

# Capital District Transportation Authority

Fiscal Year 2016  
Operating & Capital Plan



# FY2016 OPERATING AND CAPITAL PLAN

*(Fiscal Year - April 1, 2015 through March 31, 2016)*

## **CDTA BOARD OF DIRECTORS**

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Thomas M. Owens  
Represents Albany County

Corey Bixby  
Represents Labor

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**April 1, 2015**

**To: CDTA's Board of Directors, Customers, Employees and Community Members**

**From: Carm Basile, Chief Executive Officer**

I am pleased to present our Operating Plan for FY2016. This planning document supports the vision from our Board of Directors. The budget and accompanying work plan are focused on forward-thinking management, enhanced services and driving economic development throughout the Capital Region. The plan addresses our financial challenges, while building on the foundation we have developed to advance customer and community needs.

The budget is balanced for FY2016. Our employees are helping us to continue matching spending with revenues in the face of flat state and federal operating assistance. We are pleased to keep expense growth under 2%, with many items flat-lined versus last year. The spending plan of \$79.9 million shows no fare increase or significant service expansion with little opportunity to support growth. A balanced budget highlights the commitment of our Board of Directors and staff towards innovation and expansion of transit choices in our region.

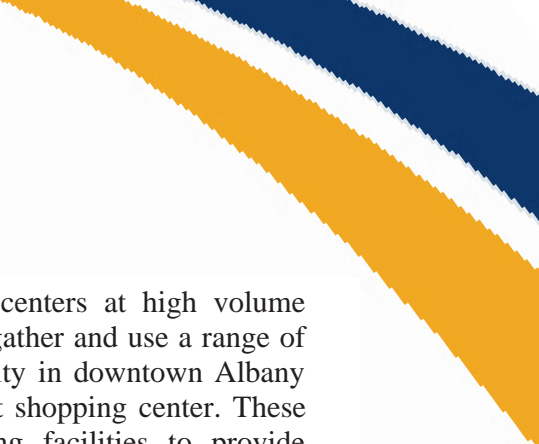
We completed 2014 transporting more customers than ever, while growing our system and furthering our commitment to our communities. Overall, we served close to 17 million customers this fiscal year, validation of our efforts to position the system as a better way to travel throughout the Capital Region. As the area's mobility leader, we served as the gateway for another 1 million travelers through our Rensselaer and Saratoga Springs Train Stations. This reinforces that CDTA is a true stimulator of regional economic development.

Our innovation platform took off this year behind the continued growth of our universal access program and maturation of our Bus Rapid Transit service. Each continues to generate ridership and benefit the region's economy. We are showing the clear connection between quality transit service and economic development to businesses, universities and municipalities.

Our vision for a 40-mile BRT route network progressed this year as the Washington/Western Purple Line has been accepted into the FTA's small starts program and is a key part of the Harriman Campus revitalization plan. The Purple Line will include the region's first dedicated busway and we are finalizing plans for a transit center at Crossgates Mall. Progress continues on the River corridor Blue Line as the project has seed funding to connect Cohoes, Watervliet and Waterford with growing activity in the core cities of Albany and Troy.

Transit technology improvements continue to elevate the customer experience allowing us to operate more efficiently. Our customers have better access to information and quicker lines of communication to let us know how we're doing. Real Time Passenger Information has taken service to the next level, while a new mobile-friendly website makes for a better customer experience.

We have announced CDTA's *Navigator*, our new fare collection system that will be the country's first simultaneous rollout of smart card and mobile payment platforms. *Navigator* will provide customers with greater payment flexibility along with features and benefits beyond our current offerings. It will enhance our ability to analyze operations, revenue and assist planning efforts. A customer pilot program will take place in the next few weeks with the system coming totally online once testing has been completed.



We have identified key areas for a comprehensive network of transit centers at high volume locations. The centers will provide attractive places for the community to gather and use a range of transportation services. We are focused on a centerpiece Intermodal Facility in downtown Albany with satellite locations in each of the region's cities and the area's largest shopping center. These centers may include retail space, commercial development and parking facilities to provide connectivity and revenue capacity. The centers will improve the transit experience, promote mobility, and encourage transit-oriented development.

This year's spending plan balances a relatively flat government forecast with the need to meet customer demand for more service. Wage and benefit lines are tightly managed against the expectation for continued growth in ridership and universal access arrangements. All other lines are expected to be unchanged from last year, thanks to the outstanding work of our employees.

Our capital plan focuses on providing the newest equipment to insure comfort and reliability for customers. Our fleet replacement program has positive impacts on our operating departments, but becomes more challenging to fund each year. Our preventative maintenance program allows us to put safety at the forefront of our decisions. Last year we earned the Capital Region's first TIGER grant to support a new Computer Aided Dispatch and Automated Vehicle Locations System. We expect this procurement in 2016.

We have developed a strong advocacy program as our key funding sources remain stagnant. A consortium has been built between many New York transit systems to focus our message with legislative leaders. Without more funding we will not meet customer demand and will fall short on promises to our communities. The issue remains how to pay for it and what the funding streams need to be in order for sustained success.

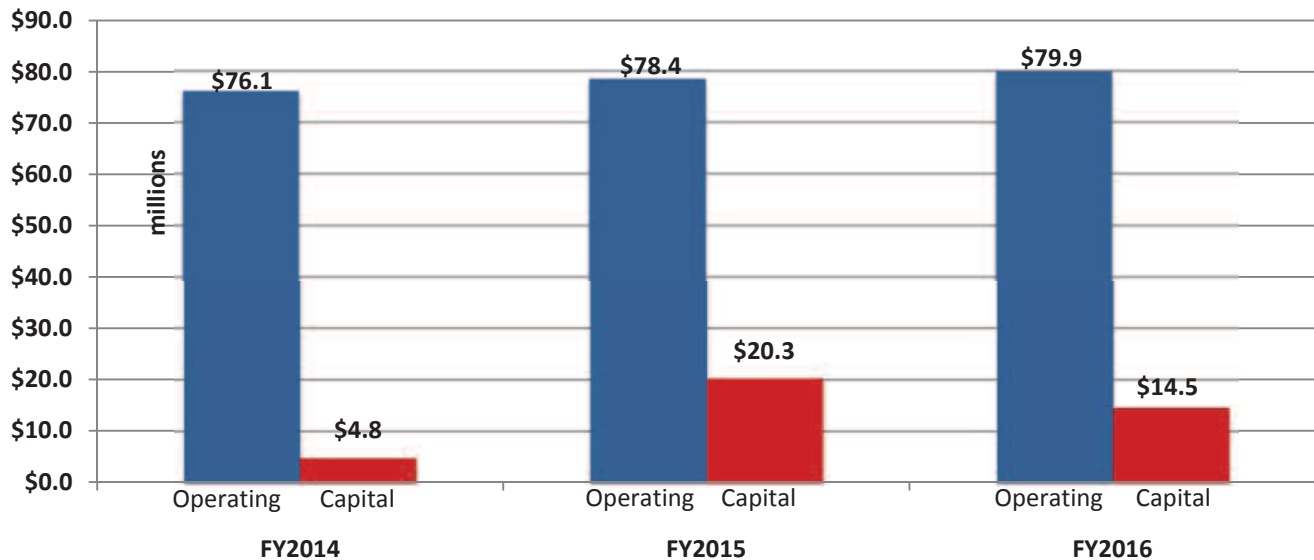
We continue to work on bringing the company to the next level, while meeting the financial challenges of an industry that requires subsidy for success. I am confident that we have the support to do this from every corner of the community. It may require difficult decisions at times but we have developed a platform that balances our dedication to customers with the need for fiscal responsibility and accountability.

Thank you.

Carm

# BUDGET IN BRIEF

CDTA Budget Summary FY2016  
\$79.9 Million Operating and \$14.5 Million Capital



The Authority's activities are distributed across Operational and Capital Spending lines. The Fiscal Year 2016 Operating Budget is balanced, with revenue and expenses equaling \$79,932,556. Capital expenses are expected to total \$14,516,125.

The budget includes revenue from customer fares and contracts, mortgage recording tax, federal assistance and state funding for operations, and several smaller revenue sources. Major expense lines include wages and benefits, maintenance, fuel, purchased transportation, parts and supplies.

Capital budget income includes federal and state grant funds as well as reserve balances. Capital expenses include the purchase of vehicles, design and construction of facilities, acquisition of information and communication systems, and the maintenance of equipment and facilities.

The operating budget will increase by \$1.5 million from last year. Going back to FY2009, the budget has grown by just \$8.9 million (12.5%). Over that time, we have provided contractual raises almost every year, absorbed significant increases in health care costs, and dealt with fluctuations in fuel prices. We have offset the increases by maintaining employment levels and reducing expenses related to non-personnel lines.

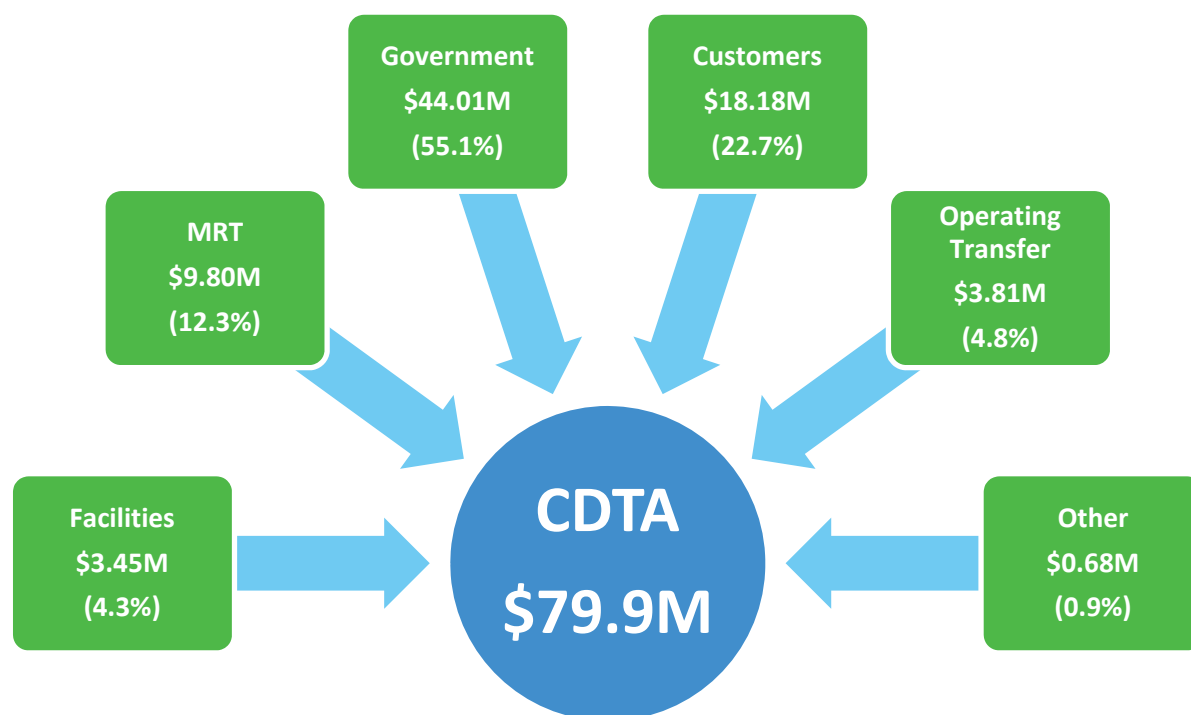
Our most significant financial issue is to grow revenue against flat funding sources. Government sources like State Operating Assistance and Federal Section 5307 funding have not had significant growth since FY2009. We have been successful in negotiating contracts with major employers and educational institutions to provide access to our system at fixed rates. This has increased both expense recovery from operations and ridership throughout the system.

## REVENUE SUMMARY

Our revenue lines are expected to remain flat, consistent to the funding sources that allow for operational growth in FY2016. We have determined that transferring funds is a better approach than increasing use of federal capital funds to balance our budget. There is continued growth in contractual partnerships with a potential for slight increases in customer revenue. We expect increased revenue from our facilities thanks to new leasing agreements and additional parking capacity.

### Revenue Summary

Revenue Item	Budget FY2015	Budget FY2016	% change
Government Assistance	\$44,400,577	\$44,013,877	-0.9%
Customer Revenue	\$18,180,000	\$18,180,000	0.0%
MRT	\$10,000,000	\$9,800,000	-2.0%
Fund Transfers	\$1,807,048	\$3,807,048	110.7%
Facilities Revenue	\$3,348,150	\$3,451,631	3.1%
Other	\$680,000	\$680,000	0.0%
<b>Total Revenue</b>	<b>\$78,415,775</b>	<b>\$79,932,556</b>	<b>1.9%</b>



## REVENUE DETAIL

Revenue Item	Budget FY 2015	Budget FY 2016	% Change
Mortgage Tax	\$10,000,000	\$9,800,000	-2.0%
Interest Income	\$20,000	\$20,000	0.0%
Customer Revenue - Route	\$15,000,000	\$14,750,000	-1.7%
Advertising - Transit	\$475,000	\$475,000	0.0%
Advertising - RRS	\$125,000	\$125,000	0.0%
Transit Contracts	\$2,780,000	\$3,030,000	9.0%
Access Transit Contracts	\$400,000	\$400,000	0.0%
Rensselaer Rail Station Income	\$3,208,150	\$3,311,631	3.2%
Saratoga Springs Train Station	\$60,000	\$60,000	0.0%
85 Watervliet Ave	\$80,000	\$80,000	0.0%
Transfer from Operating Acct	\$1,807,048	\$3,807,048	110.7%
Federal Maintenance	\$8,915,977	\$8,915,977	0.0%
Federal Management Support	\$60,000	\$60,000	0.0%
Travel Demand Management	\$472,500	\$214,012	-54.7%
State Operating Assistance	\$32,129,100	\$32,129,100	0.0%
Northway Commuter Service - STOA	\$400,000	\$400,000	0.0%
County Assistance	\$1,917,000	\$1,917,000	0.0%
Jobs Access Grants	\$201,000	\$437,788	117.8%
Other Grants	\$365,000	\$0	-100.0%
<b>Total Revenue</b>	<b>\$78,415,775</b>	<b>\$79,932,556</b>	<b>1.9%</b>

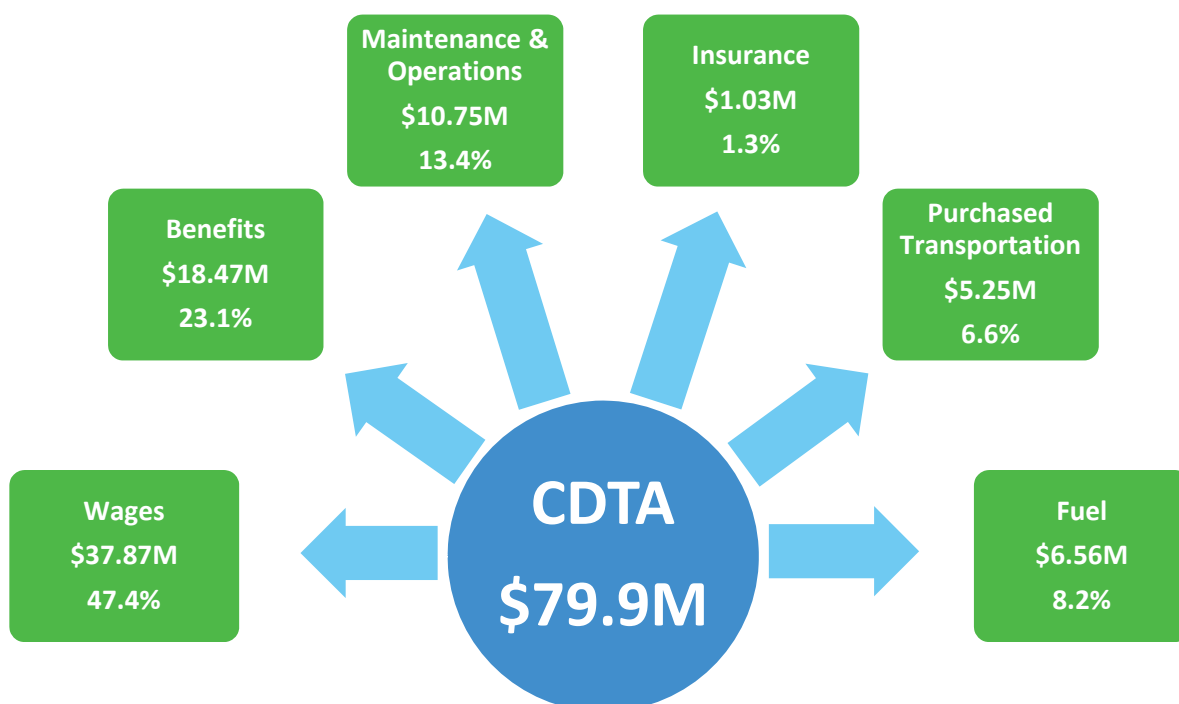


## EXPENSE SUMMARY

Our FY2016 budget calls for a 1.9% increase in spending. This results from the management and fiscal oversight of our largest line items – wages, benefits (specifically health care) and operations. We have been able to mitigate other expenses, including a price reduction for fuel by locking in future prices. We have seen insurance claims consistently reduced and many non-personnel lines tightened to balance our budget. As the demand for services continues to rise, we will continue to plan efficiently use our funding with judicious oversight on administrative costs.

### Expense Summary

Expense Item	Budget FY2015	Budget FY2016	% Change
Wages	\$37,003,350	\$37,873,180	2.4%
Benefits	\$17,753,311	\$18,467,556	4.0%
Maintenance & Operations	\$10,530,032	\$10,746,701	2.1%
Fuel	\$6,698,150	\$6,564,187	-2.0%
Purchased Transportation	\$5,251,332	\$5,251,332	0.0%
Insurance	\$1,179,600	\$1,029,600	-12.7%
<b>Total Expenses</b>	<b>\$78,415,775</b>	<b>\$79,932,556</b>	<b>1.9%</b>



## EXPENSE DETAIL

Expense Item	Estimated Budget FY 2015	Proposed Budget FY 2016	% change
Wages	\$37,003,350	\$37,873,180	2.35%
FICA	\$2,733,063	\$2,797,308	2.35%
Health Benefits	\$9,000,000	\$9,650,000	7.22%
Workers' Comp	\$1,993,961	\$1,993,961	0.00%
Other Benefits	\$4,026,287	\$4,026,287	0.00%
Professional Services	\$1,928,172	\$1,928,172	0.00%
Materials and Supplies	\$1,188,260	\$1,254,010	5.53%
Miscellaneous	\$348,000	\$398,400	14.48%
Maintenance Services	\$2,243,516	\$2,294,035	2.25%
Purchased Transportation	\$5,251,332	\$5,251,332	0.00%
Utilities	\$1,000,000	\$1,000,000	0.00%
Fuel	\$6,698,150	\$6,564,187	-2.00%
Parts Tires Oil	\$3,822,084	\$3,872,084	1.31%
General Insurance	\$679,600	\$679,600	0.00%
Claims	\$500,000	\$350,000	-30.00%
<b>Total Expenses</b>	<b>\$78,415,775</b>	<b>\$79,932,556</b>	<b>1.93%</b>

## EXPENSE DETAIL

### Transportation

Expense Item	Budget FY 2015	Change	Proposed Budget FY 2016	% Change
Transportation Wages	\$24,485,551	\$575,661	\$25,061,212	2.35%
Professional Services	\$99,000	\$0	\$99,000	0.00%
Materials and Supplies	\$10,000	\$0	\$10,000	0.00%
Miscellaneous	\$13,600	\$0	\$13,600	0.00%
Purchased Transportation	\$4,842,234	\$0	\$4,842,234	0.00%
Fuel	\$6,504,653	(\$133,963)	\$6,370,690	-2.06%
<b>Total Transportation Expense</b>	<b>\$35,955,038</b>	<b>\$441,698</b>	<b>\$36,396,736</b>	<b>1.23%</b>

### Maintenance

Expense Item	Budget FY 2015	Change	Proposed Budget FY 2016	% Change
Maintenance Wages	\$6,660,296	\$156,517	\$6,816,813	2.35%
Materials and Supplies	\$560,990	\$30,000	\$590,990	5.35%
Maintenance Services	\$419,368	\$25,000	\$444,368	5.96%
Fuel	\$193,500	\$0	\$193,500	0.00%
Parts, Tires, Oil	\$3,822,084	\$50,000	\$3,872,084	1.31%
<b>Total Maintenance Expense</b>	<b>\$11,656,238</b>	<b>\$261,517</b>	<b>\$11,917,755</b>	<b>2.24%</b>

# EXPENSE DETAIL

## Administration and Support

Expense Item	Budget FY 2015	Change	Proposed Budget FY 2016	% Change
Wages Administration and Support	\$4,614,489	\$108,440	\$4,722,929	2.35%
FICA	\$2,733,063	\$64,245	\$2,797,308	2.35%
Health Benefits	\$9,000,000	\$650,000	\$9,650,000	7.22%
Workers Comp	\$1,993,961	\$0	\$1,993,961	0.00%
Other Benefits	\$4,026,287	\$0	\$4,026,287	0.00%
Professional Services	\$1,157,272	\$20,000	\$1,177,272	1.73%
Materials and Supplies	\$369,050	\$30,000	\$399,050	8.13%
Miscellaneous	\$315,980	\$50,000	\$365,980	15.82%
Maintenance Services	\$866,855	\$11,519	\$878,374	1.33%
General Insurance	\$652,000	\$0	\$652,000	0.00%
<b>Total Administration and Support</b>	<b>\$26,158,055</b>	<b>\$934,204</b>	<b>\$27,092,259</b>	<b>3.57%</b>

## Executive, Board, and Legal

Expense Item	Budget FY 2015	Change	Proposed Budget FY 2016	% Change
Wages Executive and Legal	\$450,245	\$10,581	\$460,826	2.4%
Professional Services	\$145,000	(\$20,000)	\$125,000	-13.8%
Materials and Supplies	\$9,000	\$0	\$9,000	0.0%
Miscellaneous	\$6,000	\$0	\$6,000	0.0%
Claims	\$500,000	(\$150,000)	\$350,000	-30.0%
<b>Total Board, Executive, Legal</b>	<b>\$1,110,245</b>	<b>(\$159,419)</b>	<b>\$950,826</b>	<b>-14.4%</b>

## POSTEMPLOYMENT BENEFIT ANALYSIS

The Authority provides postemployment healthcare benefits for retirees and is required to record these benefits on our balance sheet. *Other postemployment benefits* (OPEB), required by GASB-45 establishes standards for the measurement, recognition, and display of OPEB expenditures, related liabilities and note disclosures. CDTA's current unfunded liability is over \$32 million and it is anticipated to increase to \$37 million when our FY2015 financial statements are completed. We included our most recent year-end balance sheet (FY2014) on Page 23 to illustrate the impact of OPEB on the Authority's finances.

As this unfunded liability grows every year, our concern is that we do not have the ability to pay or fund this unfunded mandate from GASB. As a result, we cannot address the significant financial issue that is projected to increase our balance sheet liability by \$5 million per year long into the future. Even if we had the resources to fund this liability, there is no law or mechanism in New York State that will allow CDTA or any other entity to fund OPEB.

In FY2016, CDTA will be required to implement GASB-68, which provides for *Accounting and Financial Reporting for Pensions*. This statement will report additional unfunded liability on our balance sheet for projected pension costs. The New York State Employees Retirement System (NYSERS) will provide our proportional liability based on the NYS actuarial firm they choose. Like GASB-45, we will not be able to fund this new GASB liability when it takes effect in two years. It should be noted that CDTA will not have input into what is placed on our balance sheet for liability purposes.



## CAPITAL PLAN - \$14,516,125

Our capital plan remains limited. Initiatives start as a study, design, or concept. Subsequent phases of the project are funded in the capital plan. We fund projects that provide safety improvements or replace assets past their useful life. Funding the fleet replacement program is a continuous need that is difficult to address more than one year at a time. The goal is to avoid having operating expenses swell by stretching the useful life of an asset, leading to a backlog of capital replacement needs.

Project Name	Type		FY2016
Removal of Asbestos	Facilities	\$	60,000
Routine Facilities Maintenance	Facilities	\$	25,000
Maintenance Department Renovations	Facilities	\$	215,000
Hardware Replacements	Information Technology	\$	100,000
CAD/AVL	Information Technology	\$	4,703,125
iRide Branding	Operating	\$	200,000
Park and Ride Lots	Operating	\$	203,000
Travel Demand Management	Operating	\$	330,000
Routine RRS Maintenance	Rail Station Improvement	\$	70,000
STAR Buses	Rolling Stock	\$	400,000
Fleet Financing 2014	Rolling Stock	\$	780,000
Fleet Financing 2012	Rolling Stock	\$	930,000
Bus Replacement Program	Rolling Stock	\$	6,000,000
Vehicle Overhaul	Rolling Stock	\$	300,000
Street Amenities	Stops, Shelters, Park & Ride	\$	200,000
			<b>\$ 14,516,125</b>

## FIVE YEAR CAPITAL PLAN

Five Year Capital Plan FY2016 - FY2020							
Project Name	Type	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Troy Lift Replacement Project	Facilities	\$0.00	\$0.64	\$0.00	\$0.00	\$0.00	\$0.64
Paint Albany Maintenance	Facilities	\$0.00	\$0.12	\$0.00	\$0.00	\$0.00	\$0.12
Resurface Lot - Albany	Facilities	\$0.00	\$0.05	\$0.00	\$0.00	\$0.00	\$0.05
Non-Revenue Vehicles	Facilities	\$0.00	\$0.08	\$0.10	\$0.00	\$0.15	\$0.33
Preliminary Engineering	Facilities	\$0.00	\$0.10	\$0.10	\$0.10	\$0.10	\$0.40
Alignment Machine	Facilities	\$0.00	\$0.00	\$0.04	\$0.00	\$0.00	\$0.04
Automated Fueling Meters	Facilities	\$0.00	\$0.00	\$0.15	\$0.00	\$0.00	\$0.15
Downtown Albany Intermodal	Facilities	\$0.00	\$35.00	\$0.00	\$0.00	\$0.00	\$35.00
Albany Renovations	Facilities	\$0.00	\$0.60	\$0.00	\$0.00	\$0.00	\$0.60
Maintenance - Admin Offices	Facilities	\$0.00	\$0.13	\$0.00	\$0.00	\$0.00	\$0.13
Maintenance Training Room	Facilities	\$0.00	\$0.25	\$0.00	\$0.00	\$0.00	\$0.25
Troy Renovations	Facilities	\$0.00	\$0.15	\$0.00	\$0.00	\$0.00	\$0.15
Routine Facilities Maintenance	Facilities	\$0.03	\$0.10	\$0.10	\$0.10	\$0.10	\$0.43
Asbestos Removal	Facilities	\$0.06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.06
Maintenance Renovations	Facilities	\$0.22	\$0.00	\$0.00	\$0.55	\$0.00	\$0.77
Software Replacements	Information Tech	\$0.00	\$0.10	\$0.05	\$0.05	\$0.05	\$0.25
Disaster Recovery Planning	Information Tech	\$0.00	\$0.10	\$0.10	\$0.10	\$0.00	\$0.30
Mobile Data Comm System	Information Tech	\$0.00	\$0.10	\$0.08	\$0.05	\$0.08	\$0.30
Hardware Replacements	Information Tech	\$0.10	\$0.10	\$0.10	\$0.10	\$0.00	\$0.40
CAD/AVL	Information Tech	\$4.70	\$4.70	\$4.70	\$4.70	\$0.00	\$18.81
BRT - Washington - Western	Multi	\$0.00	\$32.50	\$32.50	\$0.00	\$0.00	\$65.00
RRS Security	Operating	\$0.00	\$0.05	\$0.05	\$0.05	\$0.05	\$0.20
iRide Branding	Operating	\$0.20	\$0.30	\$0.30	\$0.30	\$0.30	\$1.40
Park and Ride Lots	Operating	\$0.20	\$0.20	\$0.20	\$0.00	\$0.00	\$0.61
Travel Demand Management	Operating	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33	\$1.65
RRS - Top Deck Recoating	Rail Station	\$0.00	\$0.93	\$0.00	\$0.00	\$0.00	\$0.93
Routine RRS Maintenance	Rail Station	\$0.07	\$0.23	\$0.10	\$0.10	\$0.10	\$0.60
NX Coach Replacement	Rolling Stock	\$0.00	\$1.20	\$1.20	\$1.20	\$1.20	\$4.80
Articulated Buses	Rolling Stock	\$0.00	\$0.00	\$0.00	\$0.00	\$1.80	\$1.80
Vehicle Overhaul Hybrid	Rolling Stock	\$0.30	\$0.85	\$0.85	\$0.85	\$1.00	\$3.85
STAR Buses	Rolling Stock	\$0.40	\$0.00	\$0.30	\$0.00	\$0.30	\$1.00
Fleet Financing 2014	Rolling Stock	\$0.78	\$0.78	\$0.78	\$0.78	\$0.78	\$3.90
Fleet Financing 2012	Rolling Stock	\$0.93	\$0.93	\$0.93	\$0.93	\$0.93	\$4.65
Bus Replacement Program	Rolling Stock	\$6.00	\$10.50	\$11.00	\$11.50	\$12.00	\$51.00
Street Amenities	Stops & Shelters	\$0.20	\$0.35	\$0.15	\$0.35	\$0.15	\$1.20
Sweepers	Support Equip	\$0.00	\$0.11	\$0.00	\$0.00	\$0.12	\$0.23
		<b>\$14.52</b>	<b>\$91.56</b>	<b>\$54.21</b>	<b>\$22.14</b>	<b>\$19.54</b>	<b>\$201.97</b>

\*- Numbers in Millions



# ORGANIZATIONAL SUMMARY

## Enabling Legislation

The Capital District Transportation Authority was formed by an act of the New York State legislature in 1970. The Authority is a public benefit corporation with a legislated purpose "to provide for the continuance, further development and improvement of transportation and other services related thereto within the Capital District Transportation District by railroad, omnibus, marine and air." The act defines the Transportation District as Albany, Rensselaer, Saratoga and Schenectady counties. Fulton, Greene, Columbia and Montgomery counties may join the transportation district through an action of their legislative body.

The Authority governing board consists of 10 members. They are appointed by the Governor and confirmed by the Senate. The enabling statute requires 3 members from Albany County, and 2 members each from the other counties in the district. This was modified in 2009 to include a non-voting member, representing labor (appointed and confirmed via the same process).

## Company History and Highlights

The Authority was created when several private transit companies were near bankruptcy in the late 1960's. The Authority purchased their assets or assumed their services. They included the United Traction Company (service in Albany and Troy), the Schenectady Transit System (service in Schenectady and between Schenectady, Albany and Troy), the Troy Fifth Avenue Bus Company (service in Troy and Mechanicville), Albany-Brookview-Castleton Bus Company, (service between Albany and Castleton), Mountainview Bus Company (service between Albany and Nassau), and the L. C. Smith Bus Company (service between Albany, Latham and Cohoes).

During its first 15 years, the Authority developed appropriate management and operating systems, introduced a regional fare structure, and coordinated a vehicle replacement program. This transformed the independently operated companies into a consolidated organization, providing coordinated service to customers. The CDTA logo became a recognizable company icon, synonymous with transportation services. This consolidated management approach allowed CDTA to expand its mission towards enhancing regional mobility.

CDTA's expanded role was evident in September 2002, when the Rensselaer Rail Station (RRS) opened. The RRS consisted of several projects, including an 80,000 square foot station, a 600-car parking garage, and the Herrick Street Bridge. The project, with a price tag of \$53.1 million, stimulated rail travel at the station, annually placing it in the top 10 in ridership for the Amtrak network. The station serves nearly 900,000 customers annually. Megabus, an intercity bus service also uses the station as a key Capital Region boarding center.

A second CDTA train station, the Saratoga Springs Train Station, opened in March 2004. The facility offers traveler services, upgraded utilities and added parking. Greyhound and Adirondack Trailways have ticket space at the station and it is a regular stop in their network. Cost of the station was \$5.9 million. In addition to Amtrak, the station is also home to the Saratoga North Creek Railway, which provides scenic rail and themed train experiences. Additional parking capacity to accommodate growing usage was added to the station last year.

CDTA expanded operations in 2003 by assuming responsibility for service along the I-87 corridor, which we branded as the Northway Xpress. The NX commuter service was immediately upgraded to make it more attractive to commuters. New buses, an easy to understand fare structure with prepayment options, and more service has made NX a convenient way for Northway customers to access employment centers in downtown Albany.



## ORGANIZATIONAL SUMMARY Continued

Beginning in the early 2000s, service planning and a systematic revision of our service network has been guided by a Transit Development Plan (TDP), which outlined ways to increase ridership and maximize the productivity of our route network. The results have been outstanding both in record ridership and improved community support. The centerpiece of the initial five year plan was the introduction of Upstate New York's first Bus Rapid Transit Line (BusPlus). The new service has been a game changer, offering new amenities including real time information, complimentary Wi-Fi while spurring economic development along Route 5. Ridership along the region's busiest corridor has increased significantly to nearly 4 million annual boardings.

BusPlus, the first Bus Rapid Transit service in Upstate New York, began operation on Route 5 in April 2011. BusPlus is a limited stop service that operates on the 17-mile stretch of Route 5 between downtown Schenectady and downtown Albany. BusPlus has a distinctive branding scheme that signifies premium service including large, comfortable stations, real time information and complimentary Wi-Fi. Boardings on Route 5 have increased to nearly 4 million and we continue advancing plans for additional BRT lines on the second and third highest volume corridors in the region.

Our Board of Directors adopted an update to the TDP in early 2014. The updated plan focuses on several key areas: a 40-mile Bus Rapid Transit route network, development of Transit Centers at high volume locations, route enhancements, more park and ride facilities and new fare payment options for customers. We have engaged in an outreach program with stakeholders to insure the TDP aligns with regional goals and Board vision.

Technology has improved our capabilities to deliver service and address customer needs. Real time information has been accessed nearly 20,000/month since its November 2014 debut. Our redesigned website launched in February 2015 focuses on mobile users as 80% of customers are now accessing our information on the go. These improvements along with better equipment have raised transit's profile but here in the Capital Region and across the country.

Our new *Navigator* fare collection system, announced in February 2015, will be the first simultaneous rollout of contactless smart cards and mobile ticketing in the United States. The system will provide greater flexibility for customers offering payment by cash as well as based on specific ridership patterns. The addition of web-based portals to "recharge" cards and provide balance protection to enhance the riding experience and streamline administration.

Development of a comprehensive transit center network has begun. Transit Centers will provide attractive places for customers and the community to gather and to use transit service at high volume locations. The centers will include space for retail and commercial development along with parking facilities to provide intermodal connectivity and revenue capacity. The centers will be part of the fabric of the community, improve the transit experience, and promote transit-oriented development.

CDTA serves more than 17 million customers annually, an increase of more than 30% in the past five years. We enhance regional mobility by building on the work of our employees to change the way people think about transit; specifically, in how it drives regional economic development. We have improved our service network, reduced operating costs, and have focused our community image with an eye toward the future.

# ORGANIZATIONAL STRUCTURE

## Corporate Organization

The Authority is organized into six departments, which are structured to deliver the best services possible. A Chief Executive Officer reports to the Board of Directors. Each department is headed by a director-level executive. Departments work cooperatively to deliver quality services and programs, and to efficiently operate CDTA properties and facilities.

## Organization of Departments

There are close to 650 people that work at CDTA. Employees work in one of the six departments, which are split into functional areas with appropriate management structure. The majority of the employees are unionized, with their work activities and structure governed by a collective bargaining agreement between CDTA and the Amalgamated Transit Union (ATU). The remaining employees make up our management staff, which supervises day-to-day activities of the organization.

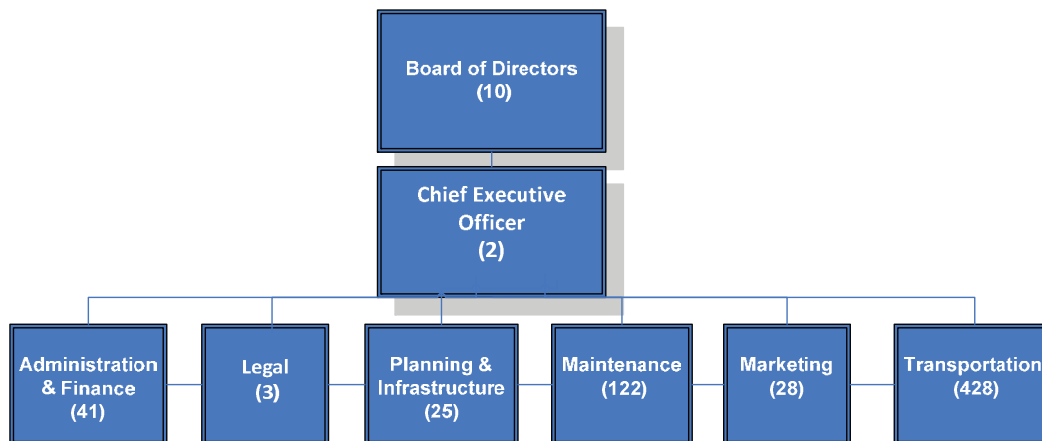
## Board of Directors

The Authority is governed by a 10-member Board of Directors. Members are appointed by the Governor and confirmed by the New York State Senate. There are 3 board seats from Albany County and 2 seats each from Rensselaer, Saratoga and Schenectady counties. The enabling statute was modified in 2009 to include a non-voting member, representing labor. The non-voting member is appointed and confirmed in the same manner as the other members.

## Executive Office

The Chief Executive Officer works with the Board of Directors to build organizational capacity and ensure long-term organizational success. This is accomplished by developing financial resources, strengthen relationships throughout the community, cultivation of leadership strategies at all levels of the organization, execution of accountability structures, and communication of our vision and accomplishments to a broad audience.

The Chief Executive Officer leads a Senior Staff team to carry out the duties of the Authority. The focus of the Chief Executive Officer is to build ridership throughout the CDTA system, to diversify revenue programs, to introduce service and facilities that customers want and need, to encourage the development of our employees, and to ensure financial accountability and stewardship of the system.



# CDTA MISSION STATEMENT

*CDTA plans, finances, implements and delivers transit services that take people where they want to go in the Capital Region safely, reliably, and at a reasonable cost.*

## CDTA Work Plan

CDTA keeps pace with changes in regional travel and development patterns by consistently reassessing its operation, services and facilities.

We deploy regular route, commuter, and bus rapid transit services. Our thought process and planning look to provide people with more mobility choices with a focus on an improved transportation landscape in the area we serve. We operate in a service area of 2,300 square miles with a population of nearly 800,000. More than 50% of the population lives within ¼ mile of bus service.

Our fleet consists of 300 revenue and non-revenue vehicles. We operate more than 50 routes and our buses travel 9.5 million miles annually. Our vehicles are on the road for close to 750,000 hours each year and use over 2 million gallons of fuel.

We have more than 3,000 bus stops across the Capital Region. Our system features 250 passenger shelters, 24 Park & Ride lots with more than 1,600 parking spaces. We feature a number of sustainable programs to grow the system, including vanpool and rideshare coordination. Bicycle boardings are one of the fast growing segments of our business, surpassing 80,000 last year.

Our paratransit program, which we call STAR, continues to grow, and our system is working to keep up. STAR provided over 300,000 trips last year to people who cannot use our regular route system. We expect consistent growth and have developed a business arrangement for purchased transportation to support additional ridership and to mitigate costs. This will be a significant challenge and critical area to be addressed as Baby Boomers age in large numbers.

Our workforce is tremendous. They are highly competent and professional in what they do. They are committed to serving customers and are often the source of our innovation and development efforts. We provide programs to encourage their advancement throughout the organization. Their efforts are at the core of everything we do and accomplish at CDTA.

Our customer service unit has been working to respond to questions and comments in a prompt, professional manner. We respond to customers in 10 business days more than 90% of the time. Our customer service center is open seven days a week and website comments continue to rise as more than half of our web interactions come via mobile devices. Real time information has reduced specific areas of public comments as customers have improved access.

We are making it easier for customers to use fare media. Pre-paid boardings comprise nearly 50% of ridership. The introduction of our Navigator smartcard and mobile ticket program will mean easier purchasing, account management and incentives for customers.

Our maintenance program continues to provide positive returns. This matches the advancement in technology in this area, not to mention the need for highly qualified technicians and support staff. We have embraced technology and use it to provide the best vehicles and infrastructure systems for customers. We have also used it to develop a better and more engaged workforce.

# DEPARTMENT OVERVIEWS

## **Finance & Administration Department**

The Finance & Administration department is responsible for the financial operation of the organization, procurement of goods and services, human resource management and security. The department prepares, monitors and recommends budgeting strategies; implements financial policies and accounting practices; establishes procurement policies and procedures and oversees grant administration. The department is the liaison between funding partners and financial institutions along with our employees. Human resource practices include labor relations, collective bargaining, workforce development, recruiting, employee recognition and the organizational safety program. The department oversees risk management services responsible for workers' compensation, insurance programs, and organizational security.

## **Legal Department**

The Legal department provides legal services, risk management and administrative assistance. This includes representation in legal actions to pursue and defend against contract and liability claims, corporate and regulatory governance, contracting and procurement, labor disputes, real estate transactions, unemployment issues and administrative matters. The department provides counsel, advice and opinions to the Board of Directors and Chief Executive Officer. The department administers and manages property damage and no-fault claims against the Authority.

## **Planning & Infrastructure**

The Planning & Infrastructure department is responsible for strategic planning; service planning (route network development); and development of route schedules and organizing driver work. The department is responsible for operational and strategic aspects of information technology, including Intelligent Transportation Systems (ITS), network infrastructure, data and information management, performance measurement, and project management. The department is responsible for overseeing maintenance of all CDTA buildings and properties. This includes office buildings, storage and maintenance facilities, train stations, parking facilities, bus stops, and shelters. The department assists in the development of the Authority's capital investment plan to meet future operating goals.

## **Maintenance Department**

The Maintenance department ensures that the physical assets of the Authority operate as designed to meet our obligations to our customers. This is accomplished by maintaining safe and reliable buses with a clean and respectful appearance. We accomplish this goal through quality assurance, a strong and comprehensive preventive maintenance program, servicing ITS equipment, maintaining HVAC systems and ensuring an appropriate fleet of buses to meet customer demand.

## DEPARTMENT OVERVIEWS

### Marketing Department

The Marketing department coordinates strategic thinking regarding business partnerships, sales opportunities and community stewardship. The department looks to grow ridership and revenues through improved perception of the Authority in the business, communications and service communities. The department oversees customer information channels, coordinating public outreach while supervising our Customer Service Center and Sales Unit. The department is responsible for business development through work on our Universal Access and Corporate sales programs.

### Transportation Department

The Transportation department delivers service from facilities in Albany, Troy and Schenectady. The Flexible Services division, which provides Paratransit (STAR) services, operates out of the Albany division. All divisions provide service to customers who depend on CDTA as a means of getting where they need to go safely, reliably and at a reasonable cost. To the majority of customers, bus operators are the face of CDTA. Drivers and Supervisors are focused on ensuring service quality, scheduling work assignments, responding to customers, and identifying or reporting safety hazards in support of the Authority's mission.





## SUBSIDIARY CORPORATIONS

The Authority's financial statements include, as blended component units, three public benefit corporations, which have been created as operating subsidiaries to provide mass transit omnibus operations in the counties of Albany, Rensselaer, Saratoga and Schenectady:

- Capital District Transit System, which acquired the assets and liabilities of the former Schenectady Transit System in 1971.
- Capital District Transportation System Number One, which provides fixed route transportation services, includes certain assets of the United Traction Company, purchased from Albany County in August 1972.
- Capital District Transportation System Number Two, which provides rural bus service along with certain demand response (paratransit) services in the counties of Albany, Troy, Saratoga and Schenectady.

The Authority's financial statements also include as blended component units, the accounts of two public benefit corporations, which were created as subsidiaries of the Authority to provide other transportation related services:

- Access Transit Services, Inc. incorporated in November 1997, provides transportation services to qualifying individuals on a contractual basis.
- CDTA Facilities, Inc., incorporated in September 2002, operates the Rensselaer Rail Station and Saratoga Springs Train Station.

# FY 2015 BALANCE SHEET

March 31,	2014	2013
<b>Assets</b>		
<b>Current assets:</b>		
Cash	\$ 9,033,229	\$ 6,046,536
Restricted cash	6,880,000	-
Investments	22,345,767	24,184,132
Government grants receivable	959,881	4,008,403
Trade and other receivables	2,352,669	2,667,093
Advances to related party	796,415	1,227,946
Materials, parts and supplies	2,910,861	2,257,918
Prepaid expenses	969,251	952,733
	<b>46,248,073</b>	<b>41,344,761</b>
<b>Noncurrent assets:</b>		
Capital assets, net (Note 4)	<b>119,408,939</b>	<b>118,959,245</b>
<b>Total assets</b>	<b>\$ 165,657,012</b>	<b>\$ 160,304,006</b>
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	<b>5,396,868</b>	<b>5,333,517</b>
Current portion of capital lease obligations	<b>1,376,880</b>	<b>722,705</b>
Unearned passenger revenue	<b>1,290,210</b>	<b>1,158,675</b>
	<b>8,063,958</b>	<b>7,214,897</b>
<b>Noncurrent liabilities:</b>		
Capital lease obligations	<b>12,097,737</b>	<b>6,574,617</b>
Estimated provision for claims and settlements	<b>9,197,800</b>	<b>9,257,100</b>
Other postemployment benefits	<b>32,529,152</b>	<b>27,349,601</b>
	<b>53,824,689</b>	<b>43,181,318</b>
<b>Total liabilities</b>	<b>61,888,647</b>	<b>50,396,215</b>
<b>Net Position</b>		
Net investment in capital assets	<b>105,934,322</b>	<b>111,661,923</b>
Restricted for capital purchases	<b>6,880,000</b>	<b>-</b>
Unrestricted	<b>(9,045,957)</b>	<b>(1,754,132)</b>
<b>Total net position</b>	<b>103,768,365</b>	<b>109,907,791</b>
<b>Total liabilities and net position</b>	<b>\$ 165,657,012</b>	<b>\$ 160,304,006</b>

The CDTA Operating and Capital Plan is shared with community partners, elected officials and business leaders. We are proud to produce a balanced budget in these difficult economic times. We value our relationships and the help we receive from the Capital Region community. We encourage our partners to work with us and to contact us with questions and comments about this plan or any aspect of our operation.

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Chief Executive Officer

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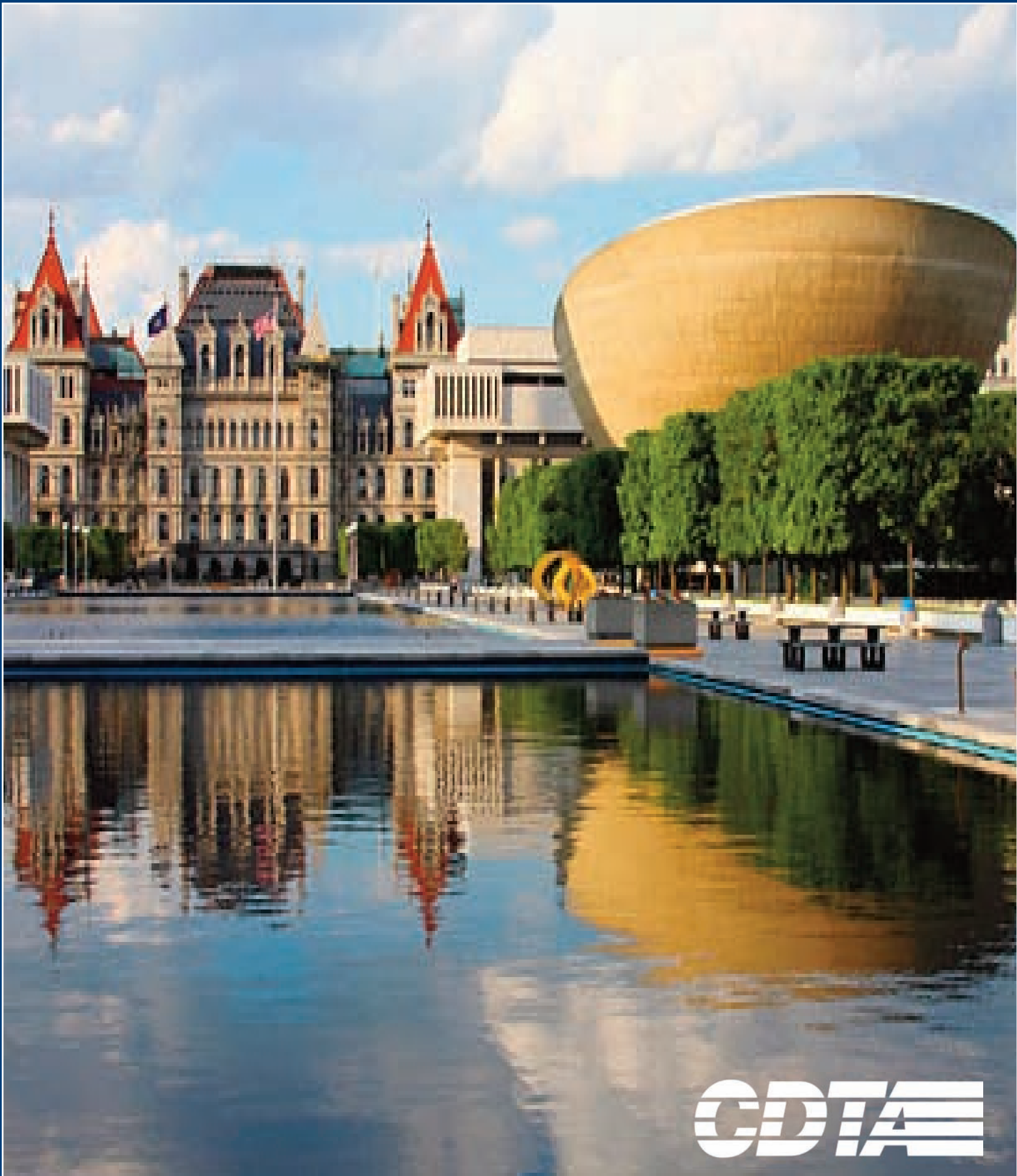
Director of Marketing

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**CDTA**