally Accepted Business Practices, and to efficiently administer all purchases and service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

Below are budget and staffing highlights of the Procurement Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	1,135,357.44	1,152,774.08	1,165,124.28	1,208,115.52
502000	Fringe Benefits	398,514.15	446,686.41	447,697.04	399,565.22
503000	Services	5,176.70	5,386.00	5,547.00	5,700.00
503020	Advertising Fees	17,211.53	17,436.62	16,688.98	16,500.00
503049	Temporary Help	0.00	14,600.00	(357.18)	0.00
504000	Materials & Supplies	1,675.33	4,514.18	4,963.79	5,000.00
509000	Miscellaneous Expenses	10,680.84	19,429.76	7,523.89	21,050.00
Total:		1,568,615.99	1,660,827.05	1,647,187.80	1,655,930.74

Grade	Job Name	2013	2014	2015	2016
04	0494 Word Processing Coord	1.0	1.0	1.0	1.0
26	1138 Project Supervisor	2.0	2.0	1.0	1.0
	0830 Assistant Contract Administrator	2.0	2.0	3.0	3.0
27	1049 Supervisor Purchasing	1.0	1.0	0.0	0.0
	1160 Contract Administrator	4.0	4.0	4.0	4.0
	1171 Contr Admin Contr & Eng	2.0	2.0	3.0	3.0
29	0787 Procurement Team Leader	4.0	3.0	3.0	3.0
30	1609 Director	1.0	1.0	1.0	1.0
Total		17.0	16.0	16.0	16.0

Finance & Administration Division



Finance & Administration Division

2016 OPERATING BUDGET SUMMARY Department 65 - Revenue

SCOTT UHAS, DIRECTOR

Department Priorities for 2016

- ◆ 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 farecards 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 farebox vaulting process.
- ◆ Direct implementation of fare policies and continue to seek ways to improve education to the public.
- ◆ Continue to streamline the process and agreement with Cleveland Metropolitan School District.
- ◆ Monitor activity of all TVM's and CSK's throughout the system and look for any abnormalities and report them to the appropriate team members.
- ◆ Support RTA efforts for the 2016 RNC.

Mission Statement

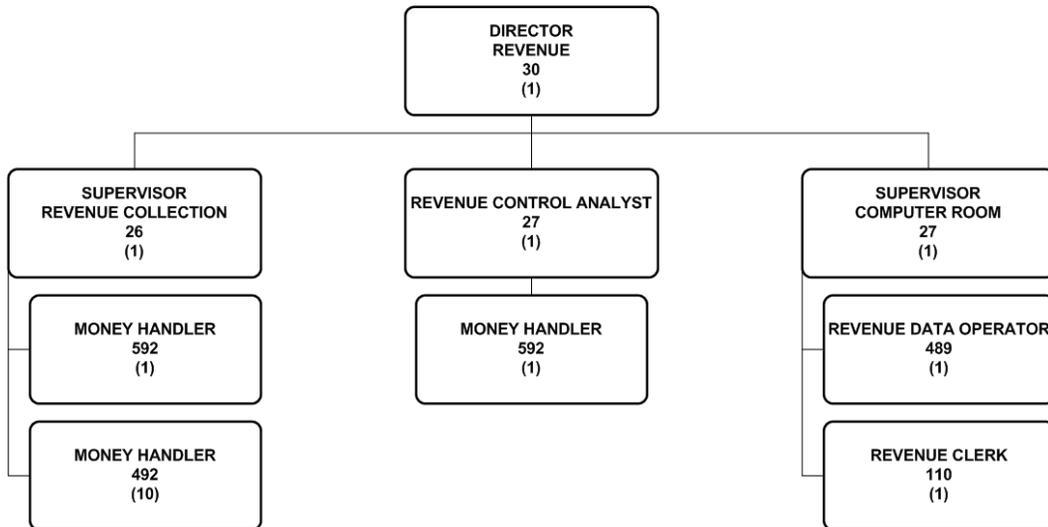
The mission of the Revenue Department is to maximize, collect, and safeguard passenger revenues from fare boxes, retail outlets, automated, and non-automated fare collection equipment. Other responsibilities include administering sales of fare cards and passes, coordination of pass programs with various 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.

Below are budget and staffing highlights of the Fleet Management Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	988,121.67	1,024,460.18	1,026,368.60	1,072,059.62
501310	Overtime – Salaried Employees	20,891.92	26,424.19	30,643.64	35,500.00
502000	Fringe Benefits	361,846.90	402,241.09	401,292.49	365,168.59
502071	W.C. – Injuries & Damages	1,309.36	0.00	0.00	0.00
503000	Services	420,538.67	408,495.60	413,017.33	475,100.00
504000	Materials & Supplies	229,458.13	268,813.60	272,556.13	318,400.00
509000	Miscellaneous Receipts	10,600.11	5,736.40	5,476.95	7,250.00
Total:		\$2,032,766.76	2,136,171.06	2,149,355.15	2,273,478.21

Finance & Administration Division

Grade	Job Name	2013	2014	2015	2016
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 & Project Management Division

Division Summary

Michael Schipper, Deputy General Manager

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

Mission Statement

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

2015 Achievements

- ◆ Completed construction of the Little Italy – University Circle Station project.
- ◆ Completed the CNG Fueling Station at Hayden.
- ◆ Completed construction of the Shaker Square/Van Aken Rail Grade Crossings.
- ◆ Completed construction of the Lee/Van Aken ADA Station rehabilitation.
- ◆ Completed the design and environmental documents for the East 116th St. Station.
- ◆ Completed the RTA Signage Manual update.
- ◆ Completed construction of the Windermere Bus Loop Improvements.
- ◆ Completed the construction for the Hayden outdoor bus storage area.
- ◆ Completed the design for the Triskett outdoor bus storage areas.
- ◆ Completed construction of the Electric Repair Shop at Woodhill.
- ◆ Complete construction of Light Rail Grade Crossings at Robert Lockwood, St. Clair and South Park.
- ◆ Completed the design of the Tower City Track 7 Platform and Track 8 rehabilitation
- ◆ Completed the East 34th/East 79th Street Transit Alternatives Study.
- ◆ Completed the design of the Warrenville Station Platform ADA rehabilitation.
- ◆ Completed the design of the Light Rail Retaining Wall rehabilitation – Phase 1
- ◆ Completed the Track Survey of the Rail System
- ◆ Complete the survey and preliminary layout of the Red Line Greenway.
- ◆ Awarded public art contracts for the Little Italy – University Circle Station project.
- ◆ Continued the Alternatives Analysis for the Red Line/HealthLine Extension.
- ◆ Began the reconstruction of the Tower City escalators.
- ◆ Began construction of the Brookpark Station Rehabilitation.
- ◆ Began construction of the Hayden and CBFM CNG Building Modifications
- ◆ Began construction of the Rail Car Wash Rack and Transfer Table projects.
- ◆ Completed baseline condition inspections and assessments for Asset Management
- ◆ Completed independent audits for ISO 14001 Certification for the CBFM.
- ◆ Obtained OTPPP funding for the Red Line – West 30th to West 74th rehabilitation.
- ◆ Obtained CMAQ funding for the Bus Improvement Program

Engineering & Project Management Division

2016 Objectives

- ◆ Complete construction of the Brookpark Station Rehabilitation.
- ◆ Complete the reconstruction of the Tower City escalators.
- ◆ Complete construction of the Red Line over East Boulevard Bridge rehabilitation.
- ◆ Complete construction of the Rail Car Wash Rack and Transfer Table projects.
- ◆ Complete LPA process for the Alternatives Analysis for the Red Line / HealthLine Extension.
- ◆ Complete construction of the Hayden and CBMF CNG Building Modifications.
- ◆ Complete design and begin construction of the East 92nd Truss Bridge Rehabilitation over CSX Railway.
- ◆ Complete construction of the Light Rail Retaining Wall Rehabilitation – Phase 1.
- ◆ Complete the Red Line West 117th Street Track Rehabilitation.
- ◆ Complete construction of the Warrensville Blue Line Station platforms.
- ◆ Begin construction of the Lee-Shaker Station ADA Rehabilitation.
- ◆ Complete the design of the East 34th Street Station ADA Rehabilitation.
- ◆ Complete construction of the East 81st and East 83rd Street Track Bridge Rehabilitations.
- ◆ Complete construction of Phase 2 Light Rail Grade Crossings.
- ◆ Begin the construction the East 116th St. Station.
- ◆ Begin the design of the Farnsleigh Station ADA rehabilitation.
- ◆ Complete design of Phase 3 Light Rail Grade Crossings.
- ◆ Begin construction of the Mayfield Road Enhancements.
- ◆ Begin construction of the Tower City Track 7 Platform and Track 8 Reconstructions.
- ◆ Begin replacement of the West 65th, West 117th, and Puritas Substations.
- ◆ Begin inspections of the Central Viaduct and Fracture Critical Bridges.
- ◆ Complete public art installations for the Brookpark Station and Clifton projects.
- ◆ Complete construction of the Triskett outdoor bus storage areas.
- ◆ Support the activities of the Cuyahoga County Trails Leadership Network.
- ◆ Promote transit elements and improvements in various TLCI studies.
- ◆ Facilitate construction coordination with various ODOT and City of Cleveland projects.
- ◆ Obtain ISO 14001 Certification for the Central Bus Maintenance Facility.
- ◆ Complete the ISO 14001 documentation for Hayden and Triskett Bus Garages.
- ◆ Obtain competitive grants from FTA, ODOT, and NOACA.

Engineering & Project Management Division

2016 Strategic Plan Critical Initiatives and Measures

Critical Initiative	Division Champion(s)	Team	
Outcomes			
Activities	Plan Start	Plan End	% Complete

Assess Top Priorities for State of Good Repair (SOGR)	Mike Schipper	William Boyce, Joseph Shaffer, Mike York, Joe Bilek, Ron Finerty, Jim Stock, Terrance Boylan, Eugene Cranford	
Baseline our current SOGR by end of 2015			
Implement processes to use SOGR data for project prioritization and capital forecasting needs for backlog			
Development and acceptance of an Asset Management Plan in Compliance with MAP21	9/1/2014	12/31/2014	95%
Identification of Fleet Assets (Revenue and Non-Revenue)	1/1/2015	6/30/2015	95%
Identification of Bridge Assets	3/1/2014	12/31/2014	100%
Identification of Track Assets	1/1/2014	12/31/2014	80%
Identification of Catenary Assets	1/1/2014	12/31/2015	20%
Identification of Power Assets (Substations)	1/1/2014	12/31/2015	75%
Identification of Fiber Optic/Communication Assets	1/1/2014	12/31/2015	20%
Identification of Transit Center Assets	1/1/2014	12/31/2015	100%
Identification of Rail Station assets	1/1/2014	12/31/2015	25%
Identification of Park & Ride Assets	1/1/2014	12/31/2015	25%
Identification of Bus Loop Assets	1/1/2014	12/31/2015	25%
Identification of Operating District Assets	1/1/2014	12/31/2015	25%
Identification of Main Office Assets	1/1/2014	12/31/2015	100%
Identification of Elevators & Escalators Assets	1/1/2014	12/31/2015	100%

Engineering & Project Management Division

2016 OPERATING BUDGET SUMMARY Department 55 – Project Support

PAUL BURLIJ, MANAGER

Department Priorities for 2016

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

Mission Statement

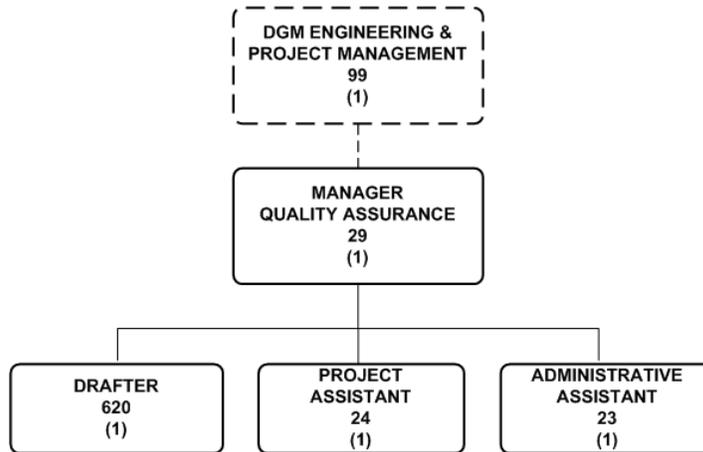
The mission of the Project Support Department is to provide quality assurance oversight and program review services in support of the Authority's capital and development activities.

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Quality Assurance Audits Completed (VI)	18	16	16	16
Plans, Specifications, QC Plans and Reports Reviewed (VI)	40	35	50	50
Daily Field Reports Completed (VI)	140	150	150	150
Bridges Inspected (VI)	152	152	152	152
Projects Meetings (VI)	12	24	24	24

Below are budget and staffing highlights of the Project Support Department

Grade	Job Name	2013	2014	2015	2016
05	0519 Construction Inspector	0.0	0.0	0.0	0.0
06	0620 Drafter	1.0	1.0	1.0	1.0
23	0757 Administrative Assistant	1.0	1.0	1.0	1.0
24	0860 Project Assistant	1.0	1.0	1.0	1.0
29	1439 Mgr. – Quality Assurance	1.0	1.0	1.0	1.0
Total		4.0	4.0	4.0	4.0

Engineering & Project Management Division



Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	217,341.27	261,835.49	239,926.10	275,899.13
501310	Overtime – Salaried Employees	16,435.41	9,612.44	1,145.42	20,000.00
502000	Fringe Benefits	82,506.58	101,714.86	92,004.22	97,222.10
503000	Services	0.00	0.00	725.00	4,000.00
503049	Temporary Help	0.00	3,040.00	16,374.15	0.00
504000	Materials & Supplies	0.00	10,231.56	17,055.94	300.00
509000	Miscellaneous Expenses	0.00	1,291.29	759.00	1,900.00
Total:		317,949.87	387,725.64	367,989.83	399,321.23

Engineering & Project Management Division

2016 OPERATING BUDGET SUMMARY Department 57 – Programming & Planning

MARIBETH FEKE, DIRECTOR

Department Priorities for 2016

- ◆ Continue marketing RTA real estate assets for lease, sale, and joint development activities.
- ◆ Execute Strategic Plan Update recommendations.
- ◆ Complete NEPA documents including Section 106 compliance for the Lee-Shaker, and East 34th Station projects.
- ◆ Submit competitive grants for capital improvement program funding.
- ◆ Complete land acquisition for proposed construction projects, which include various Stations and Substations.
- ◆ Continue Transit Waiting Environment (TWE) Program.
- ◆ Continue implementation of the Arts in Transit Program.
- ◆ Continue promotion and transit planning along our Priority Corridors
- ◆ Complete the Red Line/HealthLine Extension Alternatives Analysis study.
- ◆ Complete the Opportunity Corridor – Phase I enhanced Station Areas.
- ◆ Support the completion of the Inter/Urban Red Line West Public Art Program.
- ◆ Continue implementation of new enhancement programs and projects.

Mission Statement

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

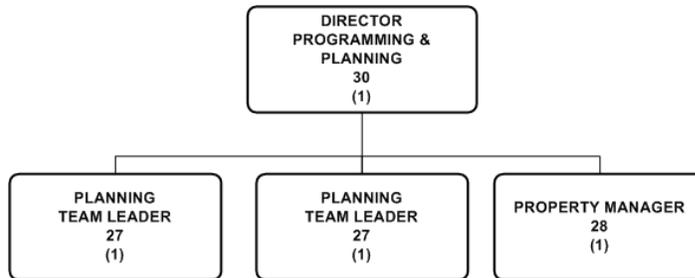
	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Number of Rapid Transit Stations Under Design (II, III, VI)	3	3	4	3
Number of Transit Centers Under Design (II, III, VI)	0	0	0	0
Number of Park-N-Ride Lots Under Design (II, III, VI)	1	0	0	0
Number of Planning Studies Underway (II, III, VI)	4	4	1	1
Number of Planning Studies Completed (II, III, VI)	3	1	0	1
Number of TWE Projects Completed (II, III, VI)	4	4	2	2
Number of Joint Developments Underway (II, III, VI)	0	1	0	0
Number of Public Art Awards (II, III, VI)	2	0	1	2
Number of New Leased RTA Properties (II, III, VI)	2	1	0	1
Number of RTA Properties Marketed (II, III, VI)	3	3	4	4
Number of RTA Properties Sold (II, III, VI)	2	2	0	2
Number of competitive grants submitted (I, II, III, VI)	4	4	4	5
Number of competitive grants received (I, II, III, VI)	2	1	2	2

Engineering & Project Management Division

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

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	250,603.42	273,053.23	300,591.04	323,591.60
502000	Fringe Benefits	87,543.06	104,236.67	115,938.97	107,022.84
503000	Services	7,937.50	18,391.83	10,850.00	28,300.00
504000	Materials & Supplies	464.32	686.40	523.53	400.00
507030	Property Taxes	132,274.58	108,505.38	160,298.20	493,477.35
509000	Miscellaneous Expenses	3,314.58	11,775.23	17,171.64	22,870.00
512000	Leases & Rentals	115,178.76	122,092.44	118,624.00	122,567.95
Total:		597,316.22	638,741.18	723,997.38	1,098,229.74

Grade	Job Name	2013	2014	2015	2016
27	0838 Planning Team Leader	1.0	2.0	2.0	2.0
	0845 Project Officer	1.0	0.0	0.0	0.0
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 Management Division

2016 OPERATING BUDGET SUMMARY Department 80 – Engineering & Project Development

JOSEPH SHAFFER, DIRECTOR

Department Priorities for 2016

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

Mission Statement

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

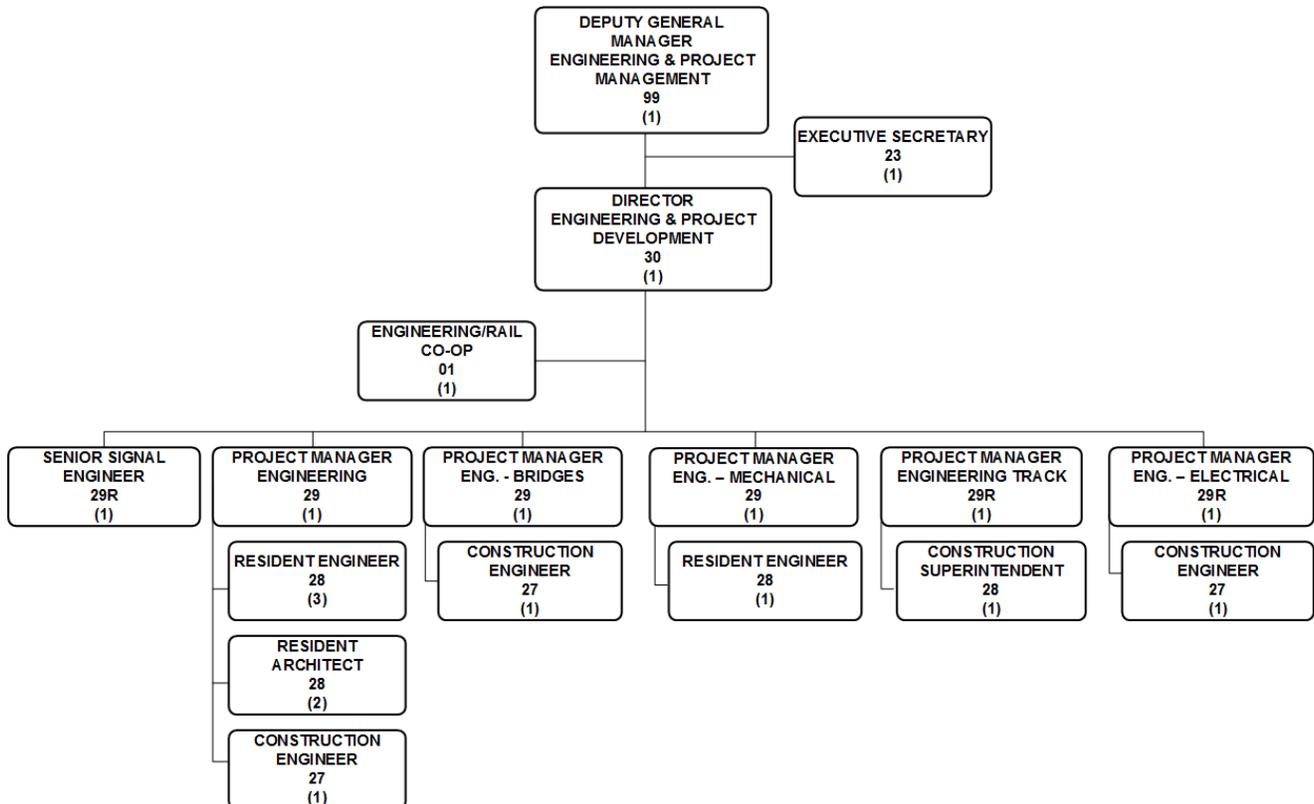
Estimated percentage completion of some of the Authority's Capital projects	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Airport Tunnel and Ventilation Replacement (II, III, VI)	100%			
Rail Grade Crossing Construction – Phase III (VI)	100%			
Red Line S-Curve Rehabilitation (II, III, VI)	100%			
Shaker Square / Shaker & Van Aken Crossing Design (II, III, VI)	100%			
Southgate Transit Center Parking Lot Expansion (II, III, VI)	100%			
Waterfront Line Station Rehabilitation Program (II, III, VI)	90%	100%		
University Circle – Cedar Station Reconstruction (II, III, VI)	60%	100%		
Central Rail Maintenance Facility & Service Bldg. Roof Repairs (VI)	90%	100%		
Fairhill Substation Reconstruction (VI)	50%	100%		
Red Line Kinsman to University Track Rehabilitation (VI)		100%		
Light Rail Bridges over East 81 st and East 83 rd Design (VI)		100%		
Central Rail Wash Track & Transfer Table Rehab Design (VI)		100%		
Little Italy – University Circle Sta. & Bridge Construction (II, III, VI)	5%	70%	100%	
East 92 nd Truss Bridge Rehab over CSX Railway Design (VI)		50%	100%	
Central Rail High Mast Lighting Replacement (VI)		50%	100%	
East 116 th Street Station Design (II, III, VI)		30%	100%	
Lee / Van Aken Station Reconstruction (II, III, VI)		30%	100%	
Hayden CNG Fueling Facility (VI)		25%	100%	
Tower City Track 7 Platform and Track 8 Track Design (II, III, VI)			100%	
Brookpark Station Reconstruction (II, III, VI)			50%	100%
Tower City Escalator Replacement (II, III, VI)			30%	100%
Red Line Track Rehabilitation at West 117 th (VI)			10%	100%
East 34 th Street Station ADA Reconstruction Design (II, III, VI)			10%	100%
Hayden and CBMF CNG Building Modifications (VI)				100%
Warrensville Blue Line Station ADA Rehabilitation (II, III, VI)				100%
Red Line Track Rehabilitation – West 30 th to West 74 th (VI)				100%
Red Line Track Bridge over East Boulevard Rehabilitation (VI)				100%
Tower City Track 7 Platform and Track 8 Replacement Construction (II, III, VI)				80%
East 116 th Street Station ADA Rehabilitation (II, III, VI)				75%
Lee Shaker Station ADA Rehabilitation (VI) (II, III, VI)				60%
East 92 nd Truss Bridge Rehab over CSX Railway Construction (VI)				60%
West 65 th , Puritas and Warrensville/Van Aken Substation Replacements (VI)				50%

Engineering & Project Management Division

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

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	1,248,175.84	1,254,955.92	1,451,715.44	1,667,176.73
502000	Fringe Benefits	409,257.81	442,772.52	519,955.90	541,073.59
503000	Services	5,467.59	19,665.50	4,500.00	65,360.20
504000	Materials & Supplies	3,003.10	2,396.76	1,393.39	2,950.00
509000	Miscellaneous Expenses	17,450.43	20,521.21	28,341.79	54,700.00
Total:		1,683,354.77	1,740,311.91	2,005,906.52	2,331,260.52

Grade	Job Name	2013	2014	2015	2016
01	99XX Rail-Engineering Intern	0.0	1.0	1.0	1.0
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
27	1192 Construction Engineer	2.0	2.0	2.0	3.0
28	1250 Supt Construction	1.0	1.0	1.0	1.0
	1329 Sr Eng Signal & Power Track	0.0	0.0	1.0	1.0
	1355 Resident Eng/Architect	2.0	2.0	6.0	6.0
29	0796 Manager Eng Project	4.0	4.0	2.0	2.0
	1660 Senior Mechanical Engineer	2.0	3.0	1.0	1.0
	1329 Project Manager Electrical	1.0	1.0	1.0	1.0
	1518 Senior Engineer Signal	1.0	1.0	1.0	1.0
30	0789 Director	1.0	1.0	1.0	1.0
99	9931 DGM Eng & Project Mgmt	1.0	1.0	1.0	1.0
Total		17.0	19.0	19.0	20.0



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Legal Affairs Division

Division Summary

Sheryl King Benford, Deputy General Manager

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

The Legal Department provides legal counsel and representation to the Board of Trustees and the Authority. Legal represents the GCRTA on major projects, personal injury, property damage, employment, labor, civil rights, debt collection, and contract 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 programs. 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.

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.

2015 Achievements

- ◆ 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 including Little Italy Red Line station, which opened on August 11, 2015.
- ◆ Supported 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 ADA/EEO 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.
- ◆ Developed the Authority's Affirmative Action Plan and submitted on July 30, 2015.
- ◆ 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 (OJIs).
- ◆ Completed move of Claims Section to Legal Department.
- ◆ Negotiated innovative Casualty Insurance renewal on behalf of the GCRTA; implementing a multi-year program at significant savings over the prior policy year and 20% under budget.
- ◆ Improved claims handling through video usage.
- ◆ Supported the implementation of MAP-21 and launch of the new ISO 14001 program.

Legal Affairs Division

2016 Objectives

- ◆ Provide efficient and cost-effective legal representation in all GCRTA litigation, transactional, and administrative matters.
- ◆ Continue legal information program to apprise GCRTA departments of public sector legal issues that affect the Authority.
- ◆ Support construction projects.
- ◆ Support 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 ADA program to ensure compliance with Federal, State, and local laws regarding employment practices, facilities, and services.
- ◆ Continue to investigate allegations of discrimination or non-compliance with equal opportunity policies and procedures.
- ◆ Continue to develop and monitor the Authority's Affirmative Action Plan.
- ◆ 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 program.
- ◆ 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.

Legal Affairs Division

2015-2025 Strategic Plan Critical Initiatives and Measures

Critical Initiative	Division Champion(s)	Team	
Outcomes			
Activities	Plan Start	Plan End	% Complete

Define and Implement to Improve Safety for Customers and Employees	Sheryl King Benford	Cynthia Boyd, Robert Huyck, Stephen Bitto	
Improve Preventable Collisions and Injury Rates for the Authority to 0.89 or below			
Increase Compliance with Rules and Standard Operating Procedures (SOPs) by 2%			
Improve upon 2014 baseline on employees and customer safety culture (baseline to be collected)			
Improve compliance to activities demonstrating a Robust Safety Culture by 2%			
Define and implement an ongoing “safety moments/messages” in applicable meetings and activities	9/1/2014	10/31/2014	100%
Propose a reorganization of the quality function with the possibility of implementing a quality manager	9/1/2014	11/5/2014	100%
Define and implement a plan to increase DriveCam counseling sessions	9/1/2014	12/31/2014	85%
Define and implement plan to improve bus operator training – integrate simulator into the plan	9/1/2014	12/31/2014	80%
Define and implement ongoing “safety and security tips” for customers	9/1/2014	12/31/2014	100%
Improve processes for communicating with customers in emergency/problem situations	9/1/2014	12/31/2014	70%
Release expectations of Safety as an RTA employee	9/1/2014	12/31/2014	100%
Implement Safety culture surveys of employees (align with George Fields efforts on Employee Engagement Survey)	9/1/2014	12/31/2014	100%
Transition safety posters to in-house function	1/1/2015	3/31/2015	100%
Implement recommendations from outside audit to improve ICC processes for Safety	10/1/2014	12/31/2015	90%
Analyze data from outside reviews on rail infrastructure to define implementation plan (tie plan)	10/1/2014	12/31/2015	30%

Legal Affairs Division

2016 OPERATING BUDGET SUMMARY Department 15 – Safety

ROBERT CZECK, DIRECTOR

Department Priorities for 2016

- ◆ Revitalize safety procedures and training involving alternative fuels
- ◆ Continue development of safety culture in the Authority
- ◆ Develop corrective actions from audits and incidents
- ◆ Work with Hayden and Triskett Districts in implementation of ISO 14001. Use experience from certification at CBM
- ◆ Determine areas for improvement in bus and audit bus similarly to rail
- ◆ Perform off-shift inspections for a more comprehensive view of bus and rail safety evaluations
- ◆ Continue participation Safety & Security Certification of Rail Transit projects
- ◆ Continue TSI certification of Safety Department personnel

Mission Statement

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.

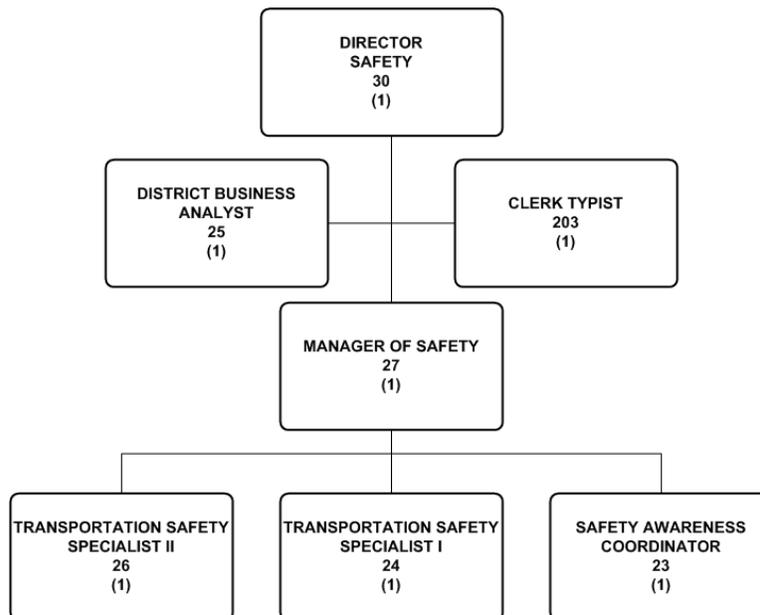
	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Total Collision Rate (per 100,000 miles) (I, II, III, IV, V, VI, VII)	3.64	4.19	4.21	4.00
Total Preventable Collision Rate (I, II, III, IV, V, VI, VII)	1.33	1.48	0.89	1.10
Total Injuries (I, II, III, IV, V, VI, VII)	196	213	186	180
Total Recordable Injuries (I, II, III, IV, V, VI, VII)	144	173	150	160
Internal Rail Audits (I, II, III, IV, V, VI, VII)	13	8	8	7
Facility Inspections (I, II, III, IV, V, VI, VII)	108	108	108	108
Radar Audits (I, II, III, IV, V, VI, VII)	10	15	24	48
Ride Checks (I, II, III, IV, V, VI, VII)	8	24	84	100
Fire Drills/Train Evacuations (I, II, III, IV, V, VI, VII)	40	1	40	40
BMV Checks Authority Wide (I, II, III, IV, V, VI, VII)	4 runs	5 runs	4 runs	4 runs
CDLs (I, II, III, IV, V, VI, VII)	12 runs	13 runs	12 runs	12 runs
Universal Waste (lbs) (I, II, III, IV, V, VI, VII)	64,038	57,832	78,000	82,000
Hazardous Waste (lbs) (I, II, III, IV, V, VI, VII)	6,146	4,185	4,000	4,000
Non-Hazardous Waste (in thousands) (I, II, III, IV, V, VI, VII)	1,125	895	800	780
Material Safety Data Sheet Evaluation (I, II, III, IV, V, VI, VII)	72	74	70	75
Job Hazard Analysis (I, II, III, IV, V, VI, VII)	38	33	32	32
Bus Incident Investigations (I, II, III, IV, V, VI, VII)	15	14	15	20
Rail Incident Investigations (I, II, III, IV, V, VI, VII)	40	32	31	40
Total Investigations (I, II, III, IV, V, VI, VII)	56	46	48	60
Grade Crossing (I, II, III, IV, V, VI, VII)	7	4	18	24
Work Zones (I, II, III, IV, V, VI, VII)	2	12	12	48
Miscellaneous Audits				6
Tire Depth Analysis				36
MOB Safety Checks				4
Monthly Safety Blitzes				12

Legal Affairs Division

Below are budget and staffing highlights of the Safety Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees Payroll	0	1,733	19,133	21,007
501210	Overtime – Hourly Employees	0	0	0	0
501300	Labor – Salaried Employees	366,033	398,661	431,740	481,388
501310	Overtime – Salaried Employees	2,989	1,900	2,351	2,500
502000	Fringe Benefits	135,078	152,876	177,700	166,906
503000	Services	216,998	124,040	150,685	54,300
503049	Temporary Help	3,872	0	18,900	0
503052	Other Maintenance Contracts	0	61,500	54,783	192,800
504000	Materials & Supplies	11,815	12,848	27,609	39,800
509000	Miscellaneous Expenses	25,792	42,771	34,835	42,900
509022	Meals & Concessions	0	636	0	1,000
Total:		762,577	797,005	917,737	1,002,600

Grade	Job Name	2013	2014	2015	2016
02	0203 Clerk/Typist	1.0	1.0	0.0	0.0
04	0404 Administrative Assistant	0.0	0.0	1.0	1.0
23	1151 Safety Awareness Crd	1.0	1.0	1.5	1.5
24	1195 Trans Safety Spec I	1.0	1.0	0.0	0.0
25	1085 District Business Analyst	1.0	1.0	1.0	1.0
26	1196 Trans Safety Spec II	1.0	1.0	2.0	2.0
27	0782 Manager of Safety	1.0	1.0	1.0	1.0
30	1443 Director	1.0	1.0	1.0	1.0
Total		7.0	7.0	7.5	7.5



Legal Affairs Division

2016 OPERATING BUDGET SUMMARY Department 21 – Legal

SHERYL KING BENFORD, DEPUTY GENERAL MANAGER

Department Priorities for 2016

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

Mission Statement

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

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Depositions Scheduled (II, IV, V, VI, VII)	124	120	120	120
Court Hearings (II, IV, V, VI, VII)	148	150	195	175
Court Arbitration Cases (II, IV, V, VI, VII)	1	2	3	1
Scheduled Trials (II, IV, V, VI, VII)	8	5	5	4
Bureau of Workers' Compensation Hearings (II, IV, V, VI, VII)	472	327	390	350
Labor Arbitration Cases (II, IV, V, VI, VII)	12	20	24	28
Bureau of Employment Service Hearings (II, IV, V, VI, VII)	10	5	10	12
Public Records Requests (II, IV, V, VI, VII)	448	685	972	1250
Contract Reviews & Property Issues (II, IV, V, VI, VII)	560	810	808	810
Contracts Negotiated and Drafted (II, IV, V, VI, VII)	45	65	80	100
Legal Opinions (II, IV, V, VI, VII)	232	295	313	320
Subpoenas Processed (II, IV, V, VI, VII)	850	1078	1272	1400
Resolutions Reviewed (II, IV, V, VI, VII)	115	125	120	150
New Lawsuits Filed (II, IV, V, VI, VII)	100	99	92	90
ADA Paratransit Appeals (II, IV, V, VI, VII)	67	132	125	110
Number of Lawsuits Closed (II, IV, V, VI, VII)	70	120	90	90
ADA/OEO Complaints Received (II, IV, V, VI, VII)	46	49	50	50
Appellate Cases (II, IV, V, VI, VII)	5	7	6	4
Third Party Liability Claims				
Total Events Resulting in Claims in Calendar Year (I, II, IV, V, VI, VII)	984	1,228	1,113	1,035
Total # Claims in Calendar Year (I, II, IV, V, VI, VII)	1,279	1,512	1,367	1,303
Average Cost per Claim (excluding large losses) (I, II, IV, V, VI, VII)	\$2,246	\$1,868	\$1,923	\$2,113

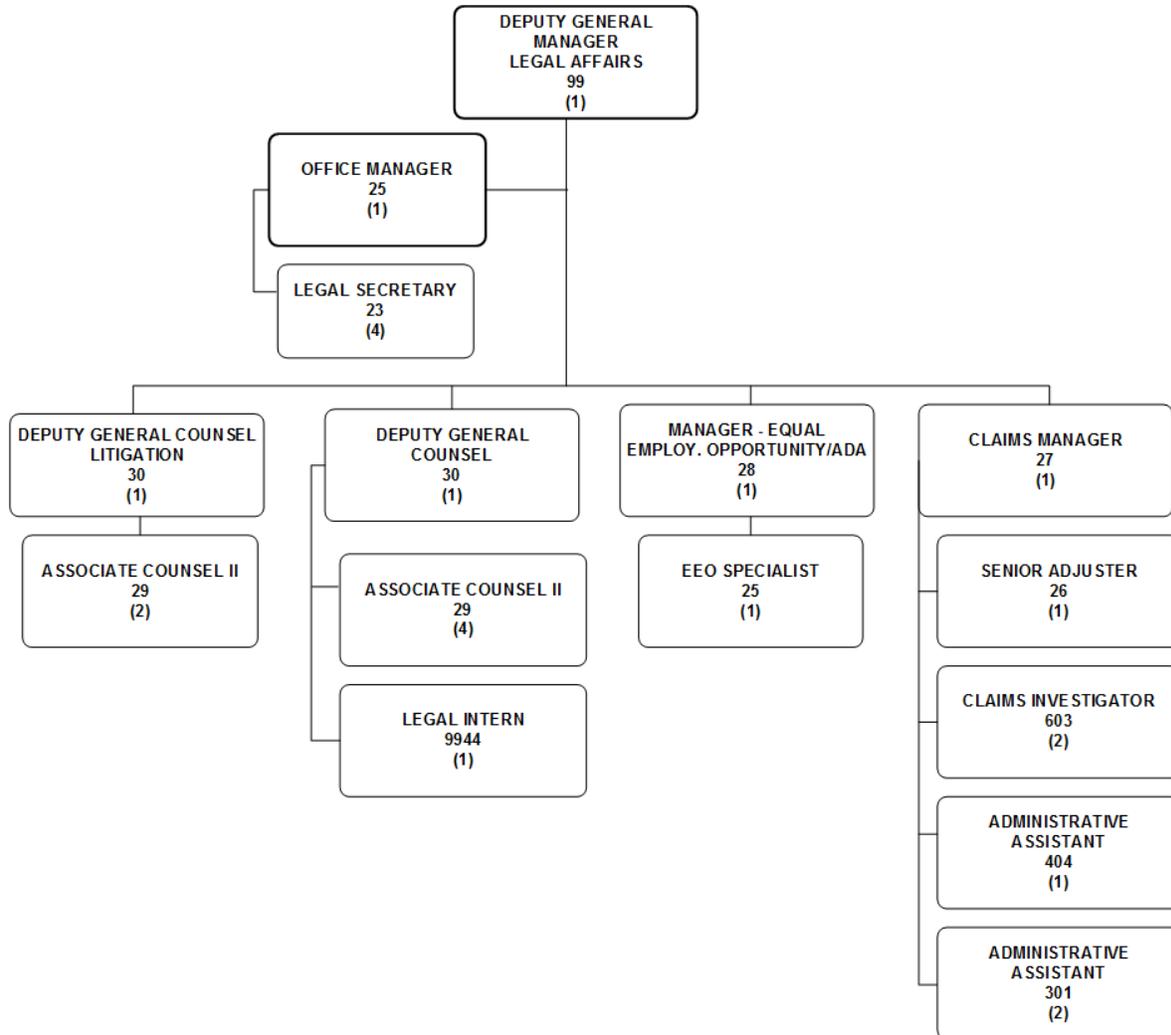
Legal Affairs Division

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees Payroll	15,180	26,359	21,377	31,200
501300	Labor – Salaried Employees	1,160,546	1,233,788	1,635,941	1,629,604
501310	Overtime – Salaried Employees	0	325	3,295	4,125
502000	Fringe Benefits	375,702	448,553	601,030	550,517
503000	Services	565	154,245	153,688	322,000
503049	Temporary Help	33,586	32,814	24,576	0
504000	Materials & Supplies	3,820	3,371	4,098	5,200
506000	Casualty & Liability Costs	0	484,463	1,039,527	1,600,000
509000	Miscellaneous Expenses	23,814	21,184	24,462	33,850
509022	Meals & Concessions	0	0	0	2,200
512000	Leases & Rentals	22,555	14,960	16,137	28,235
Total:		1,635,788	2,420,062	3,524,130	4,206,931

Below are budget and staffing highlights of the Legal Department

Grade	Job Name	2013	2014	2015	2016
01	9944 Legal Intern	1.0	1.0	1.0	1.0
03	0301 Administrative Assistant	0.0	2.0	2.0	1.0
04	0404 Administrative Assistant	1.0	1.0	1.0	1.0
06	0603 Claims Investigator	0.0	3.0	3.0	3.0
23	0724 Legal Secretary	3.0	3.0	3.0	4.0
25	1720 EEO Specialist	0.0	1.0	1.0	1.0
	1675 Office Manager	0.0	1.0	1.0	1.0
26	0876 Senior Litigation Analyst (Claims)	0.0	1.0	1.0	1.0
27	0773 Manager Claims	0.0	1.0	1.0	1.0
28	0880 Manager EEO & ADA	1.0	1.0	1.0	1.0
29	1440 Assoc Counsel Cont & Re	1.0	0.0	0.0	0.0
	1440 Assoc Counsel II	0.0	6.0	6.0	6.0
	1442 Assoc Counsel Admin & Lbr	4.0	0.0	0.0	0.0
30	1612 Sr Counsel Admin & Lbr	1.0	0.0	0.0	0.0
	1613 Sr Counsel Contr & Re	1.0	0.0	0.0	0.0
	1618 Dpty Cnsl / Litigation	1.0	1.0	1.0	1.0
	1680 Deputy General Counsel	0.0	1.0	1.0	1.0
99	9951 DGM Legal Affairs	1.0	1.0	1.0	1.0
Total		15.0	15.0	24.0	24.0

Legal Affairs Division



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Legal Affairs Division

2016 OPERATING BUDGET SUMMARY Department 22 – Risk Management Development

JUDY LINCOLN, DIRECTOR

Department Priorities for 2016

- ◆ Provide Risk Management expertise to Legal, Procurement, and Engineering Departments for on-going GCRTA 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.
- ◆ Finalize recruitment of Return to Work Coordinator.
- ◆ 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 Exercise for cyber liability risk exposures for GCRTA 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.

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 of the Department.

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Workers' Compensation				
Total # of Claims in Calendar Year (I, II, IV, V, VI, VII)	196	210	197	203
Average Cost per Employee (excluding large losses) (I, II, IV, V, VI, VII)	\$925	\$1,162	\$1,021	\$1,023
Average Cost per Claim (excluding large losses) (I, II, IV, V, VI, VII)	\$10,633	\$12,538	\$11,910	\$11,908
Events Reported to the National Transit Database				
Major Reportables (I, II, IV, V, VI, VII)	86	71	115	86
Minor Incidents (I, II, IV, V, VI, VII)	95	99	80	93
Data Reports Created by Risk Management (I, II, IV, V, VI, VII)		602	615	627
Insurance Requirements/Contracts Reviewed (I, II, IV, V, VI, VII)		190	225	225

Legal Affairs Division

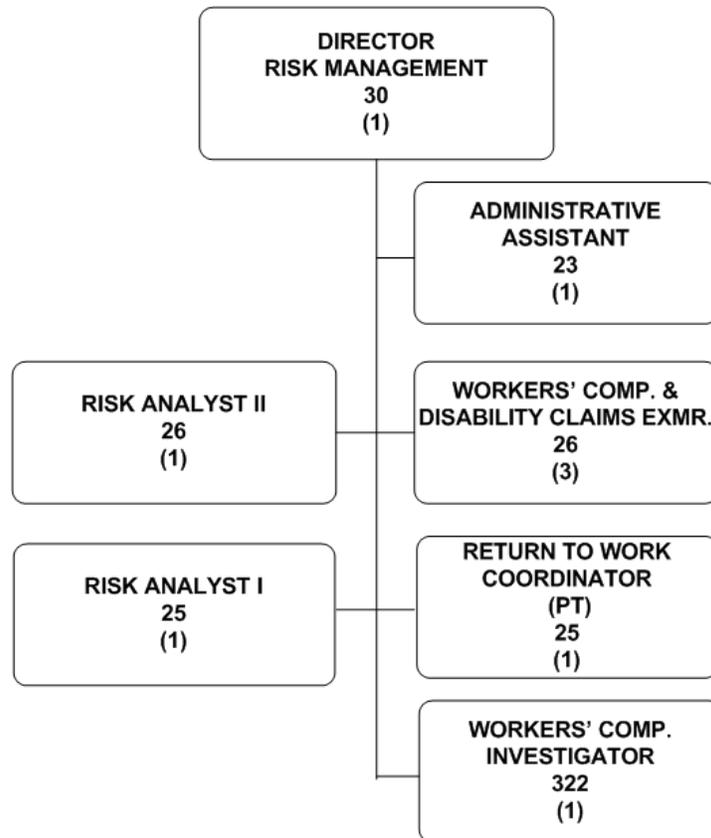
Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees	26,374	4,848	922	49,000
501210	Overtime – Hourly Employees	0	0	0	0
501300	Labor – Salaried Employees	798,569	706,919	487,596	507,743
501310	Overtime – Salaried Employees	4,192	5,084	24	1,375
502000	Fringe Benefits	292,672	272,994	189,073	184,545
502071	W.C. – Injuries & Damages	1,173,206	1,148,095	1,200,000	1,400,000
502082	W.C. – Medical Payments	761,652	653,810	800,000	1,160,960
503000	Services	415,107	497,759	314,125	334,500
503030	Workers Comp Administration Fee	491,258	372,300	341,757	439,426
503049	Temporary Help	33,565	96,667	8,186	0
504000	Materials & Supplies	2,807	4,550	2,855	4,450
506000	Casualty & Liability Costs	352,731	345,897	361,996	454,691
506010	Physical Damage Insurance	664,680	618,348	571,522	635,274
506040	Liability & Property Damage Claims	1,124,782	1,087,269	0	0
506200	W. C. – Settlement & Lawsuit Expense	59,450	160,547	215,000	215,000
509000	Miscellaneous Expenses	7,059	22,167	4,043	6,700
509022	Meals & Concessions	0	0	0	100
Total:		6,208,105	5,997,252	4,497,099	5,393,763

Below are staffing highlights of the Risk Management Department

Grade	Job Name	2013	2014	2015	2016
03	0301 Administrative Assistant*	2.0	2.0	0.0	0.0
	0322 Workers Comp Investigator	1.0	1.0	1.0	1.0
04	0404 Administrative Assistant	1.0	1.0	0.0	0.0
06	0603 Claims Investigator	3.0	3.0	0.0	0.0
23	0757 Administrative Assistant	1.0	1.0	1.0	1.0
25	0885 Risk Analyst I	1.0	1.0	1.0	1.0
	1627 RTW – Transitional Coord	0.5	0.5	0.5	0.5
26	0876 Senior Adjustor (Claims)	1.0	1.0	0.0	0.0
	0905 Risk Analyst II	1.0	1.0	1.0	1.0
	1165 Workers Comp/Dis Clm Exam	2.0	2.0	3.0	3.0
27	0773 Manager Claims	1.0	1.0	0.0	0.0
	0894 Mgr Workers' Comp & Ins	1.0	1.0	0.0	0.0
30	0771 Director	1.0	1.0	1.0	1.0
Total		16.5	16.5	8.5	8.5

*Shared Grade 0301 Admin. Assistant with Claims Section of Legal Dept.

Legal Affairs Division



Human Resources Division

Division Summary

Bruce E. Hampton, Deputy General Manager

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

Mission Statement

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

2015 Achievements

- ◆ Continue to track and monitor attendance trends and comply with revised Family Medical Leave Act (FMLA), thereby reducing absence duration and lowering employer costs.
- ◆ Continue enhancements of Oracle Standard Benefits and Employee Self-Service modules to provide policy information and decision support information to employees and managers in a timely fashion.
- ◆ Continue Positive Discipline and Labor Relations supervisory training.
- ◆ Continue to expand the Diversity Awareness Training program. Program instructors will provide monthly training schedules to accommodate Diversity Training program needs.
- ◆ Continue the development of the HR Business Partner model to include the expansion of individual HR job responsibilities to provide prompt, efficient, and personalized service to the operating districts.
- ◆ Succession Planning Program launched where 5 out of 16 applicants were selected. All applicants were offered an opportunity to have an individual development plan created for them.
- ◆ Process Mapping Initiative continued where 57 processes were mapped. Lessons learned from the first round of mapping were collected and adjustments will be made before the 2nd round of mapping begins.
- ◆ Performance Appraisal Process was enhanced revising the form to promote alignment with RTA's Strategic Plan. The form was automated to increase reporting capability and improve tracking.

Human Resources Division

2016 Objectives

- ◆ 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

Human Resources Division

2015-2025 Strategic Plan Critical Initiatives and Measures

Critical Initiative	Division Champion(s)	Team	
Outcomes			
Activities	Plan Start	Plan End	% Complete

Refine HR Policies and Practices	Bruce Hampton	Ron Baron, Scott Ferraro, George Fields, Angela Smith, Carolyn Young	
Achieve X% NPS on Employee Engagement Survey for 2015 (% to be determined)			
Implement improved performance appraisal process that allows us to measure the overall performance of our organization – set baseline for improve Performance Management VFO			
Improve quality and time to fill to X (to be determined once initiative work is completed)			
Define 2015 plan for refresher training process for Operations on positive discipline process (align with performance evaluation process)	9/1/2014	12/31/2014	50%
Define and implement employee engagement survey – launch in early December	9/1/2014	12/31/2014	100%
Define and implement measurement process for time-to-fill	9/1/2014	12/31/2014	25%
Define selection process for “high potential employees” to build bench strength	9/1/2014	12/31/2014	100%
Define top improvements for recruiting and hiring to improve quality and time to fill	9/1/2014	12/31/2014	80%
Implement training program for process mapping process (as part of succession planning improvement efforts)	9/1/2014	12/31/2014	100%
Analyze engagement survey results and identify top priorities for improvement from engagement survey	1/1/2015	3/31/2015	50%
Identify gaps in our current performance evaluation process and needed improvements	1/1/2015	3/31/2015	100%
Implement MDP within IT and onboard first candidates	1/1/2015	3/31/2015	10%
Implement training to improve performance evaluation methods for managers	1/1/2015	3/31/2015	100%
Oversee creation of “first 40” business process maps	1/1/2015	6/30/2015	100%

Human Resources Division

2016 OPERATING BUDGET SUMMARY Department 14 – Human Resources

ANGELA SMITH, DIRECTOR

Department Priorities for 2016

- ◆ Continue development of a long-term strategic plan to continue to lower healthcare costs and optimize benefits design and wellness activities.
- ◆ Continue development of the HR Business Partner to include the expansion of individual HR job responsibilities, to provide prompt, efficient, and personalized service to the Operating Districts.
- ◆ Continue to partner with directors, managers, and supervisors to implement succession planning activities that prepare employees to fill future leadership positions (e.g. Management Development Program).
- ◆ Continue development and monitoring of Oracle system security plan and enhancing Quality Assurance metrics.
- ◆ Continue training for Oracle HRMS, Kronos, and Discoverer users in the areas of reporting, data analysis, metrics, and increased functionality.
- ◆ Achieve optimal staffing Operator staffing levels to improve service.
- ◆ Fill vacancies so total number of vacancies at end of year are less than 50.
- ◆ Continue increasing HR's visibility throughout Authority.
- ◆ Increase recruitment outreach activities by attending at least 2 events per month.

Mission Statement

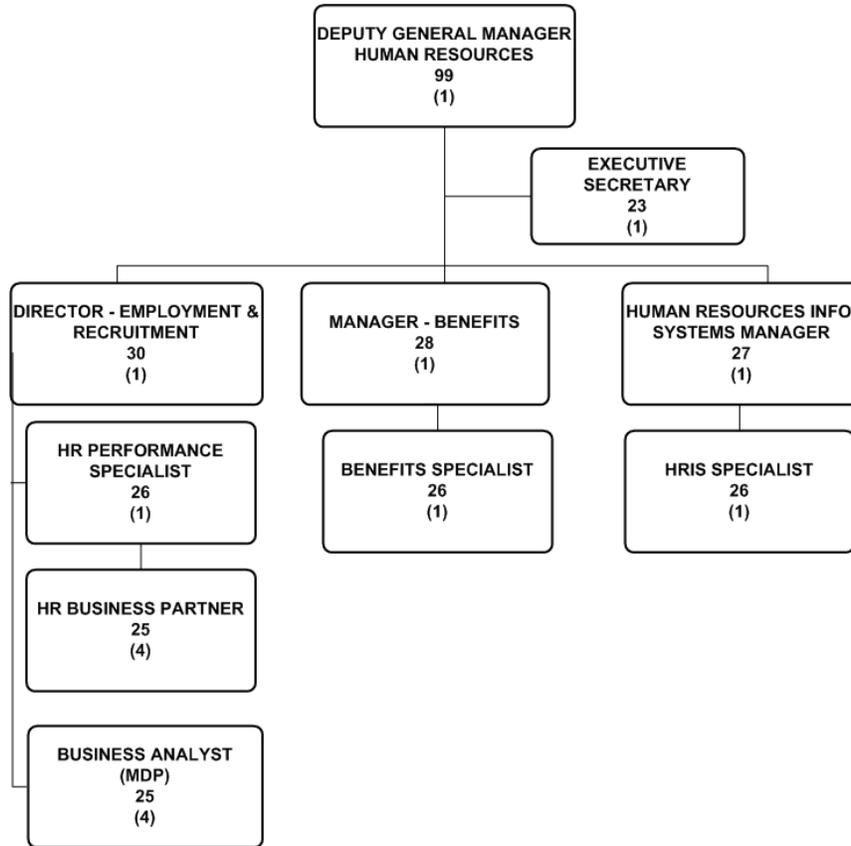
The Human Resources Department provides personnel services, benefits, wellness, and compensation to support the Authority.

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Total Number of New Hires (II, V, VI, VII)	215	246	332	200
Total Number of Promotions (II, V, VI, VII)	52	48	108	56
Operators Hired (II, V, VI, VII)	81	101	176	144
End of Year Vacancies (II, V, VI, VII)	146.6	121.5	118.75	50
Number of Visits to Districts (II, V, VI, VII)	40	0	0	0

Below are budget and staffing highlights of the Human Resources Department

Grade	Job Name	2013	2014	2015	2016
23	0725 Executive Secretary	1.0	1.0	1.0	1.0
25	1081 Business Analyst	4.0	5.0	5.0	4.0
	1640 HR Business Partner	4.0	4.0	4.0	5.0
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

Human Resources Division



Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees	157,502.42	91,298.84	80,477.49	232,800.00
501204	Hourly Employees/Light Duty Wages	0.00	0.00	0.00	60,000.00
501210	Overtime – Hourly Employees	6,722.79	297.66	236.49	0.00
501300	Labor – Salaried Employees	877,137.25	1,031,278.08	1,053,855.33	1,053,784.77
502000	Fringe Benefits	327,161.12	381,036.21	408,645.54	466,859.48
502071	W. C. – Injuries & Damages	0.00	0.00	0.00	0.00
503000	Services	24,679.36	130,177.20	214,526.81	267,492.05
503020	Advertising Fees	9,861.00	2,894.00	7,241.34	25,000.00
503049	Temporary Help	30,000.00	44,656.22	35,540.00	0.00
504000	Materials & Supplies	94,587.51	24,907.34	23,803.03	22,550.00
509000	Miscellaneous Expenses	13,635.82	13,558.00	6,572.93	10,700.00
Total:		1,541,287.27	1,720,103.55	1,830,898.96	2,139,186.30

Human Resources Division

2016 OPERATING BUDGET SUMMARY

Department 18 – Labor & Employee Relations

SCOTT FERRARO, DIRECTOR

Department Priorities for 2016

- ◆ Provide advice, training, and counsel to managers, supervisors, and employees on discipline, grievances, policies, contracts, and labor laws.
- ◆ Negotiation preparation for 2017 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.
- ◆ Implementation of FOP negotiated deductible/co-insurance plan for 2016.
- ◆ Implement Get Fit Wellness Program and increase wellness education, e.g. toolbox wellness information.
- ◆ Implement Kronos update and FMLA tracking module.
- ◆ Continue to administer and monitor the on line uniform ordering process.
- ◆ Issue new health care tax form in accordance with the ACA.
- ◆ Implement new HMO plan with University Hospital.
- ◆ Review possible updates to RTA's Section 125 Plan.

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.

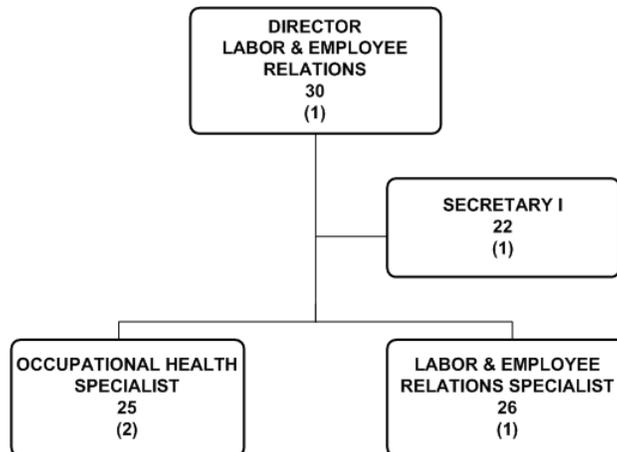
	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Number of 3 rd Step Grievance Hearings Held (II, IV, V, VI, VII)	25	54	56	60
Number of Labor Management Committees (II, IV, V, VI, VII)	9	8	8	8
Number of Discipline Actions Approved (II, IV, V, VI, VII)	61	106	102	100
Total Number of Drug & Alcohol Tests (I, II, IV, V, VI, VII)	2,303	2,353	2,315	2,300
FMLA Requests Processed (II, IV, V, VI, VII)	802	738	800	800
Separations subject to unemployment claims (II, IV, V, VI, VII)	110	174	200	200
Biennials/Follow-ups (II, IV, V, VI, VII)	612	811	730	790

Human Resources Division

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

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	283,774.45	308,420.92	327,396.49	397,732.24
502000	Fringe Benefits	80,126.93	93,777.65	103,562.80	131,543.69
502070	Unemployment Compensation	111,097.41	75,854.82	85,735.31	200,000.00
503000	Services	208,750.79	259,376.08	323,085.63	410,176.00
504000	Materials & Supplies	498.04	495.17	1,503.53	500.00
509000	Miscellaneous Expenses	5,602.14	17,123.74	15,608.57	6,000.00
Total:		689,849.76	755,048.38	856,892.33	1,145,951.93

Grade	Job Name	2013	2014	2015	2016
22	0721 Secretary I	1.0	1.0	1.0	1.0
24	Human Resources Assistant	0.0	0.0	0.0	0.0
25	0899 Occupational Health 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	0.0	0.0	1.0
30	1342 Director	1.0	1.0	1.0	1.0
Total		5.0	5.0	5.0	6.0



Human Resources Division

2016 OPERATING BUDGET SUMMARY Department 30 – Training & Employee Development

GEORGE FIELDS, DIRECTOR

Department Priorities for 2016

- Continue the deployment of workforce engagement initiatives through employee engagement survey and action plans for improved organizational communication
- Continue to implement improvements to the performance management process for non-represented personnel, to include but not limited: continued alignment with Mission, Vision, Values and Vital Few Objective.
- 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

Mission Statement

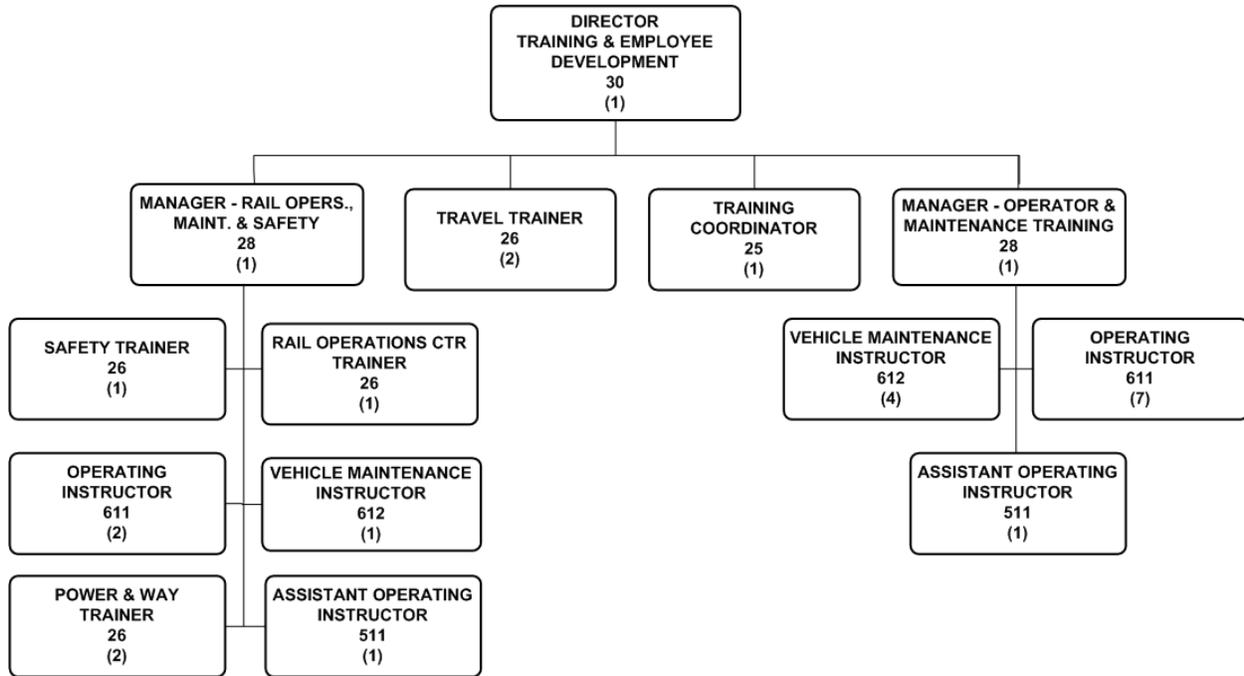
The mission of the Training & Employee Development Department is to provide growth and development opportunities for all GCRTA employees by improving their skills, knowledge, and abilities in support of the Authority's goals.

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Biennial Bus Operator Recertification (I, III, IV, VI, VII)	387	371	440	458
Biennial Rail Operator Recertification (I, III, IV, VI, VII)	41	38	49	33

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

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees	0.00	1,305.60	26,689.63	80,000.00
501300	Labor – Salaried Employees	1,593,265.47	1,639,719.05	1,736,383.78	1,851,348.79
501310	Overtime – Salaried Employees	31,140.89	42,600.46	68,423.73	41,250.00
502000	Fringe Benefits	571,611.47	640,752.98	740,781.90	624,831.75
502148	Tuition Reimbursement	33,779.54	51,204.69	74,631.51	80,000.00
503000	Services	20,675.51	36,000.00	255,082.12	251,700.00
503052	Other Maintenance Contracts	(2,225.00)	0.00	4,696.00	15,000.00
503049	Temporary Help	0.00	0.00	5,971.20	0.00
504000	Materials & Supplies	2,417.22	15,839.40	13,258.13	16,000.00
509000	Miscellaneous Expenses	195,499.08	332,289.30	371,909.51	533,500.00
Total:		2,244,164.18	2,759,711.48	3,297,827.51	3,493,630.54

Human Resources Division



Grade	Job Name	2013	2014	2015	2016
05	0511 Assistant Operating Instr	2.0	2.0	2.0	2.0
06	0611 Operating Instructor	9.0	9.0	9.0	10.0
	0612 Vehicle Maint 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	2.0	3.0
	1631 Rail Ops Ctr Trainer	1.0	1.0	1.0	1.0
28	0870 Mgr Oper/Main Training	1.0	1.0	1.0	1.0
	0886 Mgr Training Rail Oper	1.0	1.0	1.0	1.0
30	1430 Director	1.0	1.0	1.0	1.0
Total		26.0	26.0	26.0	28.0

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Executive Division

Division Summary

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

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

The focus of RTA's business plan was to enhance customer service, improve our image, strengthen financial resources, and execute a 2014 Budget that would result in a balanced budget without service reductions, fare increases, or employee layoffs.

Mission Statement

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

2015 Achievements

Strong Fiscal Management

- ◆ Finished year \$12 million better than budget, with an ending balance of \$25 million
- ◆ Renewed three-year contract with Amalgamated Transit Union, tying future wages to revenue
- ◆ Continued efforts of Environmental & Sustainability Management System (ESMS) to improve sustainability efforts and reduce costs
- ◆ Deployed 90 CNG buses, reducing per vehicle fuel costs by 50%
- ◆ Awarded funding from ODOT for 12 replacement Trolleys and Rail infrastructure work
- ◆ Received Auditor of State – Award with Distinction
- ◆ Received GFOA Award for CAFR for 27th consecutive year

Infrastructure Upgrades and Improvements

- ◆ Opened Little Italy Station
- ◆ Opened Lee Van Aken Station
- ◆ Continued on-going construction projects at the Brookpark Station and Green Road/Warrensville Station
- ◆ Began design work on East 116th Street Station and East 34th Street Station
- ◆ Began design of rail work at Tower City Station and replacement of Station escalators
- ◆ Continued to work with City of Cleveland and NOACA on Red Line Art Project
- ◆ Deployed 90 new CNG buses and completed work on Hayden CNG fueling station
- ◆ Deployed 20 propane powered Paratransit buses
- ◆ Improved Rail Crossings in Shaker Heights and in the Flats
- ◆ Installed 3-position bike racks on all buses
- ◆ Continued interior mid-life upgrades of Red Line rail cars

Executive Division

Staff Development

- ◆ Hosted US Dept. of Labor Secy. Tom Perez, who honored RTA's achievements with its front-line apprenticeship programs and promoted employment opportunities for bus and rail vehicle maintenance technicians and signal technicians.
- ◆ Received FTA Grant for Apprenticeship with Tri-C
- ◆ Received FTA Grant for Transit Academy Leadership training at CSU
- ◆ Honored Flounsay Caver, who received the CSU *2015 Distinguished Alumni Award*
- ◆ Honored Jose Feliciano, who received *Crain's Cleveland Business' 40 Under 40 Award*

Strong Corporate and Civic Image and Partnership Development

- ◆ Continued positive relationship with local media including:
 - *Smart Business Magazine*, Joe Calabrese honored with *Smart 50 Award* for corporate successes
 - *Crain's Cleveland Business*, Joe Calabrese featured in "Source Lunch" profile
 - *Governing Magazine*, Joe Calabrese honored with *Public Official of the Year Award*
- ◆ Continued involvement in RNC 2016 Convention planning
- ◆ Continued involvement with NOACA, serving on Board of Directors, Transportation committee and External Affairs Committee
- ◆ Continued involvement on the City/County Workforce Development Board & Executive Committee
- ◆ Continued involvement as co-chair of University Circle Transportation and Parking Committee
- ◆ Promoted ODOT Transit Needs Study, calling for increased funding for public transportation
- ◆ Spoke at several Federal and State hearings, advocating for increased funding
- ◆ Enhanced partnerships with University Circle Incorporated, receiving *Building the Circle Award*
- ◆ Addressed numerous civic and corporate groups, such as the GCP Board of Directors
- ◆ Elected Chair of the Downtown Cleveland Investment Corporation, comprised of major Downtown property owners
- ◆ Elected Chair of the Metropolitan Rail Operators Group

Ridership Increase

- ◆ Cedar/University Station – increased ridership more than 30%
- ◆ Little Italy Station – increased ridership more than 100% vs the E. 120 station it replaced
- ◆ The Cleveland State Line – increased ridership more than 30%
- ◆ Targeted Millennials in several key Marketing campaigns
- ◆ Implemented U-Pass with Notre Dame College

System and Operator Safety Improvements

- ◆ Reduced crime on RTA vehicles and on RTA property
- ◆ Entered into Mutual Aid agreement with CPD enforcement along Clifton Avenue to support the Cleveland State Line
- ◆ Implemented new driving simulator, to aid in pre-employment and retraining activities
- ◆ Awarded Operation Lifesaver Grant
- ◆ Saluted operators who had a combined total of 575 years of accident-free driving at RTA Annual Awards Banquet.
- ◆ Sponsored and promoted Human Trafficking awareness program

Executive Division

- ◆ Established Community Policing at Districts
- ◆ Completed camera installation on buses and trains
- ◆ Installed “Drive Cam” units on all buses and trains
- ◆ Conducted conflict resolution training for operators
- ◆ Began training on “self-defense from a seated position” for operators

Recognition and Awards

- ◆ Joe Calabrese named Governing Magazine’s *Public Official of the Year*, the only transit manager to ever receive this prestigious award
- ◆ Joe Calabrese received Smart Business *Smart 50 Award*, presented to top executives in recognition of ability and talent to effectively build and lead innovative and “smart” organizations
- ◆ RTA received The Partnership for Excellence’s *Silver Award* for Commitment to Excellence, as part of RTA’s pursuit of the Malcolm Baldrige Award
- ◆ RTA awarded Metro Magazine and Bus Con’s *2015 Innovation Solutions Award* for RTA’s partnership with Lytx and its innovative implementation of DriveCam
- ◆ RTA received two honors from the Commission on Economic Inclusion
 - *2015 Commission 50*, awarded to 50 organizations with the highest combined scores on board, senior management, workforce and supplier diversity
 - *Best in Class – Workforce Diversity Nonprofit/Govt.*
- ◆ RTA awarded University Circle Incorporated *Building the Circle Award* for the Little Italy-University Circle Station
- ◆ RTA received Earth Day Coalition’s *Community Works Program Award: Clean Transportation as Hydrogen Fuel Cell Bus Demo Project Collaborator*
- ◆ RTA received *Merit/Ohio Landscape Architecture Award* from the Ohio Chapter of the American Society of Landscape Architects for RTA’s accomplishments in contributing to the quality of life in Ohio, for implementation of the HealthLine BRT and the Cleveland State Line

2016 Objectives

- ◆ Support the Mission, Vision and Values of RTA
- ◆ Continue to improve service quality for all RTA customers including:
 - On-time performance
 - Reliability
 - Customer Satisfaction
 - Safety
- ◆ Investigate additional strategies to increase our productivity and reduce costs.
- ◆ Identify additional funding for infrastructure needs.
- ◆ 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.
- ◆ Increase the cleanliness of RTA facilities and vehicles.
- ◆ Work to maximize the value of RTA to tourism and visitors, especially in light of the 2016 RNC.
- ◆ Encourage Transit Supportive Developments.
- ◆ Focus on Employee Development and Succession Planning programs.

Executive Division

2015-2025 Strategic Plan

Critical Initiatives and Measures

Critical Initiative	Division Champion(s)	Team	
Outcomes			
Activities	Plan Start	Plan End	% Complete

Educate Key Decision Makers to Act on Behalf of Public Transportation	Joe Calabrese	Eric Johnson, Frank Polivka	
Implement and Manage Advocacy Plan for defined stakeholder groups with a focus on education and action			
Achieve our Grow Advocacy VFO target of 50% of groups met with in person per advocacy plan with all groups communicated at least twice per year in written form			
Grow Smart Commute Initiative applicants to 50 for 2015			
Measure and Connect clear results to our 2015 advocacy efforts			
Define and document 2015 advocacy plan by group, communication method, and advocacy messages	10/1/2014	12/31/2014	75%
Define plan for open houses/tours to support general advocacy efforts	10/1/2014	12/31/2014	75%
Work with Board to identify the role they will play in advocacy efforts	10/1/2014	12/31/2014	75%
Build case studies and best practices to support and promote Smart Commute initiative	10/1/2014	12/31/2014	80%
Manage the Q1, 2015 advocacy plan by activity	1/1/2015	3/31/2015	20%
Manage the Q1, 2015 open house/tour plan	1/1/2015	3/31/2015	20%
Implement a tracking process to connect advocacy efforts to results (i.e. policy changes, support, funds, development, etc)	1/1/2015	3/31/2015	10%

Executive Division

Maximize Ridership Growth Opportunities	Steve Bitto	Michael Binetti, Mike Cermak, Jim Frick, Valerie Shea, Advertising Vendor	
Achieve increase ridership VFO of 51.25 million in 2015			
Develop and implement a marketing plan targeting key market segments: Millennials, Travel/Tourism, Work-Trip Commuters, and Redeveloped Communities			
Implement market research focused on high growth target audiences			
Define 2015 Marketing Plan by key segments	9/1/2014	11/5/2014	90%
Improve Next Connect process	9/1/2014	12/31/2014	90%
Complete Market Research on transit needs for Millennials	9/1/2014	3/31/2015	90%
Define process to make use of Origin/Destination data to understand ridership growth opportunities	9/1/2014	3/31/2015	50%
Establish a Millennial Advisory Group	4/1/2015	6/30/2015	50%
Enhance U-Pass orientation for students with participating universities	4/1/2015	6/30/2015	10%
Audit U-Pass programs for compliance with terms of conditions	5/1/2015	6/30/2015	10%
Enhance relationships with Cleveland Visitors Bureau and Medical Mart to take advantage of conference and convention growth (at the table for regular events)	9/1/2014	12/31/2015	10%
Implement targeted marketing for the bicycling community (mode share strategy)	9/1/2014	12/31/2015	10%
Launch a pilot U-Pass Residential Unit Program	9/1/2014	12/31/2015	5%
Implement target marketing for the aging baby boomers with transit (connect with grandchildren)	9/1/2014	12/31/2015	5%
Implement targeted marketing towards residents near Park-N-Ride Locations	9/1/2014	12/31/2015	5%
Define a plan to leverage social media followers at a higher level (includes video orientation activities)	9/1/2014	12/31/2015	15%

Executive Division

Identify Top Opportunities to Enhance the Riding Experience	Steve Bitto	Beth Castelucci, Mike Cermak, Valerie Shea, Mike York, Cathy Eaton, Bryan Moore, Sharon Sharp, John Fedikovich	
Achieve Passenger Satisfaction VFO of 70% overall satisfaction rating for 2015			
Develop and implement an ongoing market research program which will identify issues and top solutions for improvement			
Develop and implement on-going market research program	9/1/2014	12/31/2014	100%
Define and implement an ongoing customer service coaching program for operators	9/1/2014	12/31/2014	100%
Define and implement a "Safe, Reliable, Courteous, Clean Service" recognition program	9/1/2014	12/31/2014	100%
Enhance process for communication of interruptions of services, availability of real-time information, and general service information	9/1/2014	3/31/2015	100%
Implement process to grow number of respondents on ABBG survey	1/1/2015	3/31/2015	100%
Explore and define top priorities for using technology to improve the passenger experience	1/1/2015	6/30/2015	100%

Define and Implement Plan to Improve Most Crucial Communications Issues	Steve Bitto	George Fields, Nick Biggar, Bonson Yee, Tony Garofoli, Ron Baron, Scott Ferraro, Bruce Hampton, Angela Smith, Carolyn Young	
Improve communication related survey results by X% (George Fields to determine after survey completed)			
Complete research to assess current state of internal communication via focus groups and survey to identify top priorities			
Develop and implement plan to address shortfalls that results in greatly enhanced internal communications			
Define and Implement a focus group process on communication	9/1/2014	11/30/2014	100%
Roll out long-term MVV and 2015 Strategic Plan	9/1/2014	12/31/2014	100%
Define and implement best practices for communications competency and link to performance evaluation process	9/1/2014	12/31/2014	100%
Define 2015 plan for improving communication issues	1/1/2015	3/31/2015	25%

Executive Division

Define and Implement IT Strategic Plan		Peter Anderson	Wes Goodwin, Chris Orlando, Tim Kirchmeir	
Define a 5-year strategic plan for IT infrastructure (servers, personal computers, software systems, application delivery, network and phone system)				
Achieve advanced use of technology VFO (to be determined by Peter Anderson)				
Re-launch IT as the front door for technology projects in RTA through revised policies and procedures				
Utilize ITSC to establish IT governance policies and communication to the organization (top priorities)	9/1/2014	12/31/2014	50%	
Utilize ITSC to refine key IT policies and communicate to the organization (top priorities)	9/1/2014	12/31/2014	50%	
Separate functional and technological responsibilities	9/1/2014	12/31/2014	50%	
Revise all IT service request forms and communicate to the organization	9/1/2014	3/31/2015	50%	
Define and implement restructuring plan for IT organization	9/1/2014	3/31/2015	95%	
Evaluate application security for mission-critical systems	9/1/2014	12/31/2014	75%	
Establish IT governance procedures and launch it to the organization	1/1/2015	6/30/2015	10%	
Refine IT procedures and launch to the organization	1/1/2015	6/30/2015	10%	
Define and document 3-year strategic plan for IT infrastructure (infrastructure, resources, researching new technologies focus, skill development focus)	1/1/2015	3/31/2015	10%	
Publish RFP for new phone system	9/1/2014	11/30/2014	90%	
Award contract for new phone system	1/1/2015	3/31/2015		
Implement new phone system	4/1/2015	9/30/2015		
Identify requirements for network replacement/upgrade	9/1/2014	10/31/2014	75%	
Purchase equipment network replacement/upgrade	11/15/2014	3/31/2015	20%	
Implement equipment for network replacement/upgrade	1/1/2015	6/30/2015		
Work with vendors to analyze CBM performance for root causes	11/1/2014	12/31/2014	20%	
Define data center refresh plan	9/1/2014	12/31/2014	20%	

Executive Division

2016 OPERATING BUDGET SUMMARY Department 12 – Executive

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

Department Priorities for 2016

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

Mission Statement

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

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Ridership (I, II, III, VII)	48,265,048	49,236,078	50,000,000	TBD*
Percent Change Prior Year (III, VII)	4.3%	2.1%	1.5%	TBD*
Passenger Fare Revenue (III, IV, VI)	49,237,857	48,699,580	49,314,054	TBD*
% Change (III, IV, VII)	2.5%	-1.1%	1.2%	TBD*

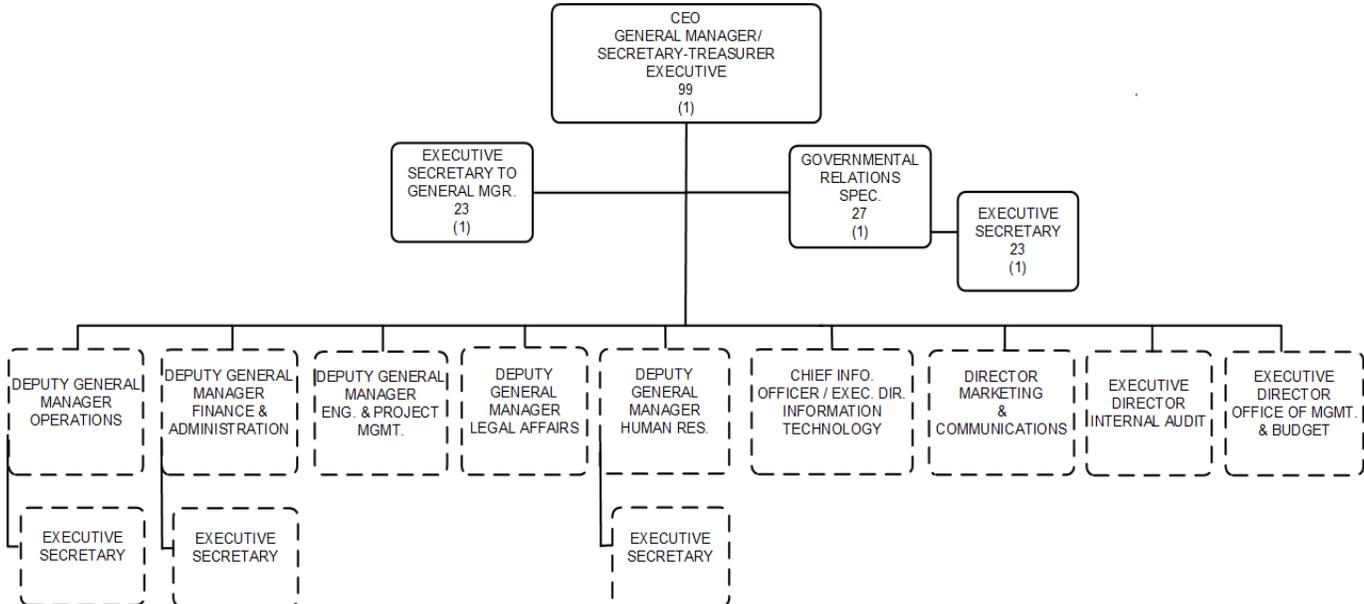
*To Be Determined: After final decisions are made regarding service levels and fares

Executive Division

Below are budget and staffing highlights of the Executive Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	496,604.90	489,255.66	439,880.81	468,752.82
502000	Fringe Benefits	193,706.09	0.00	0.00	0.00
503000	Services	19,720.00	204,388.36	186,586.50	155,032.63
503049	Temporary Help	2,432.00	14,758.06	2,876.00	21,000.00
504000	Materials & Supplies	1,071.61	2,800.00	8,496.72	0.00
509000	Miscellaneous Expenses	146,993.75	912.90	1,560.88	1,398.00
509022	Meals & Concessions	0.00	163,064.80	175,754.15	186,650.00
Total:		815,873.65	875,400.57	818,978.22	855,333.45

Grade	Job Name	2013	2014	2015	2016
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
28	1444 Manager Media Relations	1.0	0.0	0.0	0.0
99	9929 General Manager	1.0	1.0	1.0	1.0
Total		5.0	4.0	4.0	4.0



Executive Division

2016 OPERATING BUDGET SUMMARY Department 16 – Secretary/Treasurer – Board of Trustees

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

Department Priorities for 2016

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

Mission Statement

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

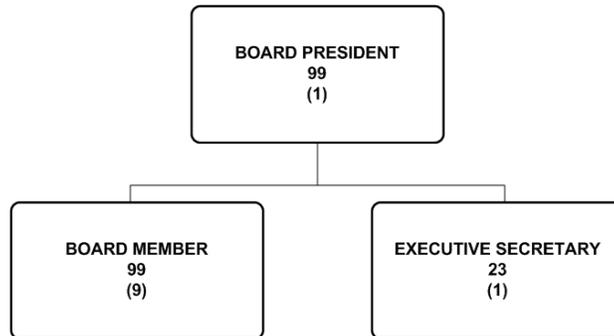
	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
RTA Annual Yield on Investments (II, IV, V, VI)	0.48%	0.57%	0.77%	0.99%

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

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	89,903.22	130,504.44	94,803.14	99,055.58
502000	Fringe Benefits	31,589.15	0.00	0.00	0.00
503000	Services	105,355.90	48,038.36	36,685.11	32,761.08
504000	Materials & Supplies	609.92	103,355.20	91,706.50	181,000.00
509000	Miscellaneous Expenses	22,475.61	13,655.88	745.00	1,150.00
509022	Meals & Concessions	0.00	17,431.15	24,850.03	38,000.00
Total:		249,933.80	313,409.52	249,615.93	353,966.65

Executive Division

Grade	Job Name	2013	2014	2015	2016
23	0725 Executive Assistant	1.0	1.0	1.0	1.0
99	9901 Board Member	10.0	10.0	10.0	10.0
Total		11.0	11.0	11.0	11.0



Executive Division

2015 OPERATING BUDGET SUMMARY Department 19 – Internal Audit

ANTHONY GAROFOLI, EXECUTIVE DIRECTOR

Mission Statement

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

Department Priorities for 2016

- ◆ Establish a risk-based Audit Plan aligned with the GCRTA Strategic Plan and Vital Few Objectives
- ◆ Evaluate the reliability and integrity of information
- ◆ Evaluate the means of safeguarding assets
- ◆ Evaluate the systems and processes established to ensure compliance with policies, plans, procedures, laws and regulations
- ◆ 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

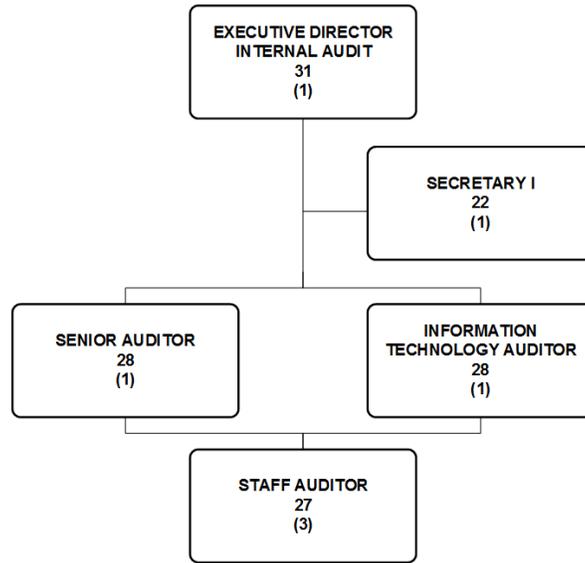
	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Number of Audits Planned (II, III, IV, V, VI)	51	50	47	51
Number of Audits Completed (II, III, IV, V, VI)	45	45	42	45
Percentage of Time Budgeted for Audits (II, III, IV, V, VI)	90%	90%	90%	90%
Percentage of Recommendations Implemented By Management (II, III, IV, V, VI)	80%	80%	80%	80%
Percentage of Audits Performed Where Computerized Audit Tools Were Used (II, III, IV, V, VI)	30%	30%	50%	60%

Below are budget and staffing highlights of the Internal Audit Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees Payroll	0.0	0.00	5,880.00	9,600.00
501300	Labor – Salaried Employees	420,553.71	487,008.26	443,026.32	533,795.29
502000	Fringe Benefits	148,272.60	0.00	0.00	0.00
503000	Services	29,400.00	187,289.13	171,901.83	179,719.45
504000	Materials & Supplies	4,849.78	(64,197.25)	18,210.98	56,500.00
509000	Miscellaneous Expenses	(9,955.35)	(537.14)	1,600.00	1,650.00
509022	Meals & Concession	0.0	(4,829.34)	19,673.04	33,450.00
Total:		593,120.74	604,733.66	660,292.17	815,464.74

Executive Division

Grade	Job Name	2013	2014	2015	2016
22	0721 Secretary I	1.0	1.0	1.0	1.0
26	0957 Staff Auditor	2.0	0.0	0.0	0.0
27	0957 Staff Auditor	0.0	3.0	3.0	3.0
	1087 Lead Auditor	1.0	0.0	0.0	0.0
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



Executive Division

2016 OPERATING BUDGET SUMMARY Department 53 – Marketing & Communications

STEPHEN BITTO, DIRECTOR

Department Priorities for 2016

- ◆ Develop a fully integrated marketing strategy to support the Authority’s mission: to provide safe, reliable, clean and courteous public transportation.
- ◆ Develop strategies to increase use of the Authority’s service by targeting millennial, travel/tourists market and work trip commuters. (VFO#2)
- ◆ Develop and conduct a series of research programs to gauge customer satisfaction related to the Authority’s primary service modes: HealthLine, Park-N-Ride, rapid transit, BRT, Paratransit and trolley. Based on research findings identify and implement strategies to enhance our customers riding experience. (VFO #3)
- ◆ Maximize revenue sources including transit advertising, asset sponsorship and on-site vending opportunities.
- ◆ Establish and nurture relationships with transit coalition partners, including business and community leaders and elected officials. (VFO #1)
- ◆ Enhance penetration and use of the Authority’s social media outlets targeting young adults to encourage trial service use.
- ◆ Develop customer communications to enhance overall system safety. (VFO #8)
- ◆ Assess the effectiveness of current internal communications and develop strategies to improve employee directed communications. (VFO #9)

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.

	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Ridership Increase (III, V, VI, VII)	2.0%	3.5%	(3.5%)	1.0%
Community Advantage Clients (II, III, V, VI, VII)	695	725	750	775
Calls Answered (II, III, V, VI, VII)	456,000	489,000	425,000	440,000
TIC Lost Call Rate (II, III, V, VI, VII)	9.2%	7.2%	6.3%	6.0%
Website Visits (II, III, V, VI, VII)	4,432,011	5,557,700	7,089,000	7,300,000
Research studies Completed (II, III, V, VI, VII)	8	11	12	15
Aggregate Customer Satisfaction Rate (II, III, V, VI, VII)	51%	64%	70%	75%

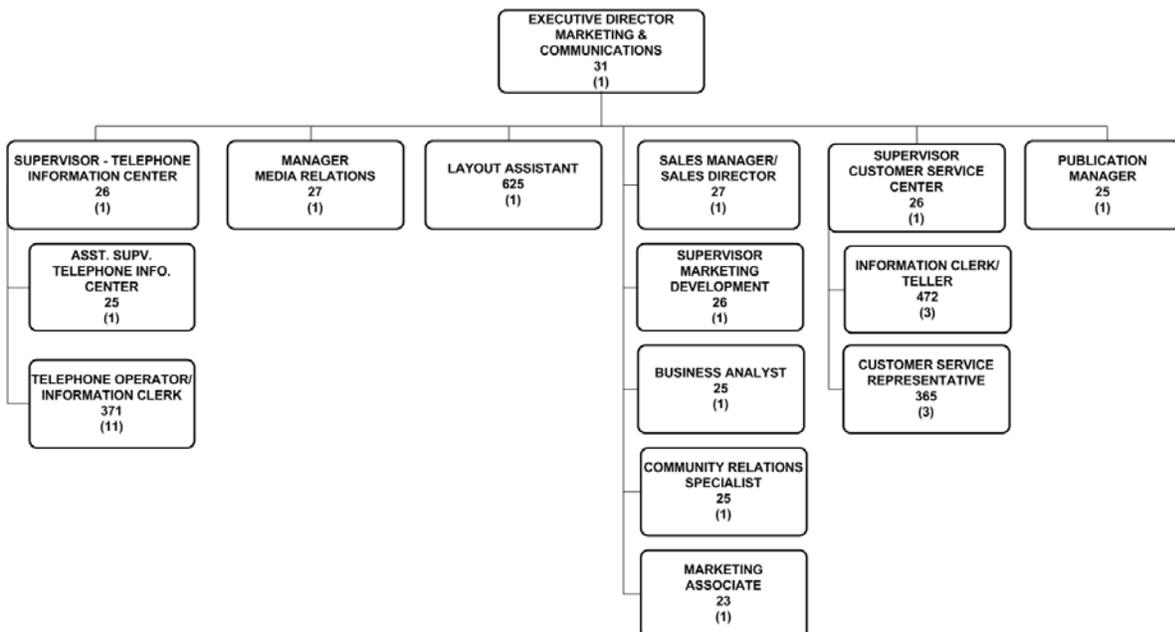
2015 Highlights:

- Developed a fully integrated marketing strategy to support the Authority’s mission: to provide safe, reliable, clean and courteous public transportation.
- Developed and implemented a communication program to support the introduction of the Authority’s newly adopted strategic plan with Mission, Vision and Values.
- Conducted a full cycle of customer satisfaction studies for all of the Authority’s service modes.
- Developed and implemented a fully integrated marketing program targeting the community’s emerging young professional/millennial market.
- Developed and implemented a comprehensive communication program related to the closing of Public Square and subsequent service reroutes.

Executive Division

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501200	Hourly Employees Labor	33,180.04	14,316.05	224.96	0.00
501210	Overtime – Hourly Employees	2,259.84	0.00	0.00	0.00
501300	Labor – Salaried Employees	1,470,659.09	1,528,870.01	1,625,156.22	1,705,586.98
501310	Overtime – Salaried Employees	21,215.42	8,259.20	15,588.48	20,000.00
502000	Fringe Benefits	551,806.53	597,553.09	626,436.63	570,068.88
503000	Services	158,896.06	217,237.73	166,716.56	200,003.00
503020	Advertising Fees	818,980.48	840,635.68	872,317.16	884,500.00
503049	Temporary Help	20,500.43	7,898.31	0.00	0.00
503052	Other Maintenance Contracts	0.00	0.00	0.00	0.00
504000	Materials & Supplies	23,127.12	31,151.80	22,140.18	16,150.00
509000	Miscellaneous Expenses	30,825.18	16,630.29	5,829.02	9,900.00
509022	Meals & Concessions	0.00	15,882.62	7,245.51	10,000.00
512000	Leases & Rentals	0.00	5,760.60	7,283.88	15,000.00
Total:		3,131,450.19	3,284,195.38	3,348,938.59	3,431,208.87

Grade	Job Name	2013	2014	2015	2016
03	0365 Customer Service Rep	3.0	3.0	3.0	3.00
	0371 Telephone Oper/Info Clerk	11.0	11.0	11.0	11.00
04	0472 Information Clerk/Teller	3.0	3.0	3.0	3.00
06	0625 Layout Assistant	1.0	1.0	1.0	1.00
23	1650 Marketing Assistant PT	0.5	0.0	0.0	1.00
	0740 Marketing Associate	0.0	1.0	1.0	1.00
25	0713 Publications Manager	1.0	1.0	1.0	1.00
	0831 Community Relations Spec.	1.0	1.0	1.0	1.00
	0966 Asst. Supervisor Tel. Info	1.0	1.0	1.0	1.00
	1085 Business Analyst	1.0	1.0	1.0	1.00
26	1061 Supervisor Marketing	1.0	1.0	1.0	1.00
	1184 Suv. Telephone Info Ctr	1.0	1.0	1.0	1.00
	1246 Supv Customer Serv Center	1.0	1.0	1.0	1.00
27	0859 Sales Mgr/Sales Director	1.0	1.0	1.0	1.00
28	1144 Manager Media Relations	0.0	1.0	1.0	1.00
30	0784 Director	1.0	1.0	0.0	3.00
31	0784 Executive Director	0.0	0.0	1.0	11.00
Total		27.5	29.0	29.0	29.0



Executive Division

2016 OPERATING BUDGET SUMMARY Department 61 – Information Technology

**PETER ANDERSON, EXECUTIVE
DIRECTOR – CIO**

During 2015, following the expansion and reorganization of the Information Technology Department and its move to the Executive Division, most of the recently approved additional positions have been filled and IT keeps expanding its services. These new hires have made it possible for IT to

enhance the support it can provide to the departments, from direct customer support to more systems improvements behind the scenes and enabling better use of current IT systems. The Strategic Plan and IT Steering Committee efforts have improved our focus on the most critical items and has enhanced our communications to the departments about changes.

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 ridership through innovative, quality technology solutions.

Department Priorities for 2016

- ◆ Complete the replace phone system
- ◆ Continue with the upgrades to the GCRTA network infrastructure
- ◆ Complete the enhancement of data storage capacity for numerous projects
- ◆ Roll-out the GroupWise expansion project to provide email accounts to the entire employee base for improved communications
- ◆ Complete a pilot for the Virtual Desktop Upgrade
- ◆ Implement SQL server upgrade and Citrix farm replacement
- ◆ Initiate and complete first phase of IT Security project (funding in 2016)
- ◆ Implement the Service Desk Incident Management System
- ◆ Identify funding and complete the TransitMaster NextConnect Upgrade
- ◆ Complete Trapeze module upgrades
- ◆ Create Service and Operating Level Agreements
- ◆ Document Incident Management Processes and COOP for IT
- ◆ Educate IT and End User customer base on ITIL methodologies and best practices
- ◆ Create, Document and publish a minimum of five core service management metrics
- ◆ Improve processes related to planning, procurement, implementation, and support of IT technologies.
- ◆ Continue to reduce the number of personal printers in private offices
- ◆ Reduce the number of networked printers by 33%
- ◆ Complete Phase 1 of the Mobile Device Management Project

2015 Highlights:

- ◆ Hired a Database Administrator, a two Senior Application Analysts, an Application Analyst and a User Support Analyst, to answer the Help Desk phones and provide End User Support
- ◆ Completed the replacement of the remaining 50 six+ year old Multi-Function Printers with new MFP's, which significantly improved the high volume printing environment and significantly lowered overall printing costs
- ◆ Provided revisions to IT portions of the Code changes for GCRTA as they relate to the IT Department

Executive Division

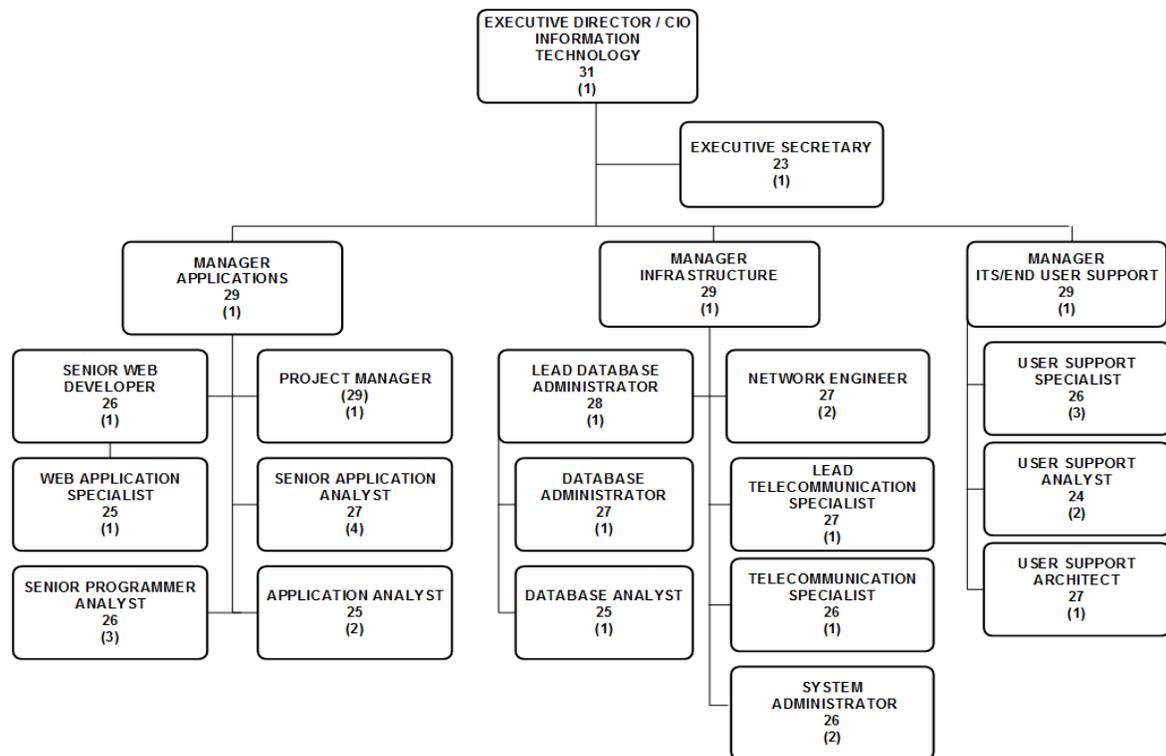
- ◆ Continue to collaborate on the Report Writer software replacement project-nearly completed
- ◆ Actively engaged with Finance in the project to design and build a new process to manage records retention, with only two departments remaining
- ◆ Researched, evaluated and installed various patches in support of business and operational applications
- ◆ Assisted with implementation of Purchasing application and associated business process improvement-nearly complete
- ◆ Deployed 161 new desktop PC's across the Authority
- ◆ Deployed 69 new laptops across the Authority
- ◆ Designed, Implemented, and Maintained Servers and Network Infrastructure to support Major System Implementations and Upgrades
- ◆ Planning a project to address the results of the DHS/TSA cybersecurity Evaluation
- ◆ Completed Multiple IT Audits with agencies from Ohio AoS, to the American Public Transit Association
- ◆ Completed Teammate software upgrade for Internal Audit
- ◆ Completed first phase of latest TransitMaster software upgrade
- ◆ Replaced all Windows XP machines
- ◆ Conducted monthly IT Steering Committee meetings

Below are budget and staffing highlights of the Information Technology Department

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	1,364,727.10	1,510,894.98	1,908,848.04	2,273,060.51
501300	Overtime – Salaried Employees	1,150.00	450.00	3,200.00	1,500.00
502000	Fringe Benefits	487,921.11	569,286.30	743,545.51	752,227.00
503000	Services	(148,733.23)	328,051.21	66,857.38	141,250.00
503049	Temporary Help	16,000	(16,000.00)	0.00	0.00
503052	Other Maintenance Contracts	1,756,593.83	2,335,156.36	3,107,017.03	3,707,699.00
504000	Materials & Supplies	72,086.91	161,791.27	148,712.92	153,550.00
505000	Utilities	0	0.00	0.00	0.00
505022	Telephone	658,012.77	669,637.36	612,518.81	744,800.00
509000	Miscellaneous Expenses	10,976.32	9,310.51	26,680.33	42,700.00
512000	Leases & Rentals	(2,358.18)	0.00	0.00	750.00
Total:		4,216,376.63	5,586,993.79	6,708,079.22	7,913,736.51

Executive Division

Grade	Job Name	2013	2014	2015	2016
23	0725 Executive Secretary	0.0	1.0	1.0	1.0
24	1646 User Support Analyst	0.0	2.0	2.0	2.0
25	0751 Network Administrator	2.0	0.0	0.0	0.0
	0760 Database Analyst	0.0	1.0	1.0	1.0
	0960 PC Software/Support Spec	2.0	0.0	0.0	0.0
	0960 User Support Specialist	0.0	3.0	3.0	3.0
	1645 System Analyst	1.0	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	2.0	2.0
26	1072 Telecom Specialist	2.0	2.0	2.0	2.0
	1077 Senior Web Developer	1.0	1.0	1.0	1.0
	1082 System Administrator	3.0	0.0	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
	1960 Senior Application Analyst	0.0	3.0	4.0	4.0
28	1648 Lead Database Administrator	1.0	1.0	1.0	1.0
29	1726 Manager – ITS	0.0	1.0	1.0	1.0
	1655 Project Manager	0.0	1.0	1.0	1.0
	0783 Manager ITS/End User Support	0.0	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
30	1419 Director	1.0	0.0	0.0	0.0
31	1730 Executive Director/CIO	0.0	1.0	1.0	1.0
Total		24.0	28.0	32.0	32.0



Executive Division

2016 OPERATING BUDGET SUMMARY Department 67 – Office of Management and Budget

GALE W. FISK, EXECUTIVE DIRECTOR

Department Priorities for 2016

- ◆ Continue to implement an agency-wide initiative to improve operations through the “Partnership For Excellence”. Fully deploy the new MVV.
- ◆ Execute the Strategic Plan. Conduct second Strategic Planning Process and establish updated VFO’s
- ◆ Finish 2016 with a fund balance in excess of \$14 million.
- ◆ Continue to reprioritize the capital program and coordinate the funding and system implications. For 2016, keep reimbursed expenditures under \$22 million.
- ◆ Continue development of mechanisms to better monitor and control the budget.
- ◆ Lead the National Transit Database reporting and submittal.
- ◆ Continue to develop and implement operations analyses to improve cost effectiveness of service delivery including an initiative to improve the management of Paratransit.
- ◆ Continue and expand the TransitStat program to improve processes, enhance service, and further reduce costs.
- ◆ Continue to execute the Energy Price Risk Management program to control and stabilize diesel fuel costs.
- ◆ Continue to execute energy management initiatives in electricity, natural gas, and water.

Mission Statement

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

	2013 Actual	2014 Actual	2015 Actual	2016 Budget
Quarterly Management Reports Produced (II, IV, V, VI, VII)	4	4	4	4
FTA Financial Status Reports Prepared (II, IV, V, VI, VII)	4	4	4	4
Cost Allocation Plans Produced (II, IV, V, VI, VII)	1	1	1	1
National Transit Database Reports Prepared (II, IV, V, VI, VII)	1	1	1	1
# of Management Consulting Products Completed (II, IV, V, VI, VII)	3	3	3	3
Operating Budget Variances (II, IV, V, VI, VII)				
• Revenues over/(under)	0.09%	1.5%	2.0%	2.0%
• Expenditures over/(under)	(6.90%)	(3.8%)	1.0%	1.0%

2015 Highlights:

- ◆ Submitted RTA’s first full Baldrige Application to The Partnership for Excellence program.
- ◆ Received the Silver Award for Commitment to Excellence.
- ◆ Standard & Poor’s reaffirmed AAA credit rating for GCRTA. Moody’s upgraded rating to Aa1.
Executed the budget to end the year with an operating balance of \$26 million, the sixth straight year the 30 Day Operating Reserve Goal has been met. GCRTA was \$12.8 million better than budget
- ◆ Held preventative maintenance reimbursed expenditures to General Fund to less than \$20 million, which allowed for funding of additional capital projects. GCRTA executed \$95 million in Capital Projects.

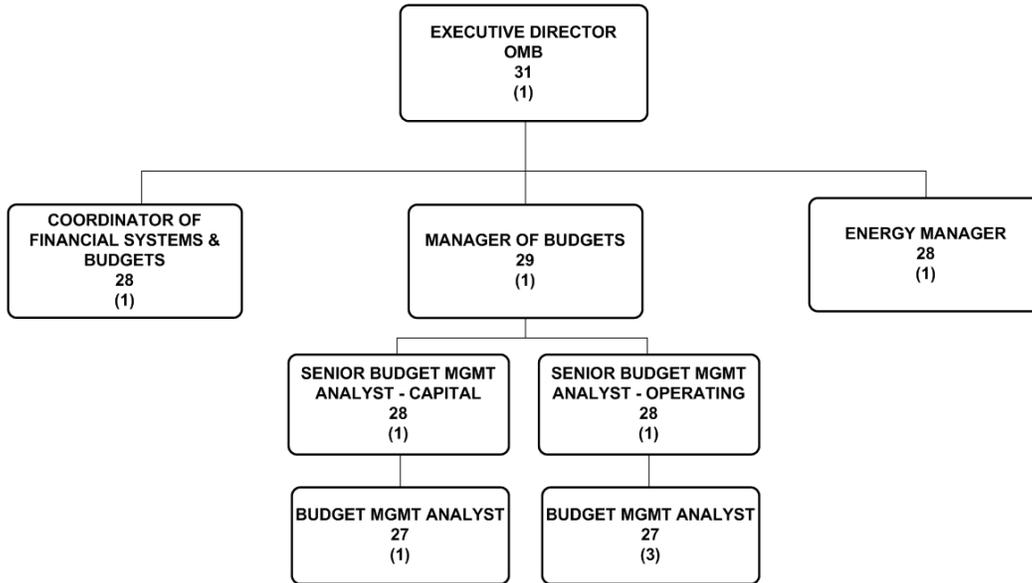
Executive Division

- ◆ Implemented next segment of the Bus Improvement Program. 90 new Gillig CNG buses were delivered and are fully operational. This year 12 new Gillig Trolleys were ordered for delivery in 2016. An additional 16 Gillig CNG buses have been ordered. For Paratransit, 20 new MV1 vehicles have been ordered. This continues the execution of a multi-year 178 bus improvement program.
- ◆ Negotiated a new electricity contract with Cleveland Public Power. Resulted in a rate reduction per Kwh.
- ◆ Conducted a Materiality Assessment, implemented Sustainability Strategic Plan, and prepared GRI & Sustainability Reports.
- ◆ Upgraded Operator Labor Model to improve cost of labor projections.
- ◆ Completed eighth year of TransitStat. RTA has now conducted 280 TransitStat meetings with 1,180 process improvement presentations and savings of over \$64 million. Beyond that, performance in safety, reliability and clean have been improved.

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
501300	Labor – Salaried Employees	827,056.17	851,848.99	778,958.58	839,114.74
502000	Fringe Benefits	290,528.54	429,532.45	299,112.94	277,524.01
503000	Services	170,835.16	60,914.19	242,301.74	301,000.00
503020	Advertising Fees	484.03	474.05	600.00	600.00
504000	Materials & Supplies	1,126.47	942.62	1,664.57	1,050.00
505000	Utilities	(1,705,396.39)	0.00	0.00	1,273,000.00
505018	Natural Gas	1,388,299.96	0.00	0.00	0.00
505020	Sewers	359,223.56	957,625.62	1,440,125.38	1,071,000.00
505021	Electricity	2,353,722.30	338,213.56	349,417.56	414,000.00
509000	Miscellaneous Expenses	26,533.22	2,075,254.85	2,263,546.57	2,434,200.00
509022	Meals & Concessions	0.00	27,247.03	26,979.76	54,925.00
Total:		3,712,413.02	4,742,684.12	5,402,869.29	6,668,313.76

Executive Division

Grade	Job Name	2013	2014	2015	2016
27	0767 Sr. Budget Mgmt Analyst	0.0	0.0	0.0	0.0
	0958 Budget Mgmt Analyst	4.0	4.0	4.0	4.0
28	0767 Sr. Budget Mgmt Analyst	2.0	2.0	2.0	2.0
	0871 Coordinator Financial Syst. & Budgets	1.0	1.0	1.0	1.0
	1626 Energy Manager	1.0	1.0	1.0	1.0
29	1655 Project Manager	1.0	1.0	0.0	0.0
	0869 Manager of Budgets	1.0	1.0	1.0	1.0
31	1437 Executive Director	1.0	1.0	1.0	1.0
Total		11.0	11.0	10.0	10.0



Executive Division

2016 OPERATING BUDGET SUMMARY Department 99 – Fund Transfers

Obj. Class	Description	2013 Actual	2014 Actual	2015 Projection	2016 Budget
510065	Transfers To/From Pension Fund	100,000.00	100,000.00	100,000.00	100,000.00
510072	Transfers To/From Rolling Stock	0.00	0.00	0.00	741,392.00
510075	Transfers To/From RTA Capital	17,270,044.00	15,874,745.00	15,693,139.00	15,579,812.00
510085	Transfers To/From Bond Retirement	18,324,392.00	20,480,914.00	22,273,402.00	23,006,085.00
510090	Transfers To/From Insurance Fund	1,400,000.00	2,100,000.00	1,500,000.00	1,200,000.00
Total:		32,123,887.00	37,094,436.00	39,566,541.00	40,627,289.00

2016-20 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 and the capital-intensive nature of the Authority's operations make long term financial planning indispensable. In turn though, the ability to fund these capital needs must continually be weighed against the financial resources required to support the regular operations of the Authority.

The proposed 2016–2020 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 and, in essence, has moved the CIP from a five to an eight-year plan. The 2016-20 CIP presented here includes the first five programmed years of the Authority's Capital Program, with out-year projects, covering 2021–2023, under preliminary development.

Organization of the Capital Improvement Plan

This chapter contains the 2016-2020 Capital Improvement Plan of the Authority. The first year reflects the Board approved RTA Capital and RTA Development Fund budget appropriations for the FY 2016 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.

2016-20 Capital Improvement Plan

The final section is devoted to the details of the 2016 Capital Improvement Budget and the four out-years of the overall 2016-2020 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 2016–20 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 CIP-1. These facilities and others are briefly discussed on the following pages.

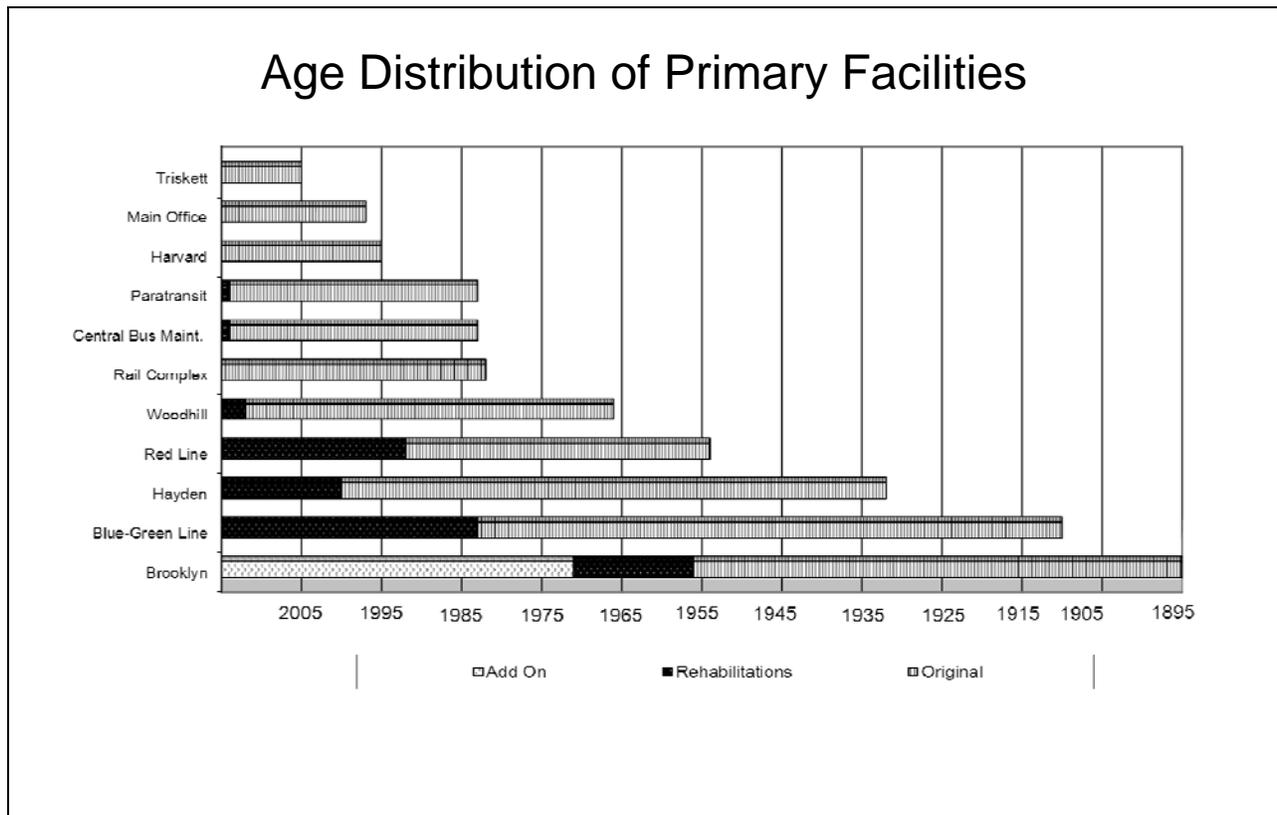


Figure CIP–1: Age Distribution of GCRTA Primary Facilities

2016-20 Capital Improvement Plan

Facilities

Brooklyn Garage Facility

The Brooklyn Garage was originally built in 1895 with additions in both 1955 and 1969. It remained in service as a bus facility until 2003. 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:

1. **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. Installation of a CNG fueling station, along with a project to address any CNG building compliance issues is programmed in 2017 capital improvement program. West side service and trolley operations are operated from this garage.
2. **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 2016. East side service and the HealthLine 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 2016.

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 FY 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 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.

2016-20 Capital Improvement Plan

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 and 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.

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 new bus operator training simulator and 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.

2016-20 Capital Improvement Plan

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 and in FY 2015, the reconstructed Lee/Van Aken Station opened. Also in FY 2015, the Light Rail Crossings rehabilitation program continued with completion 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, there is a combined \$11.32 million of capital improvement projects scheduled along the Light Rail system. These include the rehabilitation of three Light Rail crossings at Main Street on the Waterfront Line and at Southington Road and West Park Boulevard on the Green Line, and the reconstruction of two Green Line Stations at Warrensville/Shaker Blvd. and Lee Road/Shaker Blvd. and the 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, and work commenced on a \$15.1 million reconstruction of the Brookpark Station and a \$8.90 million project to reconstruction Track 8 and rehabilitate Platform 7 at Tower City. During FY 2016, a combined budget of \$7.76 million is programmed for heavy rail projects including the first of two years for the East 34th Street Station reconstruction for \$3.4 million and \$3.85 million for improvements at the Brookpark and Puritas Substations.

The 2016-20 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.

2016-20 Capital Improvement Plan

Bridges/Tunnels

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

Since 2000, 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 will begin on three track bridges in FY 2016 including a combined \$10.5M for the reconstruction of track bridges at East Blvd., East 92nd Street, and to begin rehabilitation work on the Viaduct Track Bridge. The out-years of this CIP includes engineering & design services and reconstruction work on four track bridges, the first construction phase on the complete rehabilitation of the Viaduct Bridge, 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 2015, \$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 that will begin in FY 2016. Work also continues on a FY 2015 project to replace two sets of escalators (long and short) at the Tower City Station that will be completed prior to the Republican National Convention in mid-2016.

Revenue Vehicle Fleets

Conventional Buses

There were 428 vehicles in the GCRTA bus fleet at the end of 2015. Compared to the prior year, 114 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 entered service, 12 Trolley vehicle buses, scheduled to arrive in the second quarter of 2016, and 16 40-FT CNG vehicles were ordered. The Authority's current fleet includes 223 40-foot transit buses; 40 60-foot articulated diesel buses; 21 60-foot articulated hybrid bus rapid transit (BRT) vehicles; 20 40-foot and 14 45-foot commuter buses; 6 29-foot circulator/trolley buses; 11 29-foot trolley buses; 3 articulated diesel rapid transit vehicles (RTV), 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 2015. The age distribution of the Authority's large bus fleet is shown in Figure CIP-2 on the next page.

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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 2016 – 20 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:

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

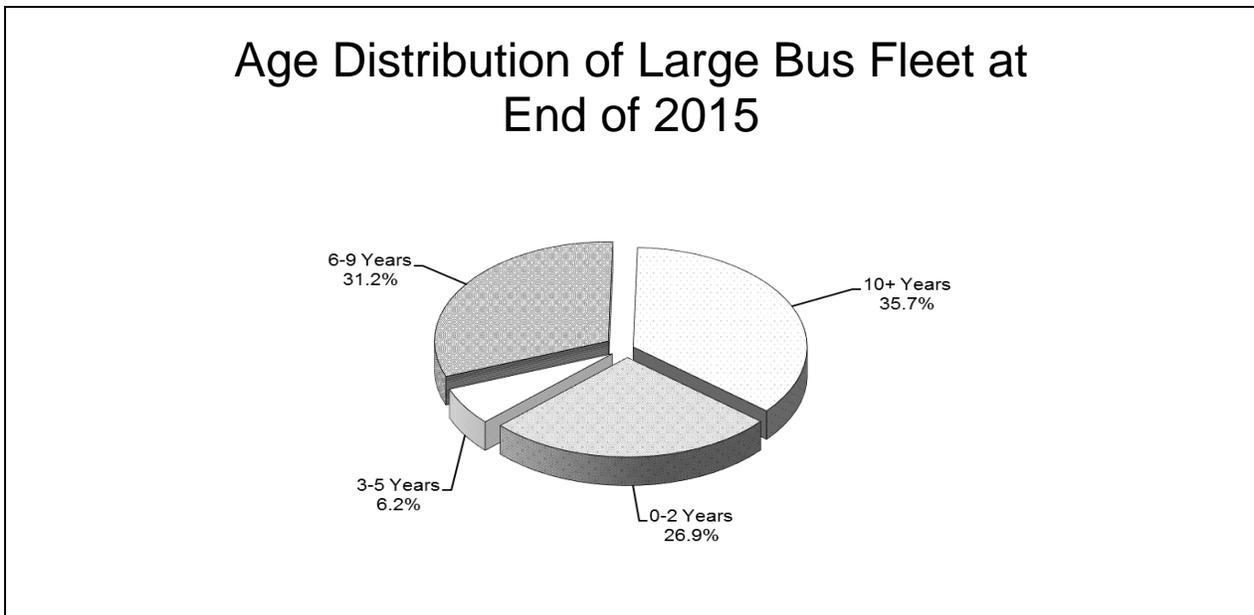


Figure CIP-2: Age Distribution of Bus Fleet

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 replacement propane fueled vehicles there are 80 ADA compliant, wheelchair-equipped buses in active service in the Paratransit fleet with an average age of 5.2 years at the end of FY 2015. In late FY 2015, 20 replacement MV-1 vehicles, scheduled for delivery in early FY 2016, were ordered that will lower the average age of this fleet to approximately 4.4 years by the end of FY 2016. In 1991, the Board adopted a policy to provide for the integration of fixed rail and bus services with Paratransit services into a

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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 2015 was 34 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 Tokyu HR vehicles, purchased in 1984 and 1985, which operate on the Red Line. The peak service requirements for the Red Line during rush hours are 18 cars, while special events require 36 cars. The 48 active Breda LR vehicles, 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, on the next page, depicts the revised Capital Improvement and TIP planning cycles for the 2016-20 Capital Improvement Plan (CIP). The process began in March, 2015 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 2016-20 CIP followed by submission to NOACA for inclusion in the TIP/STIP.

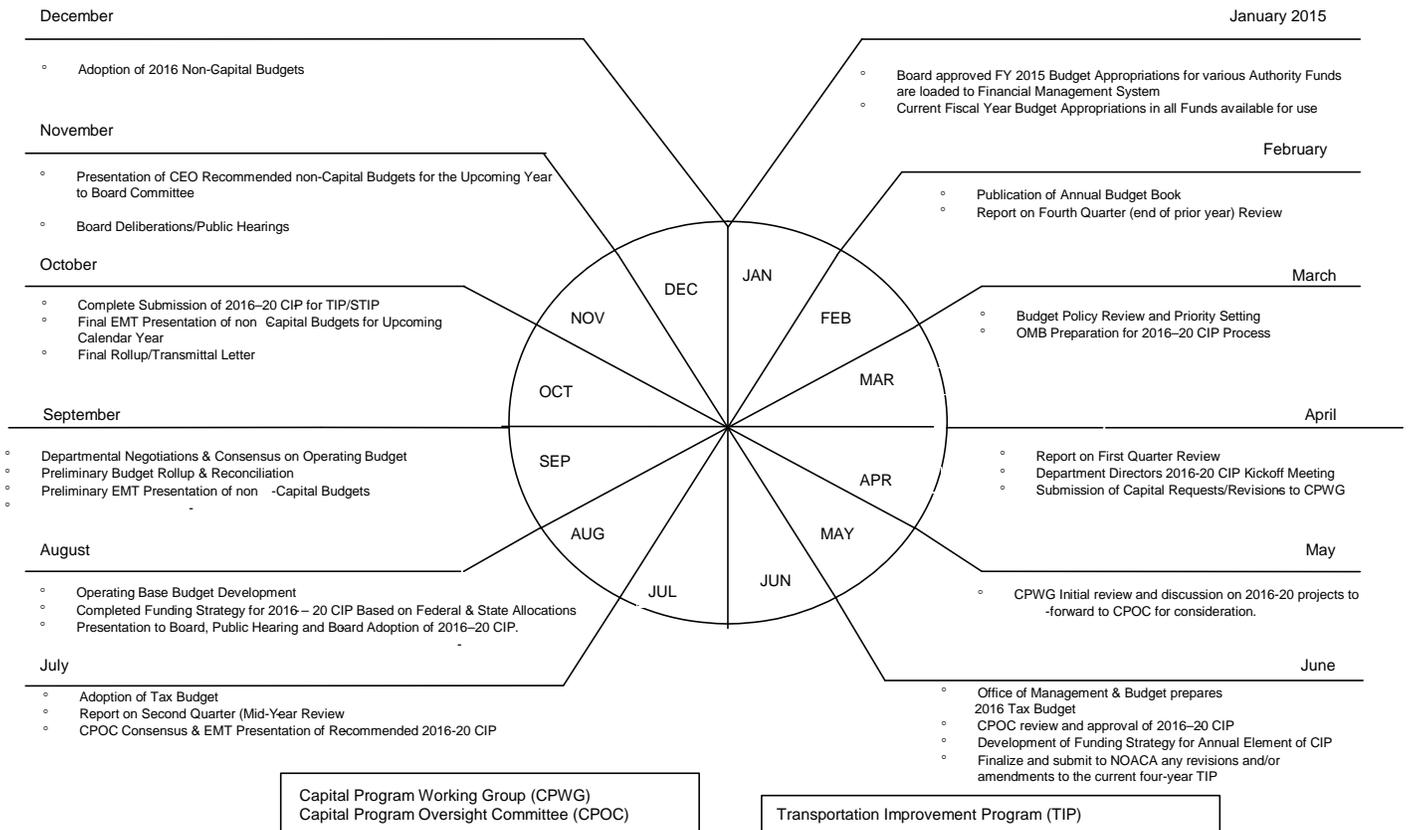
At the start of the CIP development process, an initial review is done by OMB and various departments to assess the status of projects included in the current year's Capital Improvement Budget. This review includes any variances with programmed project timelines, availability of grant funds, and an inter-departmental 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 – ridership, state of good repair, health & safety, mandates, efficiencies, environmental impact, and 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 Deputy General Managers

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at the division level and with the General Manager and the Executive Management Team at the organizational level, the recommended Capital Budgets for the 2016-20 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 2016-20 was finalized and presented to the Board of Trustees' Finance Committee in August for discussion, review and at which time approval was given.



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)

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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.

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- 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 2016–20 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:

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

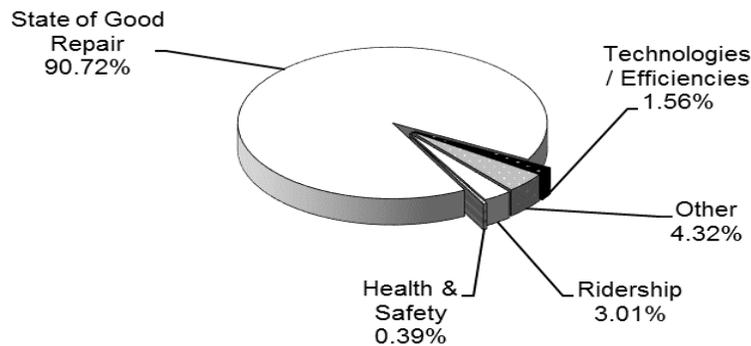
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- **Health and Safety** – Ensuring the physical well-being of the Authority’s customers, employees, and the general public
- **Mandates** – Ensuring compliance with Federal and State mandates such as the Clean Air Act and Americans with Disabilities Act
- **Technologies/Efficiencies** – Instituting improvements which can produce operating efficiencies and make better use of resources or implementing projects which minimize additional operating expenses
- **Environmental Impact** – Investing in equipment, adapting facilities or enhancing service infrastructure to support overall environmental benefits such as improved air quality
- **Transit Oriented Development** – Investing in projects that stimulate the development of current property with opportunities for private investment, increased revenue and ridership and encouraging partnerships with other organizations

Figure CIP-3 on the following page reflects the distribution of approved 2016 Capital Improvement projects by capital priority area. The largest portion of the 2016 Capital Budget appropriations, \$51.4 million or 90.7 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 Other Projects category that includes projects that have an environmental impact, are for mandated programs, or for transit oriented development with \$4.3 million, or 4.3 percent with the remaining categories making up the balance of the budgeted capital projects.

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2016 Capital Projects by Priority Area
(Millions)



Priority Area	2016 Budget	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2016-20
Ridership	\$1.71	\$0.34	\$0.34	\$0.34	\$0.34	\$3.06
Health & Safety	\$0.22	\$0.22	\$0.23	\$0.23	\$0.25	\$1.15
State of Good Repair	\$51.43	\$51.78	\$58.38	\$75.87	\$61.06	\$298.51
Technologies/Efficiencies	\$0.88	\$7.66	\$10.45	\$0.46	\$3.81	\$23.25
Other	\$2.45	\$2.45	\$2.45	\$2.45	\$2.46	\$12.26
Total	\$56.69	\$62.45	\$71.86	\$79.34	\$67.90	\$338.24

Figure CIP-3: 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 \$23.0 million in FY 2016 for existing debt service.

At the end of FY 2015, the Authority will have a combined \$136.9 million of outstanding debt among eight outstanding debt issues. They are, along with their original amounts, \$67.2 million issued in 2004, \$38.5 million issued in 2006, \$35.0 million of bonds and \$27.4 million of

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refunded 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 \$50.4 million issuance and refunding issuance in 2015. Current plans are to issue \$25 to \$30 million of additional debt early in FY 2017 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 CIP-4 on the following page, Federal grants will provide an estimated \$68.3 million or nearly 80.0 percent of the Authority's capital improvement revenue stream during FY 2016 and over the five-year CIP is expected to provide approximately 70 percent of the funding needs for the Authority's programmed capital projects. Most major Federal grant programs require a local match, normally 20 percent, though in some isolated grant awards a 10 percent or no local match is required. Through FFY 2013, Federal grant programs had been modified by the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA), and confirmed by both the Transportation Equity Act for the Twenty First Century (TEA-21) and the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) adopted in 2005.

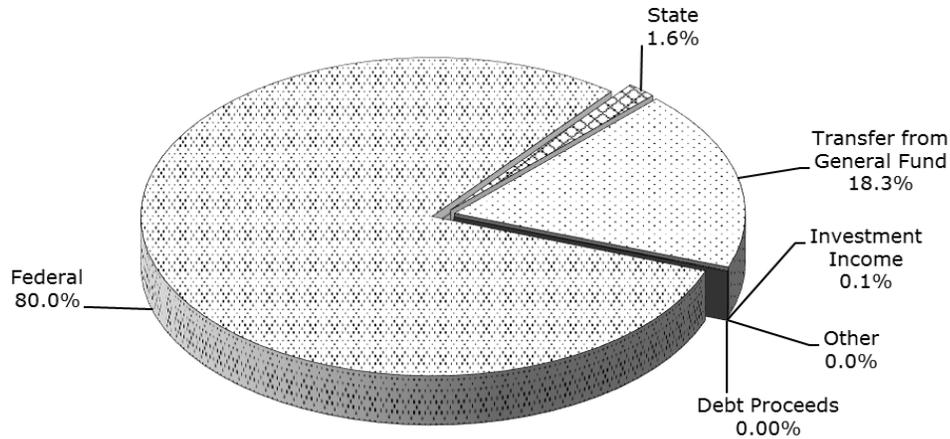
SAFETEA-LU had been extended several times since and in FY 2012 a new Transportation Act, "Moving Ahead for Progress in the 21st Century" (MAP-21), was approved by Congress. It established some certainty over available FTA funds for future transit construction projects, but changes in Federal formula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

The primary impact of the MAP-21 legislation was in a change to the formula allocation for the Authority's rail systems. Prior to MAP-21 the Rail Modernization grant was allocated through a formula favorable to the Authority and other "older" rail systems in America. Now though, rail formula funds are allocated through a State of Good Repair (SOGR) program that incorporates both population and operating statistics into the formula allocations resulting in a reduction of formula funds for the rail system. Though 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. It will not only incorporate many of the initiatives included in the MAP-21 legislation by focusing on the SOGR of capital assets, but is expected to increase current FTA formula funding for the Authority by a projected \$2.0 million on an annual basis with most coming in the Rail SOGR formula grant.

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FY 2016 Capital Improvement Revenue
By Source (Millions)



	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Transfer from General Fund	\$15.77	\$15.87	\$15.51	\$15.58	\$15.61	\$15.63
Investment Income	\$0.10	\$0.07	\$0.07	\$0.06	\$0.06	\$0.06
Federal	\$59.80	\$58.20	\$63.86	\$68.25	\$64.62	\$63.88
State	\$0.26	\$2.05	\$1.38	\$1.38	\$1.38	\$1.38
Debt Proceeds	\$0.00	\$0.00	\$30.00	\$0.00	\$25.00	\$0.00
Other	\$0.00	\$0.07	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$75.93	\$76.26	\$110.82	\$85.28	\$106.68	\$80.95

Figure CIP-4: Capital Improvement Revenue by Source

Urbanized Area Formula - Section 5307 Capital Grants

Urbanized Area or Capital grants were originally provided under Section 5307 of the Urban Mass Transportation Act of 1964. Resources were and continue to be allocated to urban areas according to a formula and are matched on an 80 percent Federal and 20 percent local basis. This program has been continued under the new MAP-21 legislation, though several changes were made that led to a small reduction in the annual award of these funds. In addition, changes due to MAP-21 included the elimination of the Job Access & Reverse Commute (JARC) Section 5316 program, which with the local match had provided over \$12.21 million for operating costs associated with this program over a six year period. The program was incorporated into the Section 5307 formula award as an eligible reimbursement in the MAP-21 and FAST legislations, but no additional resources were provided to continue the program.

After declining from a high of \$32.64 million in FFY 2009 to \$28.74 million in FFY 2012 available Federal funding from this grant program has been relatively static in recent Federal Fiscal Years. In FFY 2015, with the local match included, the Authority received \$29.08 million from its

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Section 5307 award a slight increase from the prior year 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 \$29.50 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 has been distributed at the Federal Transit Administration's (FTA) discretion on an 80 percent Federal, 20 percent local basis. The ISTEA also instituted a multi-tier formula to allocate Section 5309 Rail Modernization grants, one that historically favored the older established rail systems including the GCRTA. This formula allocation remained the same in the now expired SAFETEA-LU legislation.

The MAP-21 legislation eliminated the Section 5309 Rail Modernization award program, replacing it with the Section 5337 State of Good Repair (SGR) grant program. It also eliminated the historical Section 5309 funding formula allocation, replacing it with one that relied upon operational statistics of a transit agency compared to totals of all transit agencies as well as use of the 2010 UZA Census data. The new formula is one that favors areas with growing populations along with expanding transit services over those with a relatively static UZA population and rail service and has resulted in the loss of close to \$4.0 million for rail formula award funds over the last two years.

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 though, the Authority expects to receive approximately \$17.00 million per year – an increase of nearly \$2.0 million per year for needed state of good repair capital projects. Though a significant increase, the Authority will still receive from this formula grant remains than under the former Section 5309 Rail Modernization award.

Bus & Bus Facilities – Section 5339

This is a smaller formula award that provides additional capital funding for the replacement, rehabilitation, and purchase of buses and related equipment and to construct bus-related facilities. Funding for this award under the MAP-21 Act has been 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 is expected to decrease slightly to an estimated \$2.30 million with similar amounts received in future years of the CIP.

Non-Traditional Federal Sources

Non-traditional Federal awards, including competitive and earmark grants, fall outside of the programs discussed above, but these have been impacted by the MAP-21 and subsequent FAST legislation. The Section 5316 program for the Jobs Access Reverse Commute (JARC) that reimbursed operating expenses related to the Authority's reverse commute program was eliminated. 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.

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In the past the Authority has been successful in competing for non-traditional or competitive awards that provided the necessary resources to enable a number of important capital projects to be completed. The Authority will continue to seek and submit applications for needed SGR capital project as any competitive grant award become available in the future.

Recent non-traditional awards the Authority has received include a Career Pathways Development award of \$985,754 received in FY 2015 that will 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 to rehabilitate the Triskett, North Olmsted Park-N-Ride, and Sprague/Fair parking lots.

Including the local share, the Authority also received \$30.2 million of capital funding from non-traditional Federal sources in FY 2011 for three awards totaling \$16.4 million for the reconstruction of the Cedar - University Red Line Station, a combined \$8.20 million in operating assistance awards, \$5.30 million for State of Good Repair projects at the Authority's bus garages, and \$287,000 for a workforce development program. Lastly in FY 2009, the Authority received \$45.7 million of 100% Federal share grant funding through the Federal Stimulus program (ARRA) that supported an additional year's worth of unfunded programmed capital project budgets within the current CIP.

State Sources

Administered through the Ohio Department of Transportation (ODOT), the State can contribute up to one-half of the local match portion of the Federal grant programs. In the past, the State contributed State grants in this form, but in recent years, 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 were awarded in FY 2013, for the Authority's Revenue Vehicle Camera and DVR program. In FY 2014 the Authority received a \$2.62 million OTPPP award for replacement 40-Ft buses and in FY 2015 a \$1.96 million award for four replacement trolley buses was executed. In future budget years the Authority will continue to submit applications to the State in support of the multi-year bus improvement program.

Local Sources

The Capital Improvement Budget requires local resources to support the match for most grant-funded projects as well as to support 100 percent locally funded projects in both the RTA Capital and RTA Development Funds. In FY 2016, the combined local contribution for the Authority's capital program of \$38.58 million are from two transfers included within the General Fund. The first is a \$15.58 million transfer to the RTA Capital Fund to cover locally funded capital expenditures within the Capital Funds. The second, a \$23.01 million transfer from the General Fund to the Bond Retirement Fund, is to cover projected debt service payments for the upcoming year. In recent years these two transfers have grown from a combined \$34.09 million in FY 2013, to \$36.36 million in FY 2014, to \$37.97 million in FY 2015 and are expected to continue this pattern into future budget years.

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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 2015 will mature by December 2034. The \$136.88 million balance of outstanding debt at the end of 2015 will require principal and interest payments of \$23.01 million in 2016.

Debt Limitations

As a regional transit authority, Ohio law permits the Authority to issue both unvoted and voted general obligation bonds. In the past, only unvoted general obligation bonds have been issued. As the name implies, unvoted debt is issued without the vote of the electorate, within the limitations provided under State law. General obligation bonds are secured by a pledge of the 'full faith and credit' of the Authority which is backed by the power to levy and collect ad valorem property taxes. Current debt obligations have not required the use of ad valorem property taxes to pay debt service but have been supported by the Authority's other revenue sources.

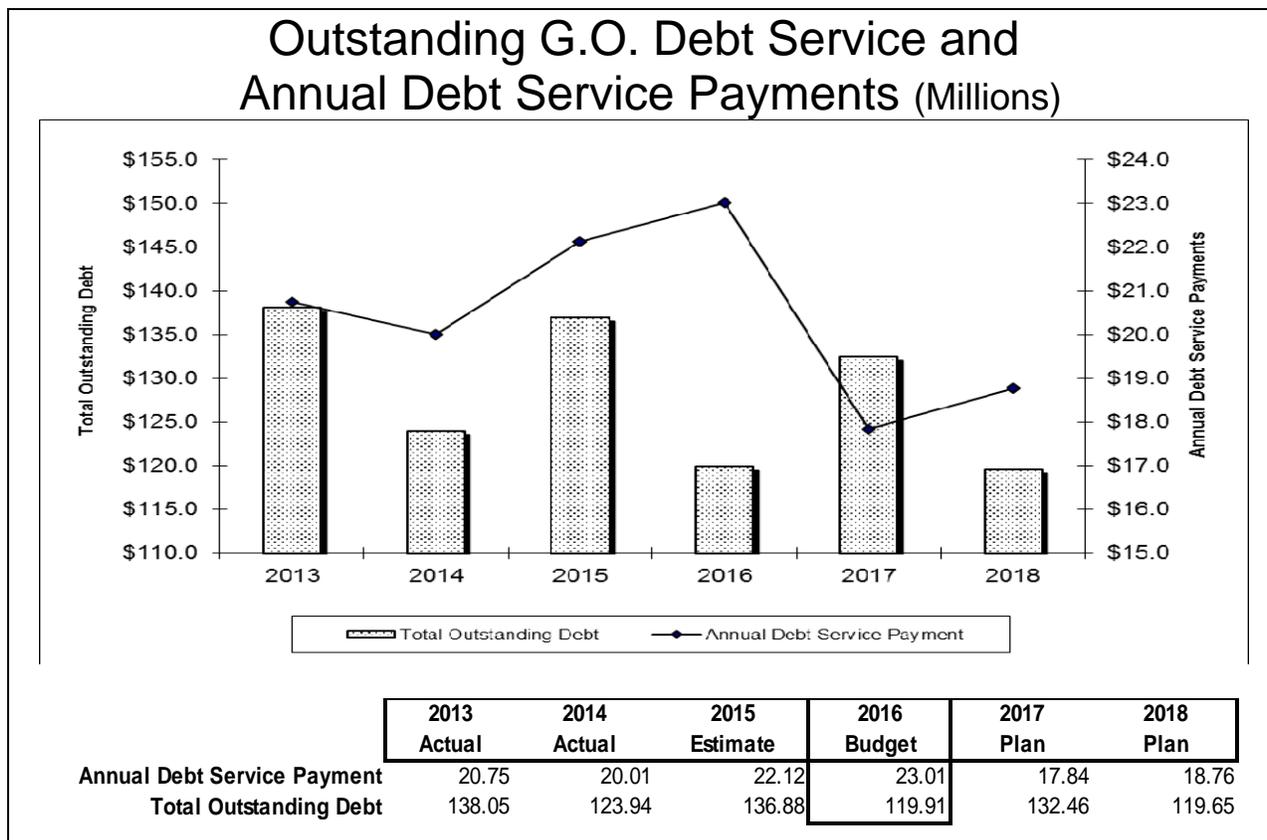


Figure CIP-5: Outstanding G.O. Debt Service & SIB Loan and Annual Debt Service Payments

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There are three limitations related to the Authority's ability to issue General Obligation debt:

- I. Section 306.40 of the Ohio Revised Code limits the principal amount of bonds that are supported by property taxes to five percent of the assessed valuation within the Authority's territory. The assessed valuation of property within Cuyahoga County applicable to the GCRTA at the end of 2015 of \$27.73 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.
- II. The second limitation, also contained in Section 306.40 of the Ohio Revised Code, restricts annual principal and interest payments on the Authority's unvoted general obligation bonds to one-tenth of one percent (0.1 percent) of the assessed valuation. Based on the assessed valuation of \$27.73 billion, annual debt servicing capacity would be close to \$27.73 million. This provision applies to all debt issued by the Authority and is the most restrictive of the limitations, though it exceeds current debt payment levels.
- III. The third constraint derives from both the Ohio Constitution and the Ohio Revised Code. Article XII, Section 11, of the Constitution requires that any political subdivision incurring debt must provide for the levying of taxes sufficient to pay principal and interest on that debt. Section 2 of the same Article and Section 5705.02 of the Ohio Revised Code limits to ten mills (one mill equals \$1 of tax for each \$1,000 of assessed valuation) for the amount of taxes that may be levied without a vote of the citizens.

This 'indirect' limit on unvoted debt prohibits the county and all political subdivisions from jointly levying property taxes above ten mills without a vote of the people. Thus, the ability of the Authority to issue unvoted general obligation debt is 'shared' with overlapping political subdivisions. As these entities issue debt subject to the 10-mill limitation, the amount of room available for other subdivisions' debt is reduced. Political subdivisions include Cuyahoga County, various municipal corporations, school districts, and townships within the taxing district.

At its establish rate of 9.9917 mills, total outstanding debt issued by various public entities within the County is just below the unvoted ten-mill limit, which continues to limit the Authority's ability to issue General Obligation Bonds. If this were possible, as the Authority's total annual debt service is limited to 1.0 mill, based on the direct limitation described above in section II, the Authority could issue approximately \$95 million of unvoted debt assuming a 20-year maturity and a 4.0 percent interest rate. Its ability to issue more general obligation debt though remains limited under the third constraint, in that the total outstanding debt issued as of year-end 2015 by various public entities within the County exceeds the unvoted ten-mill limit. Due to this restraint in previous years, the Authority issued new debt of \$25.0 million in Revenue Bonds, rather than General Obligation Bonds, in 2012 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. In 2016 the financial requirements and programmed activities within the Authority's capital program will impact the Operating Budget in a number of ways including:

- The Trustees' commitment to contribute a portion of sales & use tax revenues to the Capital Improvement Fund transfers resources that could be used to support operations. In the upcoming year, this amount is budgeted at \$15.58 million.

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- In tandem with increased capital requirements to meet achieve a SGR the challenges with securing needed grant award funds from Federal, State and other intergovernmental agencies continues to place 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 \$23.01 million will require a General Fund transfer to the Bond Retirement Fund to offset the debt in FY 2016 further limiting the amount available for operating expenditures.
- Some Operating Budget expenditures, primarily personnel costs within the Engineering & Project Development Department and other Authority departments, are incurred in support of ongoing activities within capital construction projects. Eligible costs are reimbursed to the General Fund as revenue from the RTA Development Fund. In FY 2016, this activity will result in a projected \$1.7 million in grant funded reimbursements to the General Fund.
- Formula grant funds are eligible to be used 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 allowed formula funding for preventive maintenance activities to be reduced to \$75.36 million and the redirected for needed capital improvements. In FY 2015, PM activities were budgeted and are expected to end the year at \$17.50 million. In FY 2016, PM activities are budgeted to increase 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 2016 General Fund or Operating Budget are supported by \$4.14 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 2016–2020 Capital Improvement Plan (CIP) totals \$338.24 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 2016 CIP, two categories comprise \$41.90 million, or 74.1 percent, of the combined \$56.69 million capital budget appropriations. The largest with \$21.72 million is the Rail Project category, followed by the Preventive Maintenance/Operating Expense projects category with \$20.18 million. These are followed by the Facilities Improvements category with \$8.94 million, and four remaining categories totaling \$5.84 million within the approved capital budget as shown in Figure CIP-6 on the next page.

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Reflecting the challenging financial picture the Authority faces, the largest budgeted category over the five-year CIP remains to be the grant funded reimbursements of preventive maintenance and other operating expenses with \$100.90 million, or 29.8 percent of the CIP budget over the five years. This is followed by Rail Projects with \$80.75 million, 23.9 percent, and the Bus Improvement Programs, with \$74.21 million or 21.9 percent, followed by the other remaining categories to a lesser degree as prioritized by the needs assessment and corresponding allocation of available capital funds.

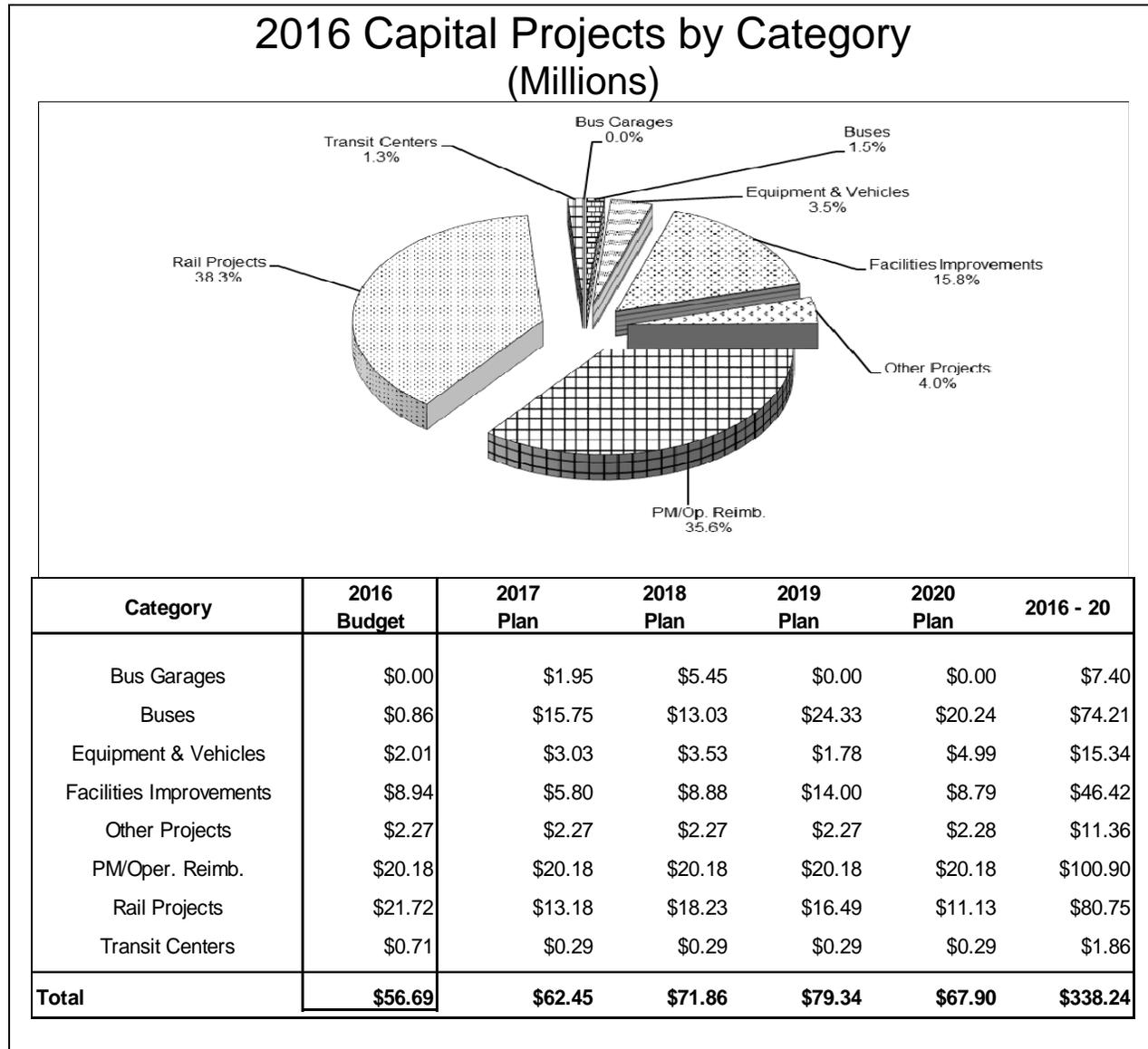


Figure CIP-6: Capital Projects by Category

RTA Capital Fund

The RTA Capital Fund is a fund for smaller capital projects and includes more routine expenditures. Projects within this fund are generally less than \$150,000 and have a useful life not exceeding five years. Items included in the RTA Capital Fund are segregated into two types: Routine Capital, which includes the acquisition of non-revenue vehicles and small

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equipment, and Asset Maintenance, which covers small rehabilitation projects to maintain the Authority's existing assets. The RTA Capital Fund is 100 percent locally funded, almost exclusively through sales tax contributions by way of a transfer from the Operating Budget.

Figure CIP-7 presents the fund balance analysis for the RTA Capital Fund. Other than a small amount of investment income, the main source of revenue is the sales & use tax revenue 'set aside' transfer from the General Fund to the RTA Capital Fund which began in 1989. Anticipated revenue in FY 2016 will include \$15.58 million of programmed transfers from the General Fund and investment income of \$9,500. The transfer amount, in combination with the General Fund transfer of \$23.01 million to the Bond Retirement Fund brings the total commitment to Capital to \$38.59 million or 18.2 percent of the projected 2016 sales & use tax revenue.

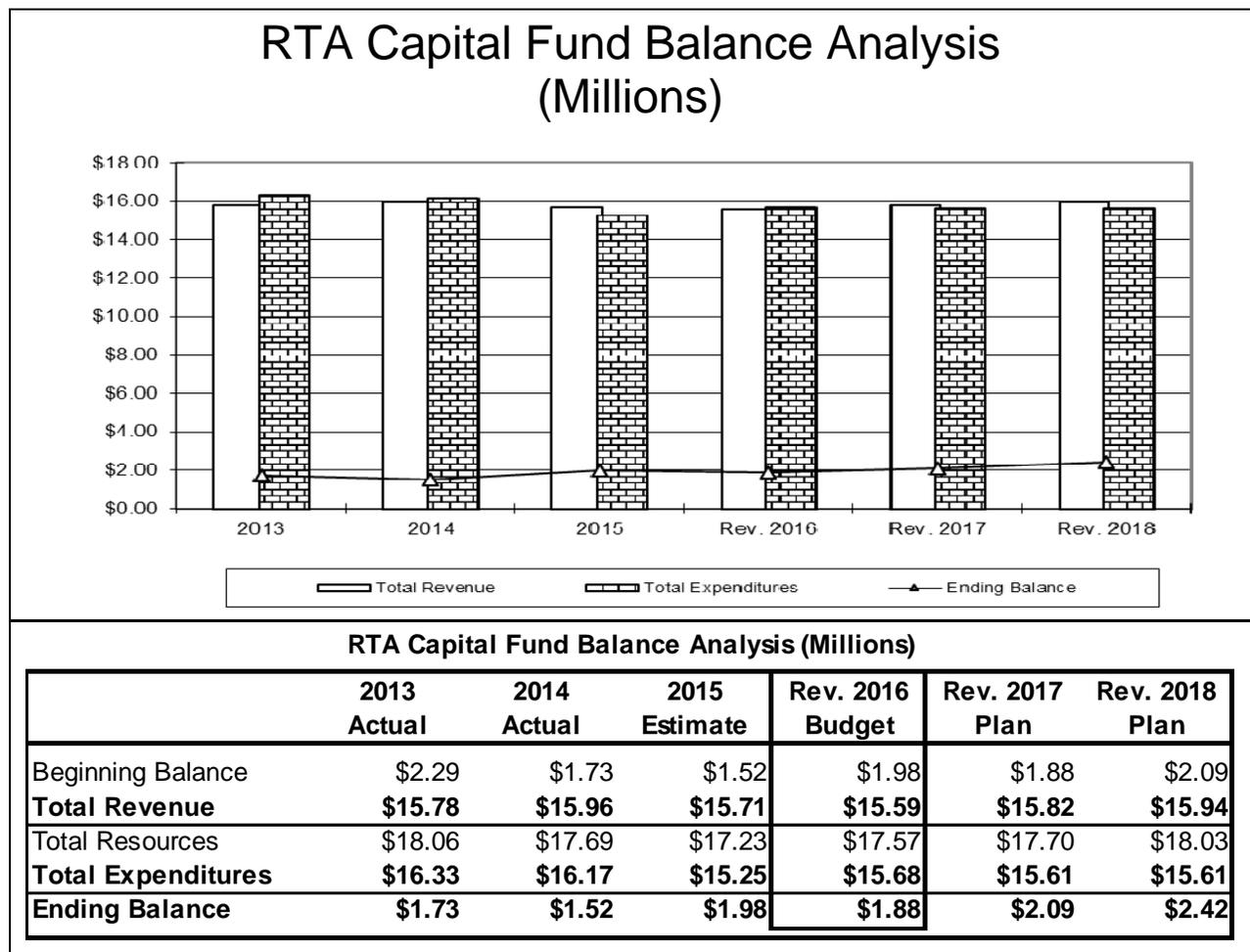


Figure CIP-7: RTA Capital Fund Balance Analysis

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RTA Capital Fund Balance Analysis

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	2,286,108	1,731,677	1,523,036	1,980,120	1,885,178	2,091,480
Revenue						
Transfer from General Fund	15,770,044	15,874,745	15,693,139	15,579,812	15,808,307	15,930,977
Investment Income	5,200	13,200	13,200	9,500	7,250	7,500
Other Revenue	0	72,916	0	0	0	0
Total Revenue	15,775,244	15,960,861	15,706,339	15,589,312	15,815,557	15,938,477
Total Resources	18,061,352	17,692,538	17,229,375	17,569,433	17,700,735	18,029,957
Expenditures						
Asset Maintenance	1,083,402	1,627,995	1,675,000	1,900,000	1,825,000	1,850,000
Routine Capital	1,776,018	2,807,251	1,925,000	2,450,000	2,250,000	2,250,000
Transfer to RTA Development Fund	13,470,255	11,734,255	11,649,255	11,334,255	11,534,255	11,509,255
Total Expenditures	16,329,675	16,169,501	15,249,255	15,684,255	15,609,255	15,609,255
Ending Balance	1,731,677	1,523,036	1,980,120	1,885,178	2,091,480	2,420,702

Budgeted FY 2016 expenditures or cash flows within the RTA Capital Fund of \$15.68 million include \$1.90 million for Asset Maintenance or facilities projects, \$2.45 million for Routine Capital or equipment purchases, and a \$11.33 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 2016 ending balance of \$1.89 million is a decrease from prior years due to an increase in routine capital to maintain a state of good repair for non-revenue vehicles and equipment pools for various projects throughout the Authority.

Asset Maintenance Projects

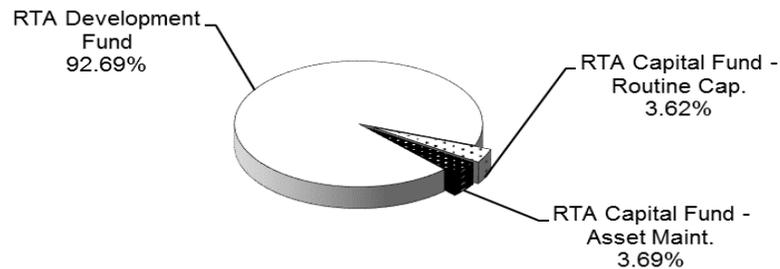
Asset Maintenance projects are locally funded facilities projects that maintain, repair, or rehabilitate an existing capital asset of the Authority. These include projects of smaller scope duration and expense than those included in the RTA Development Fund. The duration of these projects is often less than one year with the cost generally not exceeding \$150,000 and a useful life of less than five years.

The FY 2016 budget appropriation for Asset Maintenance projects is \$2.09 million representing 3.7 percent of the overall FY 2016 Capital Improvement Budget (see Figure CIP-8) on the next page. Most of this amount is budgeted within two areas of the Authority, with the largest portion of \$1.02 million or 48.6 percent within the Engineering and Project Development Department, which is responsible for coordinating larger construction-related asset maintenance projects throughout the entire Authority. This is followed by the \$440,000, or 21.0 percent of all Asset Maintenance projects, budgeted within the Assets & Configuration Management Department for smaller cost facilities projects within the Operations Division and the Main Office facility.

Remaining budgeted projects within Asset Maintenance are for location specific facilities projects, energy efficiency lighting retrofits throughout the Authority, or in the Asset Maintenance Contingency project for unanticipated facilities improvements needs throughout the year.

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2016 Capital Project Budgets by Fund (Millions)



2016 CIP Project Budget Appropriation by Funding Type (Millions)

	2016 Budget	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2016-20
RTA Cap. Fund - Routine Capital	\$2.05	\$2.54	\$1.92	\$1.96	\$1.67	\$10.14
RTA Cap. Fund - Asset Maintenance	\$2.09	\$1.98	\$1.94	\$1.99	\$1.88	\$9.88
RTA Development Fund	\$52.55	\$57.94	\$67.99	\$75.39	\$64.35	\$318.21
Total	\$56.69	\$62.45	\$71.86	\$79.34	\$67.90	\$338.24

Figure CIP-8: 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 and the charts on the following pages, the budget appropriation for Routine Capital projects accounts for \$2.05 million, or 3.6 percent, of the 2016 CIP Budget. Reflecting the support of daily operations, the greatest portion of the budget appropriation for Routine Capital projects in the 2016 CIP is within the Operations Division, which has a combined \$1.44 million or 70.2 percent of the total. More than half, \$785,000 is programmed for the non-revenue vehicle lease or replacement program followed by \$435,556 for equipment pool projects throughout various Operating Division Departments and a budgeted Transit Police Department security pool program of \$220,000.

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GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY 2016 - 2020 CAPITAL IMPROVEMENT PLAN RTA CAPITAL FUND							
ASSET MAINTENANCE (FACILITIES) PROJECTS							
Department / Project Name	Project Number	2016 Budget	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2016-20 Total
31 PARATRANSIT DISTRICT							
Interior Garage Cleaning/Painting	P32315079	0	125,000	0	0	0	125,000
		0	125,000	0	0	0	125,000
32 RAIL DISTRICT							
Training Room Renovations	P32325069	100,000	0	0	0	0	100,000
WFL Booth Replacements (5)	P32325079	0	75,000	0	0	0	75,000
		100,000	75,000	0	0	0	175,000
33 ASSET & CONFIG. MGT.							
Administration Facilities Maint. Pool	P32335159	60,000	60,000	60,000	70,000	70,000	320,000
Elevator/Escalator Maintenance Pool	P32335259	100,000	100,000	100,000	100,000	100,000	500,000
Operating Facilities Maintenance Pool	P32335359	150,000	150,000	160,000	160,000	175,000	795,000
Passenger Facilities Maintenance Pool	P32335459	130,000	150,000	150,000	160,000	160,000	750,000
		440,000	460,000	470,000	490,000	505,000	2,365,000
39 FLEET MANAGEMENT							
Make-Up Air Units - Paint/Prep Shops	P32395069	185,000	0	0	0	0	185,000
Install High Speed Doors (#15 & #19)	P32395079	0	115,000	0	0	0	115,000
Replace Skylights & Smoke Hatches	P32395089	0	0	172,000	0	0	172,000
Bus Districts Lift Rebuilds/Rehab's	P47395059	50,000	50,000	50,000	50,000	50,000	250,000
		235,000	165,000	222,000	50,000	50,000	722,000
57 PROGRAMMING & PLANNING							
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
80 ENG. & PROJECT DEV.							
Facilities - ADA Projects	P32805049	100,000	100,000	125,000	125,000	150,000	600,000
East 9th St. Station Stair Replacement	P32805169	166,000	0	0	0	0	166,000
Passenger Facilities Maint. Pool	P32805149	250,000	250,000	300,000	300,000	325,000	1,425,000
Operating Facilities Maint. Pool	P32805249	500,000	500,000	525,000	525,000	550,000	2,600,000
Paratransit Parking Lot Expansion	P32805089	0	0	0	200,000	0	200,000
		1,016,000	850,000	950,000	1,150,000	1,025,000	4,991,000
67 OFFICE OF MGT. & BUDGET							
Energy Retrofits	P32675339	100,000	100,000	100,000	100,000	100,000	500,000
Asset Maintenance Contingency	P49995059	150,000	150,000	150,000	150,000	150,000	750,000
		250,000	250,000	250,000	250,000	250,000	1,250,000
TOTAL ASSET MAINTENANCE		2,091,000	1,975,000	1,942,000	1,990,000	1,880,000	9,878,000

2016-20 Capital Improvement Plan

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY 2016 - 2020 CAPITAL IMPROVEMENT PLAN RTA CAPITAL FUND							
ROUTINE CAPITAL (EQUIPMENT) PROJECTS							
Department / Project Name	Project Number	2016 Budget	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2016-20 Total
12 EXECUTIVE							
NOACA Dues	P49120149	57,700	57,700	58,500	58,500	59,000	291,400
CLE Works Dues	P49120249	30,000	30,000	30,000	30,000	30,000	150,000
Outside Legal Services - Leg. Review	P49120349	87,500	90,000	90,000	91,500	92,500	451,500
		175,200	177,700	178,500	180,000	181,500	892,900
32 RAIL DISTRICT							
Rail District Equipment Pool	P47320149	335,556	252,017	112,018	92,019	2,020	793,630
		335,556	252,017	112,018	92,019	2,020	793,630
34 TRANSIT POLICE							
Security Improvements Pool	P44340249	220,000	220,000	230,000	230,000	250,000	1,150,000
		220,000	220,000	230,000	230,000	250,000	1,150,000
39 FLEET MANAGEMENT							
Non-Revenue Vehicle Imp. Program	P46390159	300,000	300,000	300,000	300,000	300,000	1,500,000
NRVIP - Lease Payments: 2016-19	P46390169	450,000	450,000	450,000	450,000	450,000	2,250,000
Overhead Catenary Repair Vehicle	P46390279	0	300,000	0	0	0	300,000
Fleet Management Equipment Pool	P47390349	35,000	82,000	60,000	0	0	177,000
		785,000	1,132,000	810,000	750,000	750,000	4,227,000
46 HAYDEN DISTRICT							
Hayden District Equipment Pool	P47460169	80,000	185,000	0	50,000	0	315,000
		80,000	185,000	0	50,000	0	315,000
49 TRISKETT DISTRICT							
Triskett District Equipment Pool	P47490159	20,000	35,000	0	20,000	0	75,000
		20,000	35,000	0	20,000	0	75,000
61 INFORMATION TECHNOLOGY							
IT Systems Development Pool	P42610149	125,000	125,000	130,000	130,000	130,000	640,000
PC Replacement Program	P42610169	125,000	125,000	125,000	125,000	125,000	625,000
Thin Client Replacement Program	P42610179	0	100,000	0	0	0	100,000
Kiosk Replacement Program	P42610189	0	0	150,000	150,000	25,000	325,000
Laser Printer Replacement Program	P42610299	0	0	0	50,000	25,000	75,000
		250,000	350,000	405,000	455,000	305,000	1,765,000
62 SUPPORT SERVICES							
Office Equipment/Furniture Pool	P43620149	35,000	35,000	35,000	35,000	35,000	175,000
		35,000	35,000	35,000	35,000	35,000	175,000
67 OFFICE OF MGT. & BUDGET							
Routine Capital Contingency	P49990159	150,000	150,000	150,000	150,000	150,000	750,000
		150,000	150,000	150,000	150,000	150,000	750,000
TOTAL ROUTINE CAPITAL		2,050,756	2,536,717	1,920,518	1,962,019	1,673,520	10,143,530
RTA CAPITAL FUND TOTAL		4,141,756	4,511,717	3,862,518	3,952,019	3,553,520	20,021,530

2016 - 2020 Capital Improvement Plan

RTA Development Fund

The Authority's Capital Improvement Funds are used to account for the acquisition, construction, replacement, repair, and renovation of major capital facilities and equipment. The RTA Development Fund is the largest and includes large rehabilitation & expansion projects and the Authority's Long Range projects. In general, RTA Development Fund projects are greater than \$150,000 and have a useful life of more than five years. This Fund is primarily, but not exclusively, supported through Federal grant awards.

Federal Capital grants received by the Authority normally require 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 2013, \$13.47 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 to \$11.73 million in FY 2014 and remained relatively stable in FY 2015 at \$11.65 million. The amount will decrease to \$11.33 million in FY 2016 and before increasing to \$11.53 million in FY 2017 and \$11.51 million in FY 2018 due to the financial demands of the Authority's capital program.

Other local funding sources include debt service, revenue bonds, and interest income. The Authority last issued debt, \$25.0 million of Revenue Bonds, in FY 2012 to support capital project activities and an additional debt service of approximately \$25.00 million is expected in FY 2015. Interest income has varied over the years from a high of \$115,389 in FY 2012 to an estimated low of \$53,000 in FY 2016 due to fluctuations in the interest rates and fund balance over the years

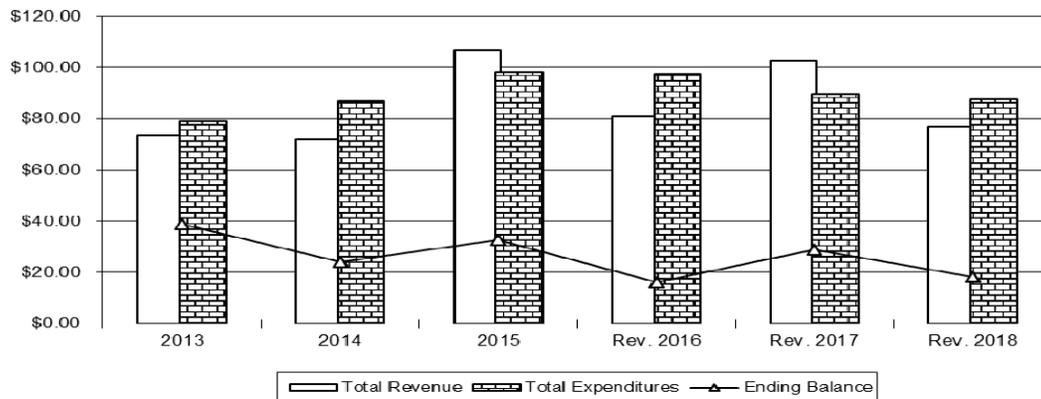
Figure CIP-9, on the following page, presents the fund balance analysis for the RTA Development Fund. The balance normally alternates between decreases and increases over the years depending upon new debt service issuances, the Authority receiving a competitive non-formula grant award, and scheduled construction activities for the year. At the end of FY 2012, the fund balance was \$44.44 million. Capital construction activities over the following years drew the fund balance down as it declined to \$38.92 million at the end of FY 2013 and to \$27.27 million at the end of FY 2014. It increased in FY 2015 due to the issuance of Revenue bonds and is expected to decrease to \$16.13 million at the end of FY 2016 before again increasing to \$28.98 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 on the following page various funding sources including various Federal capital grants, a planned debt service, State Capital grants, and 100-percent local funds will help support expected expenditures or cash outlays of \$97.5 million in 2016. Please note that expenditures within the Fund Balance Analysis are presented on a cash basis and attempts to estimate the actual cash flow expenditures. Thus, the expenditure estimates will differ from the budget appropriations included in the 2016-20 CIP, which are based upon the establishment of the necessary budget appropriation for the capital projects.

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RTA Development Fund Balance Analysis (Millions)



	2013 Actual	2014 Actual	2015 Estimate	Rev. 2016 Budget	Rev. 2017 Plan	Rev. 2018 Plan
Beginning Balance	\$44.44	\$38.92	\$23.91	\$32.61	\$16.13	\$28.98
Total Revenue	\$73.63	\$72.03	\$106.95	\$81.02	\$102.59	\$76.82
Total Resources	\$118.07	\$110.96	\$130.86	\$113.63	\$118.73	\$105.80
Total Expenditures	\$79.14	\$87.05	\$98.25	\$97.50	\$89.75	\$87.50
Ending Balance	\$38.92	\$23.91	\$32.61	\$16.13	\$28.98	\$18.30

Figure CIP-9: RTA Development Fund Balance Analysis

RTA Development Fund Balance Analysis

	2013 Actual	2014 Actual	2015 Estimate	2016 Budget	2017 Plan	2018 Plan
Beginning Balance	44,440,121	38,924,890	23,911,529	32,610,942	16,132,855	28,975,768
Revenue						
Debt Service	0	0	30,000,000	0	25,000,000	0
Transfer from RTA Capital Fund	13,470,255	11,734,255	11,649,255	11,334,255	11,534,255	11,509,255
Investment Income	95,725	54,038	53,000	53,000	54,000	54,000
Federal Capital Grants	59,795,463	58,199,720	63,862,500	68,250,000	64,620,000	63,875,000
State Capital Grants	264,693	2,046,063	1,384,658	1,384,658	1,384,658	1,384,658
Other Revenue	0	0	0	0	0	0
Total Revenue	73,626,136	72,034,076	106,949,413	81,021,913	102,592,913	76,822,913
Total Resources	118,066,257	110,958,966	130,860,942	113,632,855	118,725,768	105,798,681
Expenditures						
Capital Outlay	79,141,367	87,047,437	98,250,000	97,500,000	89,750,000	87,500,000
Other Expenditures	0	0	0	0	0	0
Total Expenditures	79,141,367	87,047,437	98,250,000	97,500,000	89,750,000	87,500,000
Ending Balance	38,924,890	23,911,529	32,610,942	16,132,855	28,975,768	18,298,681

2016 - 2020 Capital Improvement Plan

RTA Development Fund Projects

In 2016, the combined budget appropriation for RTA Development Fund projects accounts for most, \$52.55 million or 92.7 percent, of the Authority's Capital Improvement Budget for the upcoming year (see Figure CIP-8). The inclusion of capital projects within this fund is based upon the establishment of budget appropriation authority and 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 2016. The \$52.55 million budget is lower than in past years due to third quarter 2015 Board approval of an amendment to increase the RTA Development Fund budget by \$15.86 million for five projects that would have normally been included in the 2016 CIP.

Please refer to page 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

More than \$15.06 million of previous year's capital projects including ones to prepare the Hayden Garage and the Central Bus Maintenance Facility for the introduction of CNG fueled buses and bus storage lots at the Hayden and Triskett Garages are currently underway in this category. No new projects are included in the 2016 CIP, but the out years of the 2016-20 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 - \$855,766

The 2016 CIP continues to focus on bus replacements and the SGR of the Authority's existing revenue fleets through a multi-year bus spare parts program to improve the dependability of the Authority's bus fleet. Programmed capital budget appropriations include \$465,766 to replace one (1) 40-Ft CNG buses, and \$390,000 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 2016.

Equipment & Vehicles - \$132,000

All budget appropriation within this category with the RTA Development Fund in FY 2016 are for the continuation of prior year grant funded information technology projects including Data Center, Intranet Development and Network improvements.

Facilities Improvements - \$6.85 million

The combined Facilities Improvements budget appropriation of \$6.85 million in 2016 are concentrated on rehabilitation projects of track bridges throughout the Authority's Rail System. Including \$4.30 million to rehabilitate the track bridge at East 92nd Street over CSX tracks and \$2.09 million for the initial phase of reconstructing Viaduct Bridge and a secondary Viaduct Drainage & Concrete repair project. The category also includes \$462,000 for a grant funded improvement project for various facilities throughout the Authority.

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Other Projects - \$2.09 million

The 2016 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 - \$20.18 million

This category includes two projects to reimburse the General Fund for activities the Operating Budget. The largest of these is for preventive maintenance reimbursements with a 2016 budget appropriation for \$20.0 million, or 38.1 percent of the 2016 RTA Development Fund appropriation. The other programmed project within this category includes budget appropriation of \$180,000 for grant funded reimbursements of the Travel Trainer program.

Rail Projects- \$21.72 million

In FY 2016, 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 \$11.16 million for the rehabilitation/reconstruction of Rail Stations, \$6.12 million for various track rehabilitation projects, and a combined \$3.90 million for substation, electrical, and train signal improvements throughout the system.

Major station projects in FY 2016 include \$5.60 million for the reconstruction of the East 116th Light Rail Trunk Line Station, \$3.40 million for the first of two years of funding to reconstruction the Heavy & Light Rail East 34th Street Station, \$950,000 for a second head house of the East 105th Street and a combined \$1.21 million for other various stations rehabilitation. The \$6.21 million for track rehabilitation and reconstruction projects includes \$4.39 million for the Light Rail Crossings Improvement Program and \$1.82 million for various rail engineering and infrastructure improvements. Though not included in the FY 2016 CIP,

It is important to note that though the reconstruction of Tower City (TC) Track 8 and rehabilitation of TC Platform 7 were not included in the FY 2016, having been included in a third quarter 2015 budget amendment for a total of \$9.25 million is expected to commence in the second quarter of 2016.

Transit Centers / Bus Loops – \$708,783

The 2016 capital budget includes \$288,783 for various grant funded passenger enhancements throughout the Authority and \$420,000 for bus shelters associated with phase one of the Opportunity Corridor project.

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 guide for developing a balanced, multi-modal transit system that meets the mobility needs of Cuyahoga County residents and all visitors safely, efficiently, and cost-effectively.

The original plan was drafted in 1998 and updated in 2004 to reflect the existing system's state of repair; the future plans of key stakeholders, and the economic conditions of the region. In 2008, RTA initiated an update of the Long Range Plan, titled the "GCRTA Strategic Plan" that was completed in 2012. The goals of the Plan are to help determine the course of projects and services within GCRTA that can result in the increase of ridership, increase in revenues, and

2016 - 2020 Capital Improvement Plan

bring the system into a state of good repair while being grounded in the economic and the financial reality of public transportation funding in Northeast Ohio.

The existing Key Transit 2025 project elements include exploring 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; and reconstructing various Rapid Transit Stations as part of the FTA ADA Key Station requirement agreement.

**GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY
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RTA DEVELOPMENT FUND**

ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020
		2016	2017	2018	2019	2020	
<u>BUS GARAGES</u>							
<u>BUS GARAGES</u>							
Triskett CNG Loading Station FY 2018 100% Local Funds 3,500,000	P22800X80	0	0	3,500,000	0	0	3,500,000
Triskett CNG Building Compliance FY 2017 100% Local Funds 1,950,000 FY 2018 100% Local Funds 1,950,000	P22800X70	0	1,950,000	1,950,000	0	0	3,900,000
TOTAL - BUS GARAGES		0	1,950,000	5,450,000	0	0	7,400,000
<u>BUS REPLACEMENTS</u>							
<u>BUS IMPROVEMENT PROGRAM</u>							
2015-2017 Bus Improvement Program SFY 2016 ODOT UTP Award 1,730,822 SFY 2017 ODOT UTP Award 1,730,822 SFY 2017 ODOT CMAQ Grant (Committed 2015-17) 4,328,125 SFY 2018 ODOT CMAQ Grant (Committed 2015-17) 4,328,125 FFY 2015 Federal Formula Grant 465,766 FFY 2016 Federal Formula Grant 9,496,616 FY 2017 100% Local Funds 150,000 FFY 2017 Federal Formula Grants 4,435,400 FY 2018 100% Local Funds 125,000	P11390160	465,766	11,377,438	10,619,347	4,328,125	0	26,790,676

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ANTICIPATED FUNDING SOURCE								
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020	
		2016	2017	2018	2019	2020		
<u>BUS REPLACEMENTS - Cont.</u>								
<u>BUS IMPROVEMENT PROGRAM - Cont.</u>								
2018-2020 Bus Improvement Program	40,243,322	P10390190	0	0	0	20,000,000	20,243,322	40,243,322
SFY 2018 ODOT CMAQ Grant (Committed 2018-20)	2,125,000							
SFY 2019 ODOT CMAQ Grant (Committed 2018-20)	10,887,500							
SFY 2018 ODOT UTP Award	1,730,822							
SFY 2019 ODOT UTP Award	1,730,822							
SFY 2018 ODOT OTPPP Award	3,125,000							
SFY 2019 ODOT OTPPP Award	3,125,000							
FFY 2018 Federal Formula Grant	4,500,000							
FY 2019 To Be Determined (TBD)	8,519,178							
FFY 2019 Federal Formula Grant	4,500,000							
Sub-Total: Bus Improvement Program			465,766	11,377,438	10,619,347	24,328,125	20,243,322	67,033,998
<u>PARATRANSIT IMPROVEMENT PROGRAM</u>								
2016-18 Paratransit Buses		P12390160	0	0	2,412,400	0	0	2,412,400
FFY 2017 Federal Formula Grant	1,250,000							
FY 2018 100% Local Funds	1,162,400							
Sub-Total: Paratransit Improvement Program			0	0	2,412,400	0	0	2,412,400
<u>TROLLEY REPLACEMENT PROGRAM</u>								
Replacement Trolley Program		P10390150	0	3,875,000	0	0	0	3,875,000
FY 2017 100% Local Funds	3,875,000							
Sub-Total: Replacement Trolley Program			0	3,875,000	0	0	0	3,875,000
<u>BUS SPARE PARTS PROGRAM</u>								
2014-18 Bus Capital Spare Parts Program		P16390140	390,000	110,000	0	0	0	500,000
FFY 2015 Federal Formula Grant	390,000							
FFY 2016 Federal Formula Grant	110,000							
BRT Bus Capital Spare Parts Program		P16390150	0	386,704	0	0	0	386,704
FFY 2016 Federal Formula Grant	386,704							
Sub-Total: Bus Capital Spare Parts Program			390,000	496,704	0	0	0	886,704
TOTAL - BUSES			855,766	15,749,142	13,031,747	24,328,125	20,243,322	74,208,102

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ANTICIPATED FUNDING SOURCE								
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020	
		2016	2017	2018	2019	2020		
<u>EQUIPMENT & VEHICLES</u>								
<u>MANAGEMENT INFORMATION SYSTEM</u>								
Ultramain Version 9 Upgrade FFY 2017 Federal Formula Grant	1,115,951	P42350180	0	0	1,115,951	0	0	1,115,951
Network Infrastructure - Networks FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	166,600 166,600	P42610120	0	166,600	166,600	0	0	333,200
Network Infrastructure - Data Center FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	235,000 235,000	P42610220	0	235,000	235,000	0	0	470,000
Network Infrastructure - Phone System FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	189,000 189,000	P42610320	0	189,000	189,000	0	0	378,000
Internet - Intranet Development FFY 2015 Federal Formula Grant FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	132,000 80,000 80,000	P42610520	132,000	80,000	80,000	0	0	292,000
Radio System Replacement FFY 2019 Federal Formula Grant	3,500,000	P44800190	0	0	0	0	3,500,000	3,500,000
Sub-Total: Management Information System			132,000	670,600	1,786,551	0	3,500,000	6,089,151
TOTAL - EQUIPMENT & VEHICLES			132,000	670,600	1,786,551	0	3,500,000	6,089,151

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ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020
		2016	2017	2018	2019	2020	
<u>FACILITIES IMPROVEMENTS</u>							
<u>BRIDGE REHABILITATION</u>							
Track Bridge Inspection Program FY 2017 Local Funds 460,000 FY 2019 Local Funds 475,000	P20800160	0	460,000	0	475,000	0	935,000
Track Bridge Rehab. - Viaduct Drainage & Concrete Repairs FY 2016 Local Funds 1,546,000 FFY 2016 Federal Formula Grant 1,985,600	P20800160	1,546,000	1,985,600	0	0	0	3,531,600
Track Bridge Rehab. - Viaduct Bridge Rehab: Phase 1 FY 2016 Local Funds 545,000 FY 2018 (TBD) 6,210,000	P20800260	545,000	0	6,210,000	0	0	6,755,000
Track Bridge Rehab. - West 117th Street FY 2017 Local Funds 450,000 FFY 2018 Federal Formula Grant 4,580,000	P20800260	0	450,000	0	4,580,000	0	5,030,000
Track Bridge Rehab - Ambler Avenue FY 2018 Local Funds 30,000 FY 2019 Local Funds 250,000	P20800160	0	0	30,000	250,000	0	280,000
Track Bridge Rehabilitation - CSX & East 92nd St. FFY 2015 Federal Formula Grant 3,000,000 FY 2016 Local Funds 1,300,000	P20800170	4,300,000	0	0	0	0	4,300,000
Track Bridge Rehabilitation - Canal Road FY 2018 Local Funds 215,000 FFY 2019 Federal Formula Grant 2,750,000	P20800170	0	0	215,000	0	2,750,000	2,965,000
Sub-Total: Bridge Rehabilitation		6,391,000	2,895,600	6,455,000	5,305,000	2,750,000	23,796,600

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ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020
		2016	2017	2018	2019	2020	
<u>FACILITIES IMPROVEMENTS (Cont.)</u>							
<u>SYSTEM-WIDE FACILITIES</u>							
Tower City - East Portal Concrete Repairs	P26800170	0	501,400	0	6,230,000	0	6,731,400
FY 2017 Local Funds	501,400						
FY 2019 (TBD)	6,230,000						
State of Good Repair Projects	P32800250	462,406	429,510	481,724	477,061	4,162,890	6,013,591
FFY 2015 Federal Formula Grant	462,406						
FFY 2016 Federal Formula Grant	429,510						
FFY 2017 Federal Formula Grant	481,724						
FFY 2018 Federal Formula Grant	477,061						
FFY 2019 Federal Formula Grant	4,162,890						
Sub-Total: System-Wide Facilities		462,406	930,910	481,724	6,707,061	4,162,890	12,744,991
TOTAL - FACILITIES IMPROVEMENTS		6,853,406	3,826,510	6,936,724	12,012,061	6,912,890	36,541,591

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ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020
		2016	2017	2018	2019	2020	
<u>OTHER PROJECTS</u>							
<u>OTHER</u>							
Planning Studies (Transportation for Livable Communities Initiative)	P49570120	93,750	93,750	93,750	93,750	93,750	468,750
SFY 2015 NOACA STP Grant	93,750						
SFY 2016 NOACA STP Grant	93,750						
SFY 2017 NOACA STP Grant	93,750						
SFY 2018 NOACA STP Grant	93,750						
SFY 2019 NOACA STP Grant	93,750						
RTA Development Fund Contingency 2016 - 20 (TBD)	TBD P49990150	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
TOTAL - OTHER PROJECTS		2,093,750	2,093,750	2,093,750	2,093,750	2,093,750	10,468,750
<u>PREVENTIVE MAINTENANCE/OPERATING REIMBURSEMENTS</u>							
<u>PREVENTIVE MAINTENANCE/OPERATING REIMBURSEMENTS</u>							
2008 New Freedom Program (Mobility Management Only)	P49310180	180,000	180,000	180,000	180,000	180,000	900,000
SFY 2015 Section 5317 NOACA New Freedom Prog	180,000						
SFY 2016 Section 5317 NOACA New Freedom Prog	180,000						
SFY 2017 Section 5317 NOACA New Freedom Prog	180,000						
SFY 2018 Section 5317 NOACA New Freedom Prog	180,000						
SFY 2019 Section 5317 NOACA New Freedom Prog	180,000						
Preventive Maintenance Expenses	P51670160	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	100,000,000
FFY 2015 Federal Formula Grant	20,000,000						
FFY 2016 Federal Formula Grant	20,000,000						
FFY 2017 Federal Formula Grant	20,000,000						
FFY 2018 Federal Formula Grant	20,000,000						
FFY 2019 Federal Formula Grant	20,000,000						
TOTAL - PREVENTIVE MAINT./OPERATING REIMB.		20,180,000	20,180,000	20,180,000	20,180,000	20,180,000	100,900,000

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ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020
		2016	2017	2018	2019	2020	
<u>RAIL PROJECTS</u>							
<u>ELECTRICAL SYSTEM</u>							
OCS Replacement and Upgrade Plan FFY 2015 Federal Formula Grant FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	P21320150	131,159 141,848 153,409	141,848	153,409	0	0	426,416
Substation Replacement - Van Aken/Warrensville FFY 2016 Federal Formula Grant	P21800160	0 1,742,000	1,742,000	0	0	0	1,742,000
Substation Replacement - East 120th Street FFY 2016 Federal Formula Grant FFY 2017 Federal Formula Grant	P21800240	0 165,400 3,800,000	165,400	3,800,000	0	0	3,965,400
Substation Replacement - Puritas Avenue FFY 2015 Federal Formula Grant FFY 2016 Federal Formula Grant	P21800390	2,691,350 1,026,250	1,026,250	0	0	0	3,717,600
Substation Replacement - W. 117th Street FFY 2017 Federal Formula Grant FFY 2018 Federal Formula Grant	P21800390	0 3,900,000	0	151,000	3,900,000	0	4,051,000
Replace Brookpark Transformer / Rectifier (SS-4) FFY 2016 Federal Formula Grant	P21800X70	1,026,191	0	0	0	0	1,026,191
Replace W. 25th / Ohio City Transformer / Rectifier FFY 2017 Federal Formula Grant	P21800X80	0 526,191	0	526,191	0	0	526,191
Substation Improvement Program FFY 2019 Federal Formula Grant	P21800X00	0 3,850,000	0	0	0	3,850,000	3,850,000
Sub-Total: Electrical System		3,848,700	3,075,498	4,630,600	3,900,000	3,850,000	19,304,798

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ANTICIPATED FUNDING SOURCE								
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020	
		2016	2017	2018	2019	2020		
<u>RAIL PROJECTS - Cont.</u>								
<u>TRAIN CONTROL / SIGNALS</u>								
CAB Signal System Replacement (Railcars) FFY 2017 Federal Formula Grant	985,750	P26800170	0	0	985,750	0	0	985,750
Cab Signaling - East 79th to Shaker Square FFY 2017 Federal Formula Grant	3,904,514	P26800240	0	0	3,904,514	0	0	3,904,514
Red Line Signal System Replacement (Design) FFY 2017 Federal Formula Grant	1,000,000	P26800270	0	0	1,000,000	0	0	1,000,000
Fiber Optic System Software/Hardware Upgrades FY 2016 Local Funds FFY 2016 Fed. Formula Grant FY 2017 Local Funds FFY 2017 Fed. Formula Grant	500,000 4,476,760 212,640 2,810,600	P26800440	500,000	4,689,400	2,810,600	0	0	8,000,000
Sub-Total: Train Control / Signals			500,000	4,689,400	8,700,864	0	0	13,890,264

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ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020
		2016	2017	2018	2019	2020	
<u>RAIL PROJECTS - Cont.</u>							
<u>TRACK REHABILITATION</u>							
Track Reconstruction Program	P23320290	0	0	0	4,600,000	3,000,000	7,600,000
FFY 2018 Federal Formula Grant		4,600,000					
FFY 2019 Federal Formula Grant		3,000,000					
Rail Profile Grinding Program	P23320170	0	488,029	1,488,534	1,779,719	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	952,771	864,421	686,458	1,500,000	1,500,000	5,503,650
FFY 2015 Federal Formula Grant		952,771					
FFY 2016 Federal Formula Grant			864,421				
FFY 2017 Federal Formula Grant			686,458				
FFY 2018 Federal Formula Grant		1,500,000					
FFY 2019 Federal Formula Grant		1,500,000					
Westpark Diamond Crossover Rebuild	P23800160	38,273	459,270	0	0	0	497,543
FFY 2015 Federal Formula Grant		38,273					
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 2015 Federal Formula Grant		200,000					
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					
On-Call Rail Maintenance Services	P23800340	500,000	0	500,000	0	500,000	1,500,000
FFY 2015 Federal Formula Grant		500,000					
FFY 2017 Federal Formula Grant		500,000					
FFY 2019 Federal Formula Grant		500,000					

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ANTICIPATED FUNDING SOURCE								
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020	
		2016	2017	2018	2019	2020		
<u>RAIL PROJECTS - Cont.</u>								
<u>TRACK REHABILITATION - Cont.</u>								
Light Rail Crossings Improvements FFY 2015 Federal Formula Grant	4,391,400	P23800430	4,391,400	0	0	0	0	4,391,400
Light Rail Trunk Retaining Wall Rehab. Phase 1 FY 2016 Local Funds	130,000	P23800440	130,000	0	0	0	0	130,000
Tower City 10 and 13 Track Replacement FFY 2017 Federal Formula Grant FFY 2018 Federal Formula Grant FFY 2019 Federal Formula Grant	347,288 4,509,835 2,083,725	P23800370	0	0	347,288	4,509,835	2,083,725	6,940,848
Sub-Total: Track Rehabilitation			6,212,444	2,011,720	3,222,280	12,589,554	7,283,725	31,319,723
<u>RAIL STATION REHABILITATION</u>								
Lee/Shaker Light Rail Station Reconstruction FY 2016 Local Funds	500,000	P24800340	500,000	0	0	0	0	500,000
Brookpark Road Heavy Rail Station Reconstruction FY 2016 Local Funds	477,525	P24800260	477,525	0	0	0	0	477,525
East 116th Street LRV Station Rehabilitation FFY 2015 Federal Formula Grant	5,600,000	P24800370	5,600,000	0	0	0	0	5,600,000
Farnsleigh Station Reconstruction (ADA Compliance) FFY 2015 Federal Formula Grant FFY 2017 Federal Formula Grant	224,580 1,671,928	P24800440	224,580	0	1,671,928	0	0	1,896,508
Opportunity Corridor Ph. 2: E. 105th St. Station 2nd Headhouse FY 2016 Local Funds	950,000	P24800370	950,000	0	0	0	0	950,000

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ANTICIPATED FUNDING SOURCE							
CATEGORY / PROJECT NAME	PROJECT NUMBER	CALENDAR YEAR					TOTALS 2016-2020
		2016	2017	2018	2019	2020	
<u>RAIL PROJECTS - Cont.</u>							
<u>RAIL STATION REHABILITATION - Cont.</u>							
East 34th Station Reconstruction (ADA Compliance)	P24800540	3,410,886	3,400,000	0	0	0	6,810,886
FFY 2015 Federal Formula Grant	3,410,886						
FFY 2016 Federal Formula Grant	3,400,000						
Sub-Total: Rail Station Rehabilitation		11,162,991	3,400,000	1,671,928	0	0	16,234,919
TOTAL - RAIL PROJECTS		21,724,135	13,176,618	18,225,672	16,489,554	11,133,725	80,749,704
<u>TRANSIT CENTERS</u>							
Enhanced ADA Access (Enhancement Items)	P30800X60	288,783	288,783	288,785	285,115	285,115	1,436,581
FFY 2015 Federal Formula Grant	288,783						
FFY 2016 Federal Formula Grant	288,783						
FFY 2017 Federal Formula Grant	288,785						
FFY 2018 Federal Formula Grant	285,115						
FFY 2019 Federal Formula Grant	285,115						
Opportunity Corridor Phase 1: Bus Stations	P30800X60	420,000	0	0	0	0	420,000
FFY 2015 ODOT Grant	420,000						
TOTAL - TRANSIT CENTERS		708,783	288,783	288,785	285,115	285,115	1,856,581
TOTAL RTA DEVELOPMENT FUND		52,547,840	57,935,403	67,993,229	75,388,605	64,348,802	318,213,879
TOTAL RTA CAPITAL FUND		4,141,756	4,511,717	3,862,518	3,952,019	3,553,520	20,021,530
TOTAL CAPITAL IMPROVEMENT PLAN		56,689,596	62,447,120	71,855,747	79,340,624	67,902,322	338,235,409

