



CATA System Performance Review

September 26, 2013

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## AGENCY PROFILE

<b>Agency Name</b>	<b>Centre Area Transportation Authority (d.b.a. CATA)</b>			
<b>Year Founded</b>	1974			
<b>Fiscal Reporting Year</b>	2011-2012			
<b>Service Area (square miles) **</b>	133			
<b>Service Area Population **</b>	83,000			
<b>Type of Service Provided</b>	<b>Fixed- Route Bus</b>	<b>ADA Demand Response</b>	<b>Shared Ride</b>	<b>Public Vanpool</b>
<b>Vehicles Operated in Maximum Service*</b>	53	3	4	34
<b>Annual Revenue Miles of Service*</b>	1,588,548	81,537	68,951	475,958
<b>Annual Revenue Hours of Service*</b>	125,208	4,999	4,358	12,929
<b>Annual Total Passenger Trips*</b>	7,037,600	15,127	19,463	113,172
<b>Annual Total Senior Lottery Trips*</b>	41,180	0	18,361	0
<b>Employees (full-time/part-time)**</b>	155/4	Subcontracted		1/0
<b>Total Annual Operating Cost*</b>	\$11,141,948	\$308,109	\$388,087	\$279,797
<b>Total Annual Operating Revenues*</b>	\$5,946,651	\$45,381	\$257,178	\$237,383
<b>Total Annual Operating Revenue / Total Annual Operating Cost</b>	53.4%	14.7%	66.3%	84.8%
<b>Administrative Cost / Total Operating Cost</b>	14.4%	2.9%***	3.0%***	14.1%
<b>Operating Cost / Revenue Mile</b>	\$7.01	\$3.78	\$5.63	\$0.59
<b>Operating Cost / Revenue Hour</b>	\$88.99	\$61.63	\$89.05	\$21.64
<b>Passengers / Revenue Hour</b>	56.21	3.03	4.47	8.75
<b>Total Annual Operating Revenue / Revenue Hour</b>	\$47.49	\$9.08	\$59.01	\$18.36
<b>Operating Cost / Passenger</b>	\$1.58	\$20.37	\$19.94	\$2.47

Source:

\*PennDOT dotGrants Legacy Reporting Year 2012

\*\* NTD Reporting Year 2011

\*\*\* Administrative costs are those associated with CATA only. Subcontractor administrative costs are not reported in dotGrants.

## EXECUTIVE SUMMARY

In July 2007 the Pennsylvania Legislature passed Act 44, establishing a framework for a PennDOT driven transit agency performance review process. The purpose of a review is to assess efficiency and effectiveness of service, financial stability, and general management/business practices. The assessment makes transit agencies aware of improvement opportunities and identifies best practices that can be shared with other transit agencies.

The Act 44 transit performance review of Centre Area Transportation Authority (d.b.a. CATA) was conducted in April 2013. The performance review focused on fixed-route urban bus. This report addresses Act 44 established performance criteria specifically related to fixed-route bus services – CATA trends and a comparison of CATA to peers, targets for future performance (performance reviews are conducted on a five-year cycle), and opportunities for improvement which should assist CATA in meeting the future targets. This report also addresses the management and general efficiency and effectiveness of services.

After receipt of this performance review report, CATA will develop an action plan which identifies the steps CATA will take to meet the agreed to Act 44 performance criteria targets by FY 2017-18. The general goals are to maximize efficiency and promote cost savings, improved service quality, and increased ridership and revenue. The action plan should focus on the most critical areas for the agency, as prioritized by CATA management and its governing board.

A draft action plan is due to the Department within 60 days of receipt of this report. PennDOT will work with CATA to agree on a plan which requires CATA Board approval to be submitted as the final action plan. CATA must report at least quarterly to the governing body and PennDOT on the progress of the action plan, identifying actions taken to date, and actions to be implemented. CATA's success will be measured in part on meeting performance targets established through this review (see *Five-Year Performance Targets*, p. viii).

### ACT 44 PERFORMANCE DETERMINATION

Act 44 performance factors were analyzed to quantify CATA's fixed-route bus performance in comparison to its peer agencies in FY 2010-11 and over a five year trend period from FY 2005-06 to FY 2010-11 (the most recent NTD data available at the time of the peer selection). Peers were selected through an analytical process and were agreed to in advance by CATA.

A transit agency's performance can fall into two categories: "In Compliance" or "At Risk." The following criteria are used to make the determination:

- In Compliance if less than one standard deviation **above** the peer group average in –
  - Single-year and five-year trend for Operating Cost / Revenue Vehicle Hour
  - Single-year and five-year trend for Operating Cost / Passenger
  
- In Compliance if greater than one standard deviation **below** the peer group average in –
  - Single-year and five-year trend for Passengers / Revenue Vehicle Hour
  - Single-year and five-year trend for Operating Revenue / Revenue Vehicle Hour

If the agency falls outside of these prescribed boundaries, it is considered "At Risk" for that factor and must improve as agreed upon between PennDOT and the agency.

An analysis of the eight key criteria mandated by Act 44 was conducted and **it was determined that CATA is “In Compliance” for all eight criteria and “At Risk” for none.** The peer comparison process as applied to Act 44 criteria (below, in bold typeface) revealed the following:

### ***In Compliance***

1. **2011 passengers / revenue vehicle hour** ranks as the best of the 14 transit agencies in the peer group and is better than the peer group average.
2. The **five-year trend of passengers / revenue vehicle hour** ranks eighth out of 14 and is better than the peer group average.
3. **2011 operating cost / revenue vehicle hour** ranks twelfth out of the 14 transit agencies in the peer group and is worse than the peer group average.
4. The **five-year trend for operating cost / revenue vehicle hour** is the third highest rate of cost increase in the peer group (twelfth out of 14 peers) and just marginally satisfies Act 44 requirements. Cost containment efforts by management should reduce this rate of growth going forward.
5. **2011 operating revenue / revenue vehicle hour** ranks second out of 14 and is much better than the peer group average.
6. The **five-year trend for operating revenue / revenue vehicle hour** ranks second best out of 14 and is approximately eight times that of the peer group average.
7. **2011 operating cost / passenger** ranks fourth of 14 and is much better than the peer group average.
8. The **five-year trend for operating cost / passenger** is the second worse of the peer group average ranking thirteenth of the 14 peers. Cost containment efforts by management should reduce this rate of growth going forward.

### ***At Risk***

1. None.

A summary of the specific Act 44 measures and their values are presented in the following table.

Performance Criteria		Determination	Rank (of 14)	Comparison to Peer Avg.	Value	Peer Average
<b>Passengers / Revenue Hour</b>	2011	<b>In Compliance</b>	1	Better	58.32	36.66
	Trend	<b>In Compliance</b>	8	Better	0.54%	0.53%
<b>Operating Cost / Revenue Hour</b>	2011	<b>In Compliance</b>	12	Worse	\$91.15	\$79.06
	Trend	<b>In Compliance</b>	12	Worse	6.24%	3.97%
<b>Operating Revenue / Revenue Hour</b>	2011	<b>In Compliance</b>	2	Better	\$44.16	\$25.59
	Trend	<b>In Compliance</b>	2	Better	6.00%	0.70%
<b>Operating Cost / Passenger</b>	2011	<b>In Compliance</b>	4	Better	\$1.56	\$2.40
	Trend	<b>In Compliance</b>	13	Worse	5.67%	3.48%

## GENERAL FINDINGS

In accordance with Act 44, findings are indicated as “opportunities for improvement” or “best practices.” Improvement opportunities identify tasks that may be undertaken to increase the efficiency, effectiveness, and/or quality of service of the agency. Best practices are current practices that enhance the efficiency, effectiveness, and/or quality of service of CATA and may be shared with other agencies as techniques for improvement. Major themes are indicated below; detailed recommendations on how these and more detailed issues identified should be addressed are found in the body of the report.

### BEST PRACTICES

1. **Effective Governance and Management-** CATA demonstrates a clear understanding of the need for all members of the organization to understand the agency’s mission and performance. New Board members receive policy documents, “job descriptions” and an orientation (up to about 3 hours depending on the Board member’s background). Board member orientation includes receipt of the handbook, a policy manual, staff pictures, and an on-site tour. This proactive approach to orientation helps insure new Board members fully understand CATA’s facilities, staff and culture.

Every Board member and employee has a clear job description, annual goals and most receive annual performance reviews. Management has put a program in place to collect performance data on almost every aspect of the organization and is working to develop performance targets for the same. Orientation and training are tailored to each employee’s (or Board member’s) position insuring all CATA representatives have both the understanding of and opportunity to improve the agency’s performance.

2. **Comprehensive Service Planning-** CATA has taken an approach to service planning that is constantly improving both the efficiency and effectiveness of service delivery and is willing to look “outside the box” for solutions. Through the arrangement to share a planner position with the MPO/COG, introducing skip-stop service to improve schedule adherence and reduce deadhead time, and coordination with local land use planners to incorporate transit consideration into site design, CATA demonstrates a willingness to find creative solutions that to maximize the amount of service on the street and maximize the efficiency of service delivery.
3. **Industry Leadership in the Use of Natural Gas-** CATA was one of the earliest transit agencies in the nation (1993-1996) to adopt the use of compressed natural gas for fuel in its fixed-route fleet. This has resulted in lowering the per mile cost of fuel to a point well below that of systems that rely on only on diesel fuel.
4. **Contracting with Apartment Complexes-** CATA has initiated a program to “pre-sell” their services to apartment complexes. In recent years, the contracts have been converted to a “pay per ride” from a fixed-amount per complex. This aggressive marketing has increased both ridership and revenue.
5. **Extensive Use of GPS for Customer Service-** CATA makes extensive use of GPS vehicle location data to inform customers of a vehicle’s location and when it is expected at their

stop. CATA provides this information on their website and on mobile applications that are tailored for smart phones commonly used by students.

6. **Commuter Services Programs Tailored to the Local Market-** CATACOMMUTE is a group of services that incorporates ride share, vanpool, guaranteed ride home, and park & ride programs. These programs provide a cost-effective means to assist commuters in finding a shared ride with other commuters. The Guaranteed Ride Home (GRH) program provides an emergency ride home for those in rideshare arrangements when the need arises. The Park & Ride program provides parking for commuting downtown employees on the east side of Penn State campus that connects with CATA's fare-free bus service in the downtown area.

### **OPPORTUNITIES FOR IMPROVEMENT TO ADDRESS IN PART 1 OF THE ACTION PLAN (SEE P. 33)**

1. **Build Cash Reserve Capacity-** CATA has very few liquid assets in proportion to its annual operating budget. This could result in the agency having a short-term default in the event that grant payments are delayed from one its funding partners. Management should identify ways to increase liquid assets in the short-term and reexamine the balance between service expansions and the need to rebuild capital and operating cash reserves over the long-term to insure a larger cash flow buffer.
2. **Improve Oversight of Operations-** CATA lacks sufficient managerial supervision to oversee a 7 day a week operation of its size for on-street and maintenance functions. Furthermore, it lacks cameras or recording capabilities on its vehicles to extend the oversight capabilities of its current supervisory staff. Management should assess the benefits and risks of additional oversight and identify a range of solutions that can assure adequate oversight in a cost-effective manner during all hours of operation. The need for additional oversight should be considered as one part of overall service planning and the strategic plan to increase efficiency and effectiveness.
3. **Develop Performance Targets for All Key Agency Functions-** The management team should develop a formal performance enhancement strategy for all key agency functions.<sup>1</sup> Performance measures are objective indicators of different activities of the agency that can be used to strengthen management decision making, achieve results, and support accountability. Performance targets are stipulated under Act 44, and are intended to motivate the organization to improve performance. CATA's board sets targets for specific initiatives but not for most general agency functions, except for cost recovery and ridership, even though performance statistics, such as on-time performance and vehicle loads, are used in service planning. This recommendation is consistent with MAP-21 and general trends in the transit industry where performance-based evaluation is rapidly becoming the norm.

## **FINANCIAL REVIEW**

For the FY 07/08 to FY 11/12 period, local governments and Penn State University have contributed to help finance CATA's operational funding requirements. CATA has used all of those amounts in any given year to balance its budget and comply with state requirements leaving few resources to meet future capital needs or build an adequate cash reserve. Furthermore, CATA does

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<sup>1</sup> See Page 19 for a list of key functional areas.

not have a significant amount of uncommitted cash reserves to cover unexpected operational expenses and any funding irregularities.

CATA management should reexamine the need for service expansion, operational expenses, capital needs, CATA's end-of-year cash position and carryover funds for changes in the agency's fiscal health and address any unexpected changes in trajectory. The Action Plan should recognize the changes in availability of federal and state capital funds and how CATA is balancing these considerations in its operating and capital planning. Management should take appropriate action to continuously improve CATA's financial health and build a cash reserve buffer so as to minimize the risk of unexpected service cuts or fare increases that could result from revenue shortfalls or short-term cost increases.

## **FIVE-YEAR PERFORMANCE TARGETS**

This transit agency performance report outlines areas where improvements may be made to enhance the overall quality, effectiveness, and efficiency of the transit system. As a result of the performance review, a set of “performance targets” has been established and detailed on page 16. These performance targets are required to comply with Act 44 and represent minimum performance levels that CATA should work to achieve for each Act 44 performance criteria during the next review cycle (i.e., five years from the date of this report). These performance targets were created using historical data analyzed during the five-year trend analysis as well as the most current audited “dotGrants” information available (FY 2011/2012). Standards were extrapolated to FY 2017/2018 and are designed to be aggressive, yet achievable. They are summarized as follows:

Performance Criteria	Fiscal Year				Target Annual Increase
	2009 / 2010	2010 / 2011	2011 / 2012	2017/2018 Target	
Passengers / Revenue Hour	64.47	58.32	56.21	57.91	0.5%
Operating Cost / Revenue Hour	\$95.45	\$91.15	\$88.99	\$106.26	3.0%
Operating Revenue / Revenue Hour	\$44.48	\$44.16	\$47.49	\$48.94	0.5%
Operating Cost / Passenger	\$1.48	\$1.56	\$1.58	\$1.84	2.5%

## **NEXT STEPS**

Upon final transmission of the performance review report, Act 44 regulations stipulate that CATA “...shall develop and submit to the Department within 90 days...a strategic action plan that focuses on continually improving the system to achieve the established minimum performance targets.” The action plan should outline corrective action that will be taken to address “Opportunities for Improvement” – as prioritized by the CATA oversight board and management.

Functional area “opportunities for improvement” are areas in which improvement may result in cost savings, improved service quality, and ridership and/or revenue increases. Improvements in these areas will assist in the achievement of the performance targets by directly addressing areas that affect Act 44 performance criteria. It should be noted that many functional areas are interrelated, and the action plan should establish a comprehensive program that focuses on actions that address the larger issues within CATA.

The template for the Action Plan has been provided as an Appendix to this report (pp. 33-37). This template includes three parts:

- **Part 1- Executive Summary Findings Template** (p. 33) is where CATA should address its proposed actions to address the “*Opportunities for Improvement*” findings in the Executive Summary (pp. vii-vii).
- **Part 2- Act 44 Performance Metric Findings Templates** (pp. 34-36) is where CATA should address its proposed actions to address the “*Opportunities for Improvement*” findings that directly affect the Act 44 performance metrics (pp.19-24).
- **Part 3- Other Actions to Improve Overall Performance Template** (p. 37) should be used to address the “*Other Findings that Impact Overall Agency Performance*” identified starting on p. 24. Management should use the format provided in Appendix A to develop its proposed draft Action Plan.

It should be noted that specific actions identified may partially address the broadly noted opportunities for improvement found in the “**General Findings**” (pp. vii-vii). Some actions will be quickly implementable while others may take several discrete steps to achieve over a longer period of time. The template provides a simple-to-follow order of key findings. CATA must select, prioritize and schedule its intended actions using the template.

CATA must submit the proposed draft Action Plan using the format provided in **Appendix A: Action Plan Improvement Strategies** to the Department for comment. The proposed draft Action Plan may then be revised based on consultation between CATA management and the Department. The finalized Action Plan then must be approved by the CATA Board and formally submitted to PennDOT. Subsequently, CATA management must report at least quarterly to the governing body and the Department on progress towards accomplishing the Action Plan including actions taken in the previous quarter and actions planned for coming quarter(s).

# INTRODUCTION

## PURPOSE

In July 2007 the Pennsylvania Legislature passed Act 44, establishing a framework for a performance review process for all public transportation agencies receiving state financial assistance. This report documents the findings and observations of the public transportation agency performance review for Centre Area Transportation Authority (d.b.a. CATA).

Performance reviews are conducted to emphasize the importance of good management, proactive planning, and efficient service, which maximize the effectiveness of federal, state, and local funding. In addition, other important goals of the review process and this document are to:

- Find, document, and publicize best practices that contribute to efficient, high-quality public transit service delivery, encouraging other Pennsylvania transit agencies to apply them as appropriate.
- Provide guidance to transit agencies on cost-effective ways to improve efficiency, effectiveness, and quality of service.
- Identify and document legal, institutional, or other barriers beyond the control of the transit agency that may impede efficiency in service delivery and management.

## PERFORMANCE REVIEW PROCESS

In spring 2013, an Act 44 mandated performance review was initiated for CATA. PennDOT, with consultant assistance, conducted the review according to the steps outlined below:

1. Initial notification of performance review selection and transmission of document request
  - Review of available data and requests for what should be “off-the-shelf” information that may not be publicly available.
2. Peer selection
  - A set of peers used for comparative analysis was jointly agreed upon by CATA and PennDOT.
3. Act 44 performance criteria analysis
  - Performance criteria mandated by Act 44 were analyzed for the peer group.
  - Additional performance criteria were calculated for informative purposes to help guide the on-site review.
4. On-site review
  - On-site review was conducted on April 17 and April 18, 2013.
  - An interview guide customized for CATA’s service was used for the review.
  - Topics covered during the interview process included:
    - Governance
    - Contracted Service
    - Management
    - Human/Labor Relations
    - Finance
    - Procurement
    - Operations and Scheduling
    - Maintenance
    - Safety and Security
    - Customer Service
    - Information Technology
    - Capital Programming
    - Marketing and Public Relations
    - Planning

## AGENCY DESCRIPTION

Local bus service in State College began in September 1946, with the Nittany Transit Company. For the next 20 years, local transit was provided by a number of companies including the Suburban Express Company and the Fullington Auto Bus Company. In 1972, Centre Area Transit (CAT) was formed to provide a means to subsidize public transit throughout the region. On May 17, 1974, the Centre Area Transportation Authority (CATA) was incorporated. Actual transportation under the CATA name officially began following the purchase of franchise rights and equipment from Fullington on February 28, 1975. The first year of CATA operation (1974/75), ridership was 201,000. CATA reorganized in 1981 to become a joint municipal authority comprised of the Borough of State College and four surrounding townships - Patton, Ferguson, Colledge and Harris.

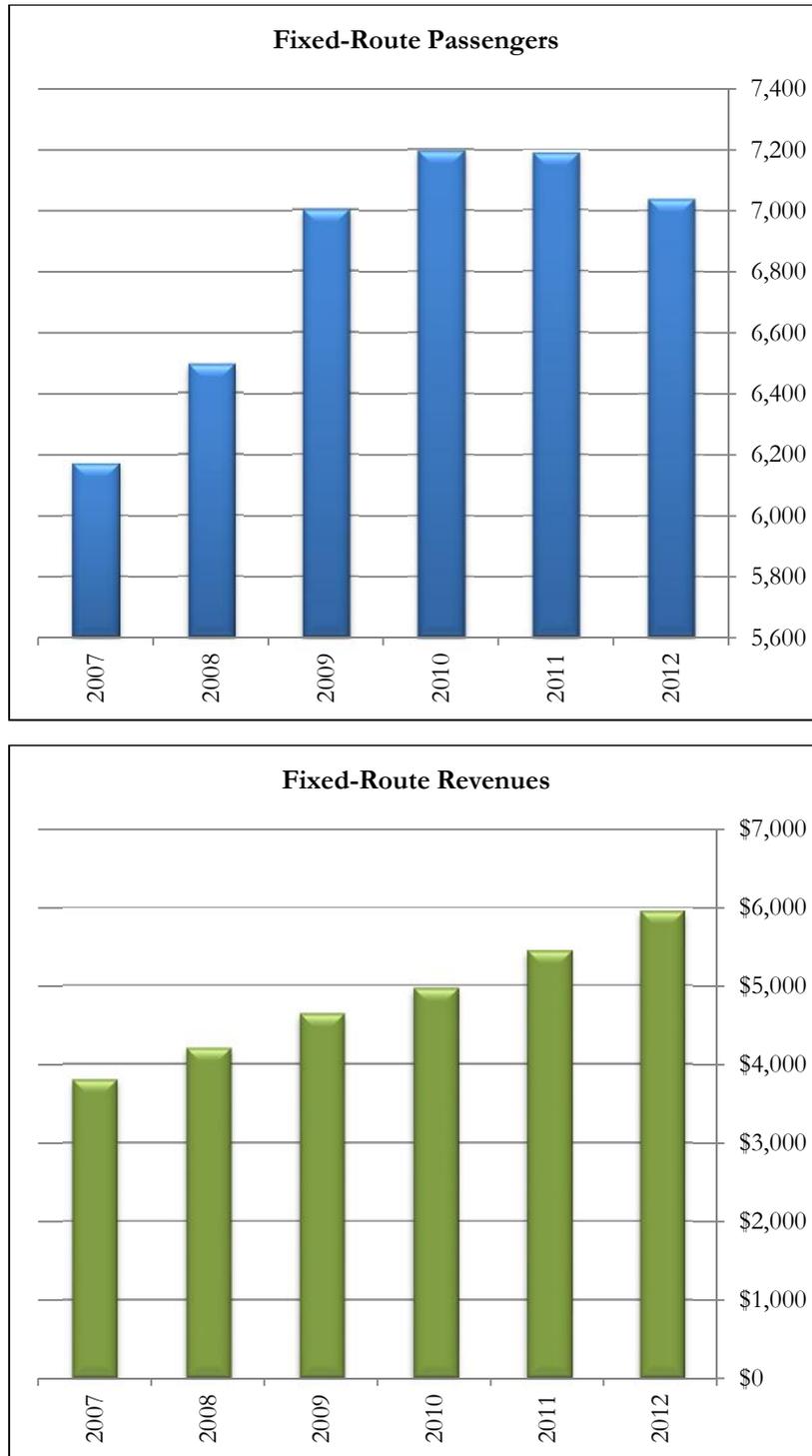
**Exhibit 1** and **Exhibit 2** present fixed-route bus statistics for CATA derived from PennDOT dotGrants Legacy Reports. Fixed-route bus service includes two groups of routes: the Community Service (formerly Centre Line) and the Campus Service bus systems. Community Service (formerly Centre Line) consists of 20 different community bus routes which provide service between Downtown State College, the Penn State Campus, the borough of Bellefonte, the village of Pleasant Gap, suburban shopping centers, apartment complexes, residential areas, governmental offices, and many other special points of interest. The Campus Service consists of four integrated routes (LOOP and LINK) that provide fare-free campus/downtown circulator and cross-campus shuttle service.

In addition to fixed-route bus service, CATA provides paratransit and commuter services. The paratransit program, CATARIDE provides Shared Ride and ADA complementary paratransit. The commuter service program, CATA COMMUTE, assists long distance commuters in finding a shared ride with someone who travels at the same time and to a relatively similar destination. The Guaranteed Ride Home (GRH) program provides an emergency ride home for those in rideshare arrangements when the need arises, taking the fear out of being stranded. The Park & Ride program provides commuter parking for downtown employees on the east side of Penn State campus, with fare-free bus service to the downtown area.

Important observations evident from the trends in demand, revenues, and operating characteristics for the Legacy reporting period of 2007 through 2012 are as follows:

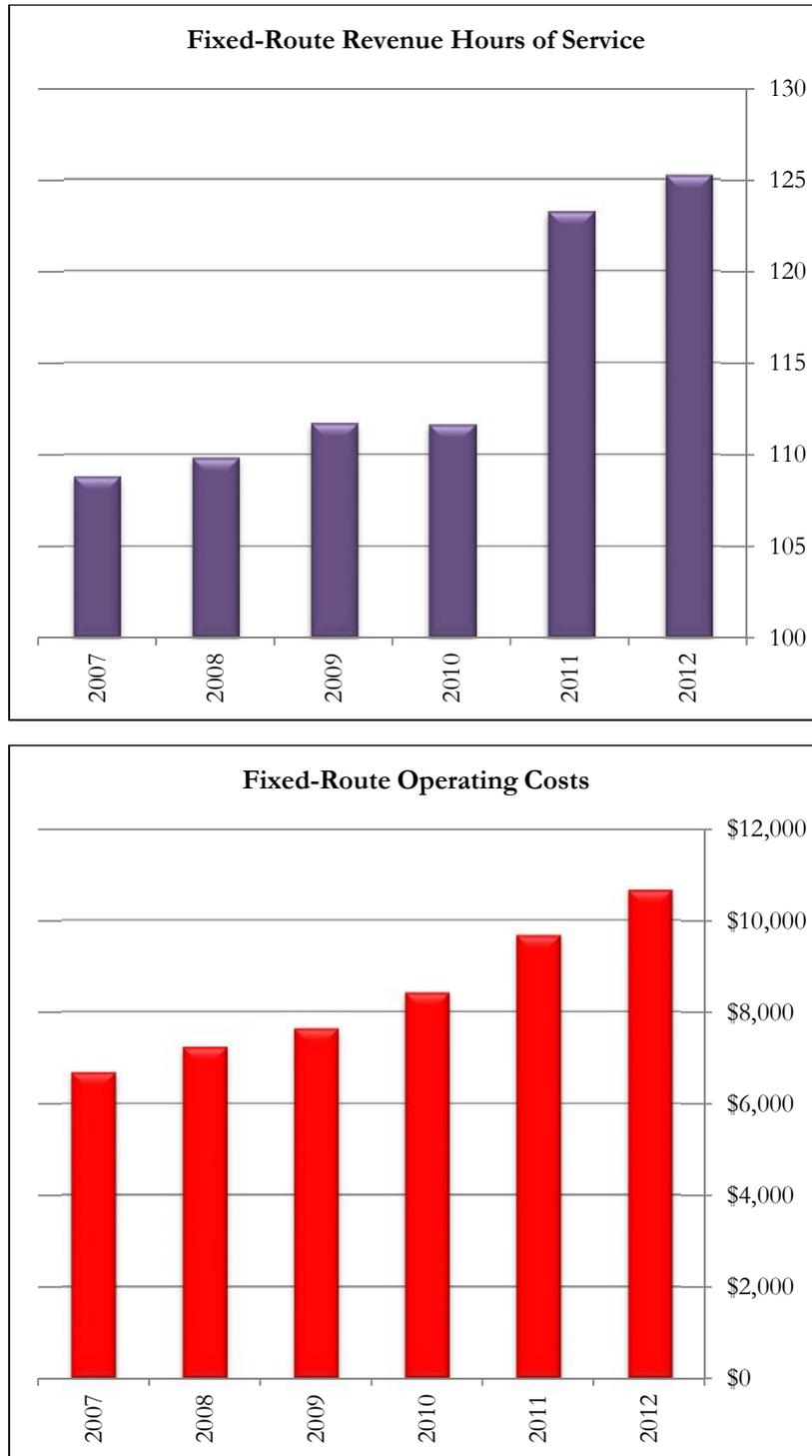
1. CATA's fixed-route ridership is very high for an agency of this size but peaked in 2011. In 2012, ridership decreased from previous highs by about 2%. Much of CATA's ridership comes from Penn State's main campus and related uses.
2. CATA's operating revenue is extraordinary for an agency of any size and has been increasing in recent years. Payments by Penn State in lieu of fares on the four fare-free campus routes, and contractual arrangements with major housing complexes in which tenants pay for bus service through their rent, are the driving forces behind these high revenues.
3. Revenue hours of service increased by more than 10% in 2011 and increased modestly again in 2012. This was largely due to an optimization of revenue service in key student commuting corridors.
4. Operating costs have increased at a rate since 2007 that exceeds the average rate of inflation which has remained fairly flat during that same timeframe. This was due to high rates of salary escalation built into the Collective Bargaining Agreement (CBA) just before the economic collapse of 2008. Since then, escalation has stabilized.

Exhibit 1: CATA Fixed-Route Passengers and Revenues 2007-2012



Source: PennDOT Legacy Reporting System (dotGrants)

Exhibit 2: CATA Fixed-Route Revenue Hours of Service and Operating Costs 2007-2012



Source: PennDOT Legacy Reporting System (dotGrants)

## ACT 44 PERFORMANCE ASSESSMENT

Act 44 establishes the framework for a performance review process as follows:

*“The Department may conduct performance reviews of an award recipient under this section to determine the effectiveness of the financial assistance. Reviews shall be conducted at regular intervals as established by the Department in consultation with the management of the award recipient. After completion of a review, the Department shall issue a report that: highlights exceptional performance and identifies any problems that need to be resolved; assesses performance, efficiency, and effectiveness of the use of the financial assistance; makes recommendations on follow-up actions required to remedy any problem identified...”*<sup>2</sup>

The law sets forth the following performance criteria to be used to satisfy its objectives<sup>3</sup>:

- Passengers / revenue vehicle hour
- Operating cost / revenue vehicle hour
- Operating revenue / revenue vehicle hour
- Operating cost / passenger
- Other items as the Department may establish

Performance criteria are to be compared for both the system being reviewed and for a group of five or more peers by mode, determined by considering the following:<sup>4</sup>

- Revenue vehicle hours (car hours for rail and fixed guideway)
- Revenue vehicle miles (car miles for rail and fixed guideway)
- Number of peak vehicles
- Service area population

The law further instructs PennDOT to prepare a five-year trend analysis for the local transportation organization under review and the peer systems by performance criteria and by mode, and make a determination of “In Compliance” or “At Risk” status based on findings.

### PEER SYSTEM SELECTION

A list of tentative peers was submitted to CATA management for review and comment. After discussions were complete, the following 13 peer systems, in addition to CATA, were included in subsequent analyses for peer comparison purposes:

1. Ames Transit Agency (Ames, IA)
2. Tompkins Consolidated Area Transit (Ithaca, NY)
3. Gainesville Regional Transit System (Gainesville, FL)
4. Unitrans - City of Davis/ASUCD (Davis, CA)
5. Greater Lafayette Public Transportation Corporation (Lafayette, IN)
6. City Transit Management Company, Inc. (Lubbock, TX)
7. Chapel Hill Transit (Chapel Hill, NC)

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<sup>2</sup> Title 74 Pa. C.S.A. §1513 (e)

<sup>3</sup> Title 74 Pa. C.S.A. §1513 (f)

<sup>4</sup> 67 Pa Code Chapter 427, Annex A . §427.12(d)(1)(i), Jan 2011.

8. Blacksburg Transit (Blacksburg, VA)
9. Champaign-Urbana Mass Transit District (Urbana, IL)
10. Lexington Transit Authority (Lexington, KY)
11. StarTran (Lincoln, NE)
12. South Bend Public Transportation Corporation (South Bend, IN)
13. Transfort (Fort Collins, CO)

## ACT 44 FIXED-ROUTE COMPARISONS AND FINDINGS

Comparison of CATA with the selected peer systems was completed using NTD-reported data and dotGrants Legacy statistics. Due to its consistency and availability<sup>5</sup> for comparable systems, the NTD 2011 Reporting Year database was selected as the primary data source used in the calculation of the five-year trend Act 44 metrics:

- Passengers / revenue vehicle hour
- Operating cost / revenue vehicle hour
- Operating revenue / revenue vehicle hour
- Operating cost / passenger

The definition of the variables used in the calculations is as follows:

- *Passengers*: Annual unlinked passenger boardings by mode for both directly-operated and purchased transportation.
- *Operating Costs*: Annual operating cost of services provided (excluding capital costs) by mode for both directly-operated and purchased transportation.
- *Operating Revenue*: Total annual operating revenue generated from farebox and other non-state, non-federal sources by mode for both directly-operated and purchased transportation.
- *Revenue Vehicle Hours*: The total annual number of “in-service” hours of service provided by mode for both directly-operated and purchased transportation.
- *Average*: Unweighted linear average of all values being measured across all peer transit agencies, including CATA.
- *Standard Deviation*: Standard deviation of all values being measured across all peer transit agencies, including CATA.

Act 44 stipulates that metrics fall into two categories: “In Compliance” and “At Risk.” The following criteria are used to make the determination:

- “At Risk” if more costly than one standard deviation **above** the peer average in:
  - The single-year or five-year trend for Operating Cost / Revenue Vehicle Hour
  - The single-year or five-year trend for Operating Cost / Passenger
- “At Risk” if performing worse than one standard deviation **below** the peer group average in:
  - The single-year or five-year trend for Passengers / Revenue Vehicle Hour
  - The single-year or five-year trend for Operating Revenue / Revenue Vehicle Hour

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<sup>5</sup> NTD data is available for almost every urbanized area transit system in the United States. The latest data available at the time of the Peer Selection was for Fiscal Year End (FYE) 2011.

If an agency is within these limits, it is considered “In Compliance.” However, if an agency is “At Risk” for any given criterion, it must very closely monitor the effectiveness of remedial strategies identified in the action plan so as to achieve “Compliance” prior to the next performance review<sup>6</sup>.

Detailed results of the CATA analysis and peer comparison are presented in the **Fixed-Route Bus Performance Comparisons** section below and can be summarized as follows:

### Exhibit 3: Act 44 Compliance Summary

Metric	2011 Single Year	Five-Year Trend
Passengers / Revenue Hour	In Compliance	In Compliance
Operating Cost / Revenue Hour	In Compliance	In Compliance
Operating Revenue / Revenue Hour	In Compliance	In Compliance
Operating Cost / Passenger Boarding	In Compliance	In Compliance

### FIXED-ROUTE BUS PERFORMANCE COMPARISONS

For the 13 peer systems plus CATA, NTD data were extracted and summarized for each of the required Act 44 metrics. Measures were put into histograms and tables for visual inspection, statistical analyses, and ordinal ranking purposes. The single-year results of these analyses are presented in **Exhibit 4, Exhibit 5, Exhibit 6, and Exhibit 7**. Five-year trend analyses are presented in **Exhibit 8, Exhibit 9, Exhibit 10, and Exhibit 11**.

For measures relating to passengers or operating revenue, ordinal rankings are based on a highest-to-lowest system. For measures relating to operating cost, ordinal rankings are based on a lowest-to-highest system. Thus a ranking of “1<sup>st</sup>” consistently indicates that the agency scores best amongst its peers and a ranking of “14<sup>th</sup>” indicates that it performs the poorest on any given metric.

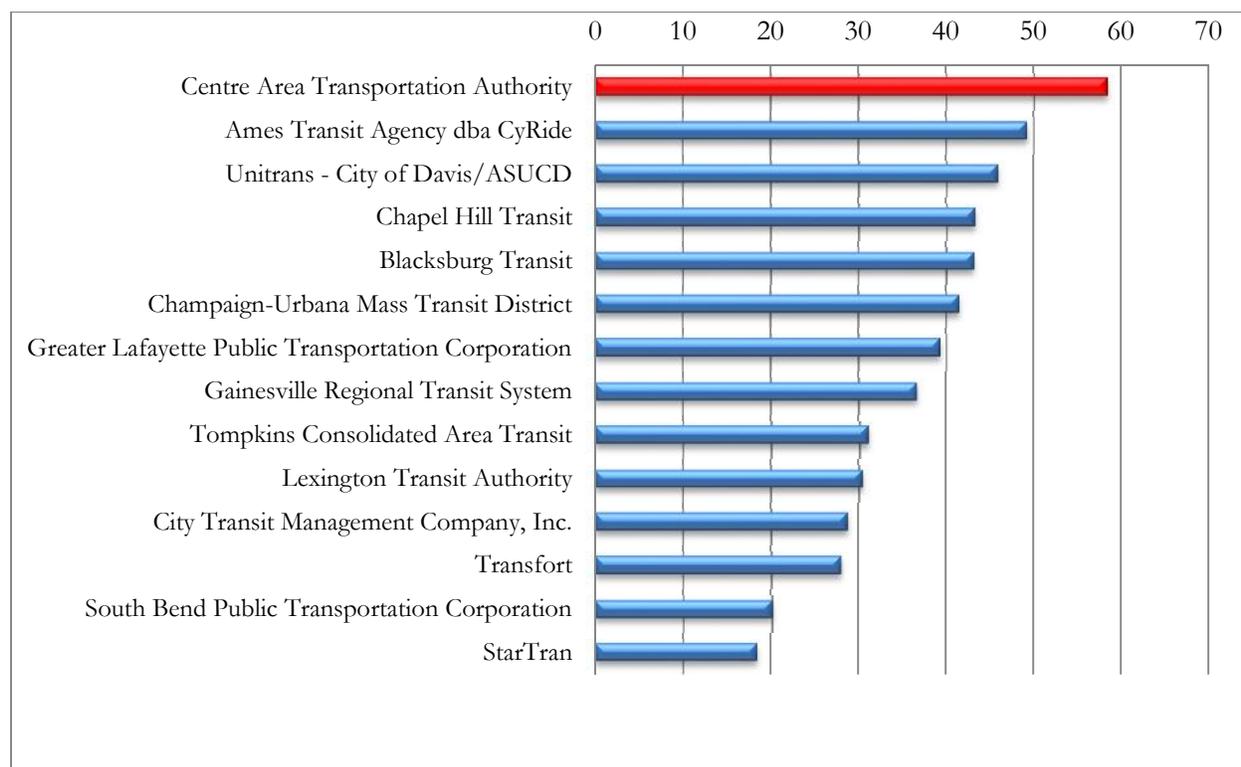
The findings presented in the exhibits can be summarized as follows:

1. CATA’s 2011 passengers / revenue hour figure first (best) of the 14 transit agencies in the peer group. Passengers / revenue hour have been growing at about the same rate as the peer systems’ average.
2. CATA’s 2011 operating cost / revenue vehicle hour is above the peer group average, ranking 12<sup>th</sup> (the third most costly of the 14 peers). Operating cost / revenue hour has increased at a rate greater than the peer group as well. A high starting point with above-average rates of cost increase suggest that findings that relate to cost should be the focus of management’s efforts in coming years.
3. CATA’s 2011 operating revenue / revenue vehicle hour ranks 2<sup>nd</sup> best of 14 and is almost twice that of the peer average. The trend between 2006 and 2011 indicates that operating revenue / revenue vehicle hour increased at more than eight times that of the peers.
4. CATA performs the 4<sup>th</sup> best of the 14 peers based on 2011 operating cost / passenger. The trend of cost / passenger is upward, yielding a worse performance than that of the peers.

These findings provided a basis for further investigation during the on-site interviews and functional area reviews. Those findings are presented in the next section of the report.

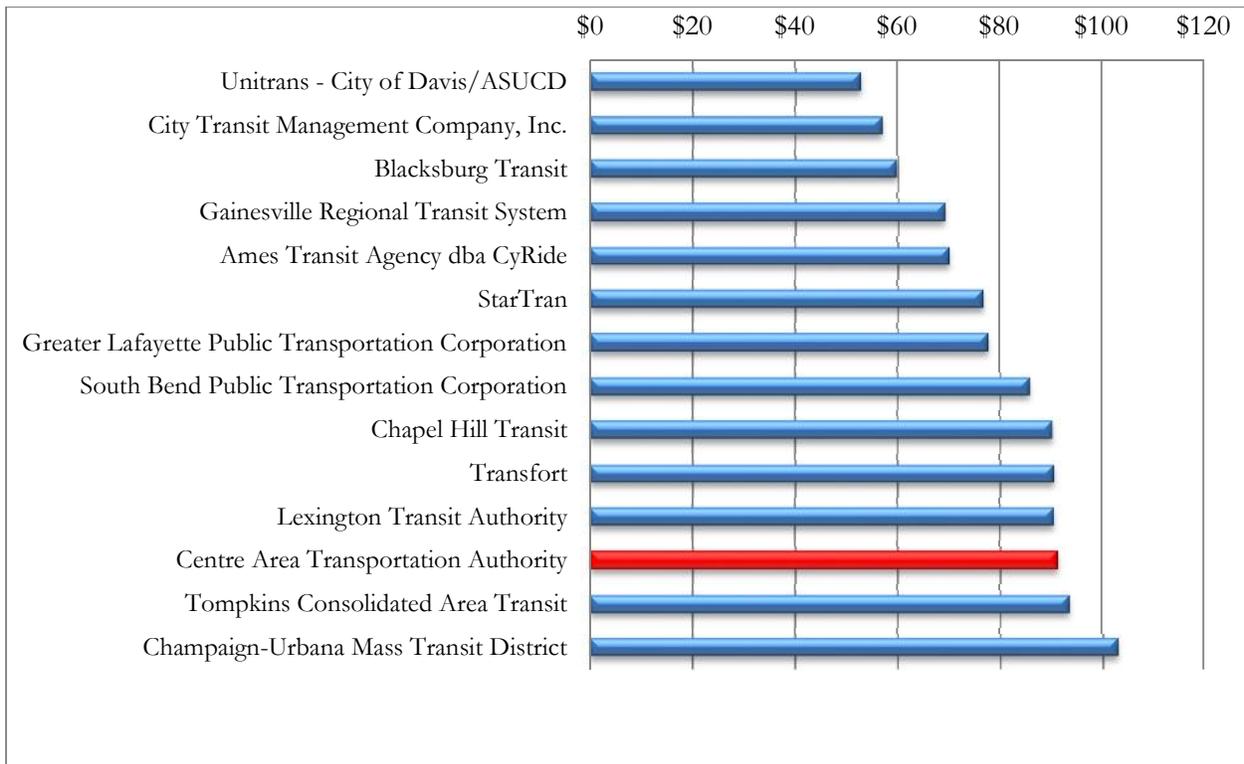
<sup>6</sup> Act 44 identifies potential financial penalties for agencies determined “At Risk” during the review process that are not subsequently determined “In Compliance” within 5 years of the original “At Risk” finding.

## Exhibit 4: Fixed-Route Passengers / Revenue Vehicle Hour 2011



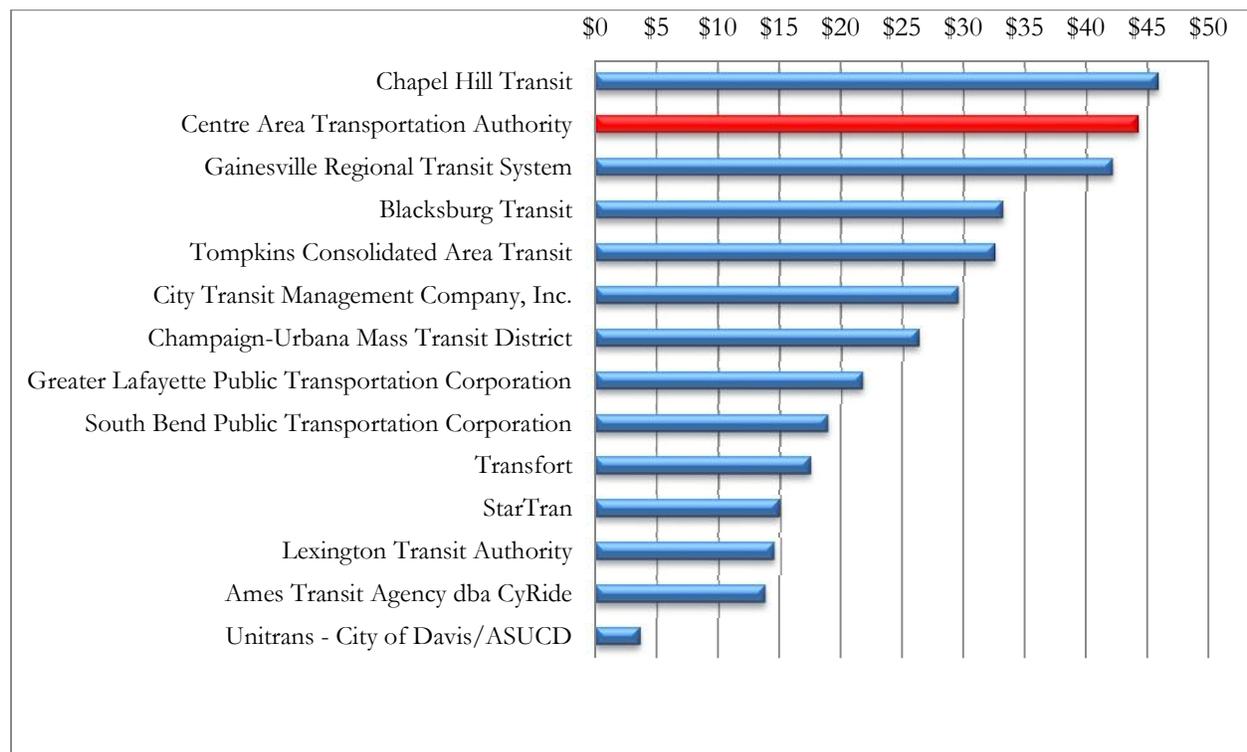
Passengers / Revenue Vehicle Hour		
System	Value	Rank
<b>Centre Area Transportation Authority</b>	<b>58.32</b>	<b>1</b>
Ames Transit Agency dba CyRide	49.22	2
Unitrans - City of Davis/ASUCD	45.80	3
Chapel Hill Transit	43.19	4
Blacksburg Transit	43.10	5
Champaign-Urbana Mass Transit District	41.50	6
Greater Lafayette Public Transportation Corporation	39.29	7
Gainesville Regional Transit System	36.58	8
Tompkins Consolidated Area Transit	30.96	9
Lexington Transit Authority	30.39	10
City Transit Management Company, Inc.	28.65	11
Transfort	27.88	12
South Bend Public Transportation Corporation	20.04	13
StarTran	18.38	14
<i>Average</i>	<i>36.66</i>	
<i>Standard Deviation</i>	<i>11.26</i>	
<i>Average – 1 Standard Deviation</i>	<i>25.40</i>	
<i>Average + 1 Standard Deviation</i>	<i>47.93</i>	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>	
<b>Better or Worse Than Peer Group Average</b>	<b>Better</b>	

**Exhibit 5: Fixed-Route Operating Cost / Revenue Vehicle Hour 2011**



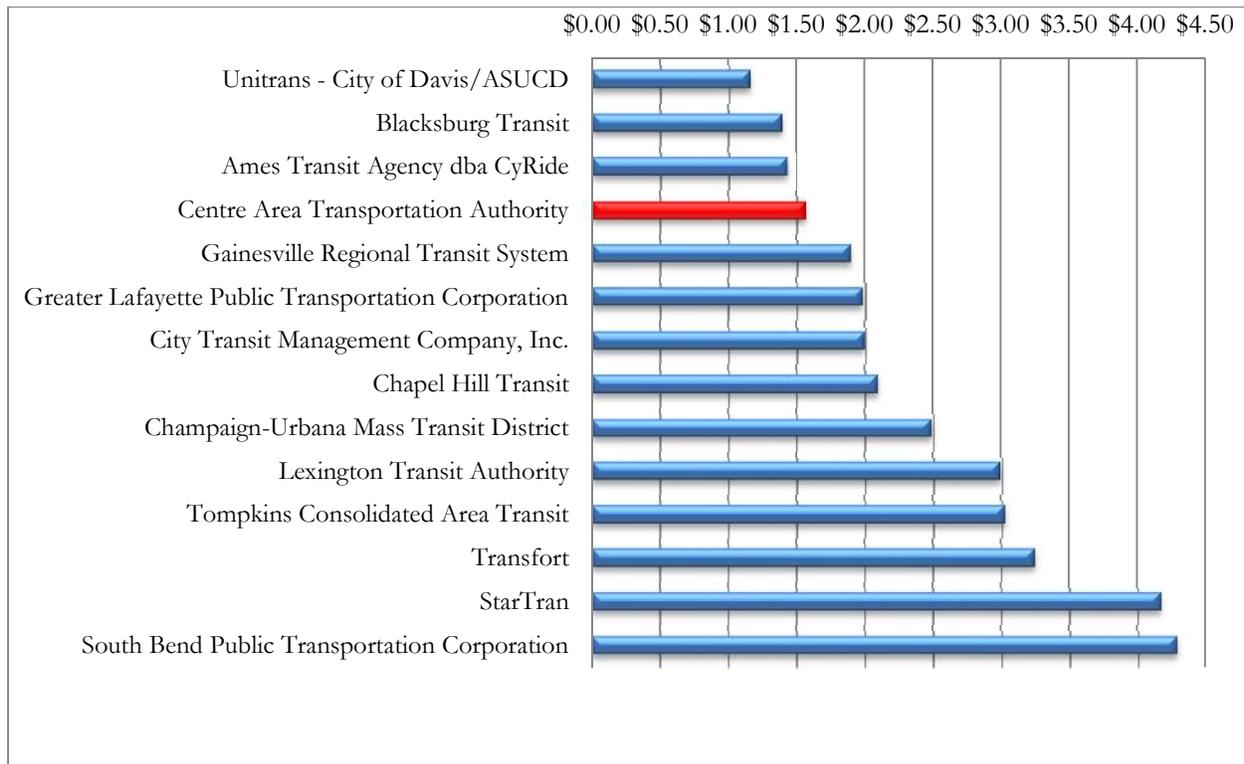
Operating Cost / Revenue Vehicle Hour		
System	Value	Rank
Unitrans - City of Davis/ASUCD	\$52.64	1
City Transit Management Company, Inc.	\$56.93	2
Blacksburg Transit	\$59.78	3
Gainesville Regional Transit System	\$69.01	4
Ames Transit Agency dba CyRide	\$69.96	5
StarTran	\$76.55	6
Greater Lafayette Public Transportation Corporation	\$77.55	7
South Bend Public Transportation Corporation	\$85.73	8
Chapel Hill Transit	\$90.17	9
Transfort	\$90.39	10
Lexington Transit Authority	\$90.59	11
<b>Centre Area Transportation Authority</b>	<b>\$91.15</b>	<b>12</b>
Tompkins Consolidated Area Transit	\$93.44	13
Champaign-Urbana Mass Transit District	\$102.90	14
<i>Average</i>	<i>\$79.06</i>	
<i>Standard Deviation</i>	<i>\$15.45</i>	
<i>Average – 1 Standard Deviation</i>	<i>\$63.61</i>	
<i>Average + 1 Standard Deviation</i>	<i>\$94.50</i>	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>	
<b>Better or Worse Than Peer Group Average</b>	<b>Worse</b>	

**Exhibit 6: Fixed-Route Operating Revenue / Revenue Vehicle Hour 2011**



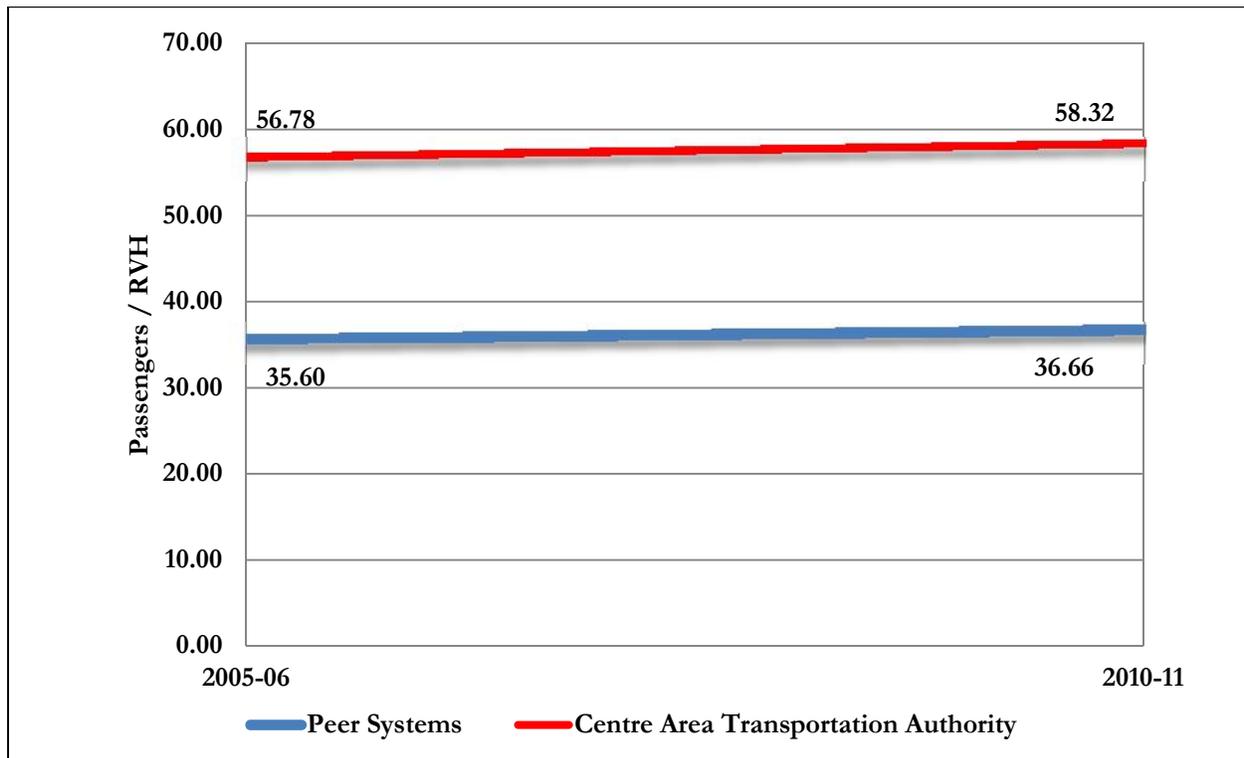
Operating Revenue / Revenue Vehicle Hour		
System	Value	Rank
Chapel Hill Transit	\$45.81	1
<b>Centre Area Transportation Authority</b>	<b>\$44.16</b>	<b>2</b>
Gainesville Regional Transit System	\$42.09	3
Blacksburg Transit	\$33.13	4
Tompkins Consolidated Area Transit	\$32.47	5
City Transit Management Company, Inc.	\$29.56	6
Champaign-Urbana Mass Transit District	\$26.26	7
Greater Lafayette Public Transportation Corporation	\$21.74	8
South Bend Public Transportation Corporation	\$18.87	9
Transfort	\$17.44	10
StarTran	\$14.90	11
Lexington Transit Authority	\$14.46	12
Ames Transit Agency dba CyRide	\$13.74	13
Unitrans - City of Davis/ASUCD	\$3.58	14
<i>Average</i>	<i>\$25.59</i>	
<i>Standard Deviation</i>	<i>\$12.82</i>	
<i>Average – 1 Standard Deviation</i>	<i>\$12.77</i>	
<i>Average + 1 Standard Deviation</i>	<i>\$38.41</i>	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>	
<b>Better or Worse Than Peer Group Average</b>	<b>Better</b>	

## Exhibit 7: Fixed-Route Operating Cost / Passenger 2011



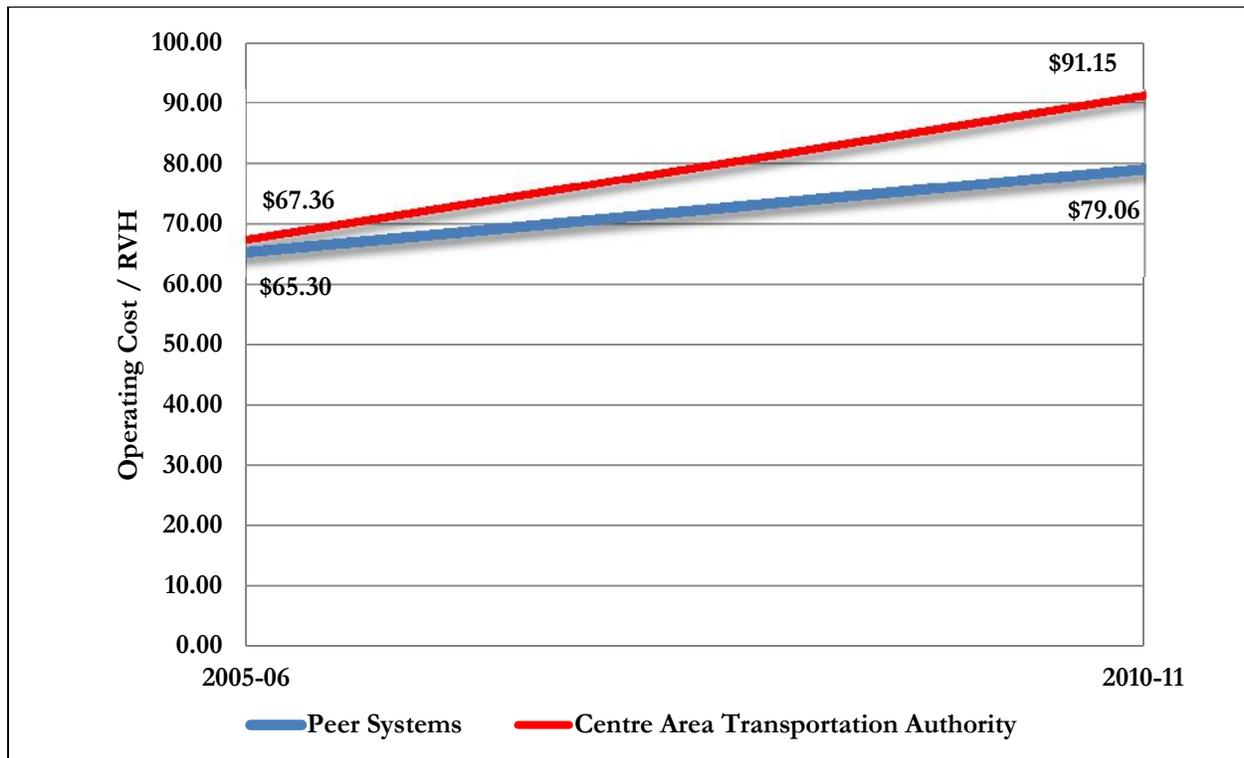
Operating Cost / Passenger		
System	Value	Rank
Unitrans - City of Davis/ASUCD	\$1.15	1
Blacksburg Transit	\$1.39	2
Ames Transit Agency dba CyRide	\$1.42	3
<b>Centre Area Transportation Authority</b>	<b>\$1.56</b>	<b>4</b>
Gainesville Regional Transit System	\$1.89	5
Greater Lafayette Public Transportation Corporation	\$1.97	6
City Transit Management Company, Inc.	\$1.99	7
Chapel Hill Transit	\$2.09	8
Champaign-Urbana Mass Transit District	\$2.48	9
Lexington Transit Authority	\$2.98	10
Tompkins Consolidated Area Transit	\$3.02	11
Transfort	\$3.24	12
StarTran	\$4.17	13
South Bend Public Transportation Corporation	\$4.28	14
<i>Average</i>	<i>\$2.40</i>	
<i>Standard Deviation</i>	<i>\$1.00</i>	
<i>Average – 1 Standard Deviation</i>	<i>\$1.40</i>	
<i>Average + 1 Standard Deviation</i>	<i>\$3.40</i>	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>	
<b>Better or Worse Than Peer Group Average</b>	<b>Better</b>	

Exhibit 8: Fixed-Route Passengers / Revenue Vehicle Hour Trend 2006-2011



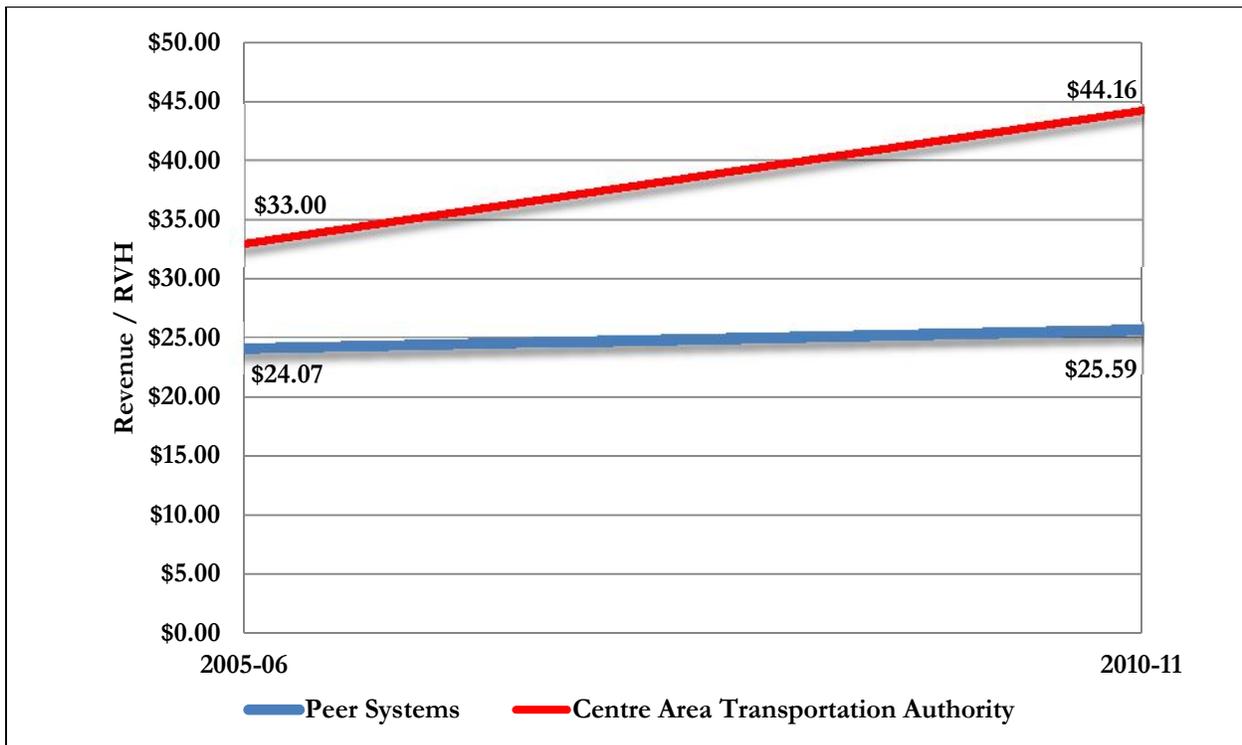
Passengers / Revenue Vehicle Hour		
System	Value	Rank
Blacksburg Transit	5.14%	1
Tompkins Consolidated Area Transit	4.28%	2
StarTran	2.52%	3
Ames Transit Agency dba CyRide	2.41%	4
Greater Lafayette Public Transportation Corporation	1.90%	5
Chapel Hill Transit	1.31%	6
Transfort	0.60%	7
<b>Centre Area Transportation Authority</b>	<b>0.54%</b>	<b>8</b>
Gainesville Regional Transit System	0.19%	9
Unitrans - City of Davis/ASUCD	-0.04%	10
Lexington Transit Authority	-0.41%	11
Champaign-Urbana Mass Transit District	-1.98%	12
City Transit Management Company, Inc.	-2.28%	13
South Bend Public Transportation Corporation	-6.82%	14
<i>Average</i>	<i>0.53%</i>	
<i>Standard Deviation</i>	<i>2.97%</i>	
<i>Average - 1 Standard Deviation</i>	<i>-2.45%</i>	
<i>Average + 1 Standard Deviation</i>	<i>3.50%</i>	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>	
<b>Better or Worse Than Peer Group Average</b>	<b>Better</b>	

Exhibit 9: Fixed-Route Operating Cost / Revenue Vehicle Hour Trend 2006-2011



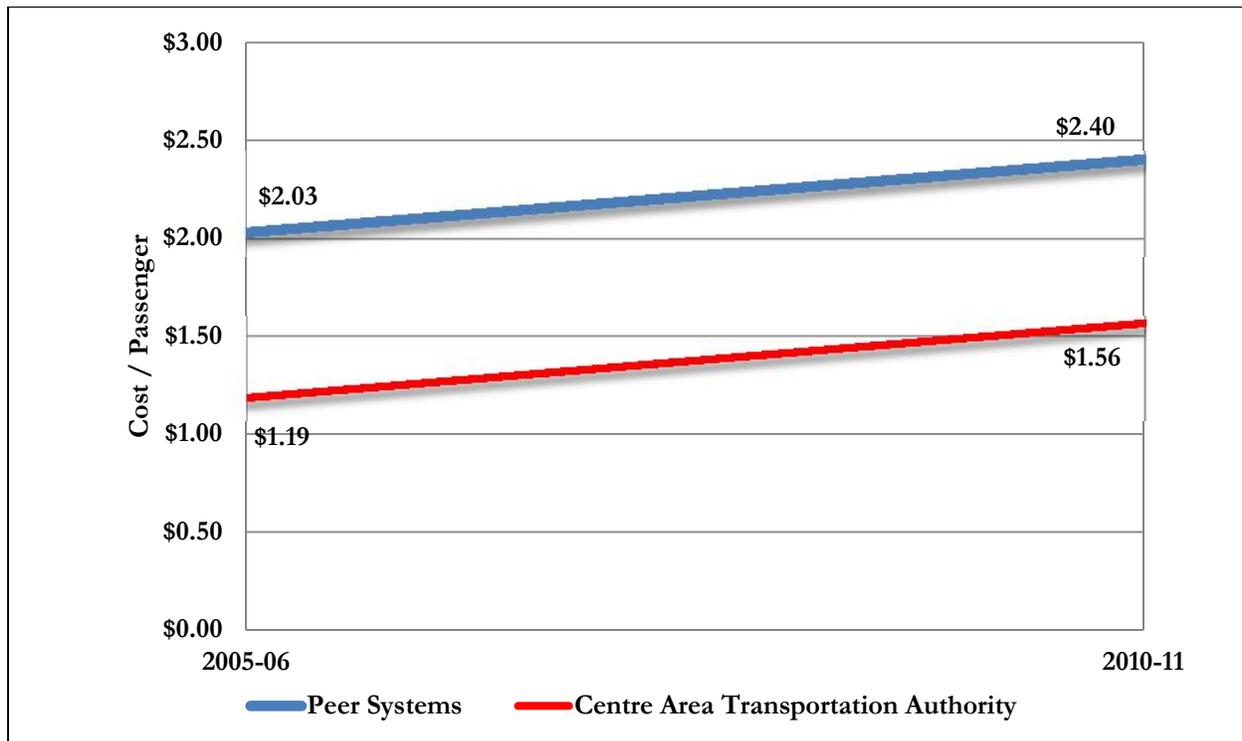
Operating Cost / Revenue Vehicle Hour		
System	Value	Rank
Ames Transit Agency dba CyRide	4.71%	10
Tompkins Consolidated Area Transit	4.46%	9
Gainesville Regional Transit System	2.28%	4
Unitrans - City of Davis/ASUCD	2.40%	5
Greater Lafayette Public Transportation Corporation	6.07%	11
City Transit Management Company, Inc.	-0.61%	1
Chapel Hill Transit	7.02%	13
Blacksburg Transit	8.39%	14
Champaign-Urbana Mass Transit District	3.31%	6
Lexington Transit Authority	1.68%	2
StarTran	3.52%	7
South Bend Public Transportation Corporation	4.01%	8
Transfort	2.08%	3
<b>Centre Area Transportation Authority</b>	<b>6.24%</b>	<b>12</b>
<i>Average</i>	3.97%	
<i>Standard Deviation</i>	2.40%	
<i>Average – 1 Standard Deviation</i>	1.57%	
<i>Average + 1 Standard Deviation</i>	6.37%	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>	
<b>Better or Worse Than Peer Group Average</b>	<b>Worse</b>	

Exhibit 10: Fixed-Route Operating Revenue / Revenue Vehicle Hour Trend 2006-2011



Operating Revenue / Revenue Vehicle Hour		
System	Value	Rank
Ames Transit Agency dba CyRide	13.07%	1
<b>Centre Area Transportation Authority</b>	<b>6.00%</b>	<b>2</b>
South Bend Public Transportation Corporation	5.09%	3
Gainesville Regional Transit System	3.85%	4
StarTran	3.83%	5
Greater Lafayette Public Transportation Corporation	3.75%	6
Blacksburg Transit	3.60%	7
Tompkins Consolidated Area Transit	2.79%	8
Chapel Hill Transit	2.70%	9
Transfort	1.36%	10
Lexington Transit Authority	0.23%	11
City Transit Management Company, Inc.	0.07%	12
Champaign-Urbana Mass Transit District	-0.41%	13
Unitrans - City of Davis/ASUCD	-36.08%	14
<i>Average</i>	<i>0.70%</i>	
<i>Standard Deviation</i>	<i>11.10%</i>	
<i>Average – 1 Standard Deviation</i>	<i>-10.39%</i>	
<i>Average + 1 Standard Deviation</i>	<i>11.80%</i>	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>	
<b>Better or Worse Than Peer Group Average</b>	<b>Better</b>	

Exhibit 11: Fixed-Route Operating Cost / Passenger Trend 2006-2011



Operating Cost / Passenger		
System	Value	Rank
Tompkins Consolidated Area Transit	0.18%	1
StarTran	0.97%	2
Transfort	1.47%	3
City Transit Management Company, Inc.	1.71%	4
Gainesville Regional Transit System	2.08%	5
Lexington Transit Authority	2.11%	6
Ames Transit Agency dba CyRide	2.24%	7
Unitrans - City of Davis/ASUCD	2.45%	8
Blacksburg Transit	3.09%	9
Greater Lafayette Public Transportation Corporation	4.08%	10
Champaign-Urbana Mass Transit District	5.40%	11
Chapel Hill Transit	5.64%	12
<b>Centre Area Transportation Authority</b>	<b>5.67%</b>	<b>13</b>
South Bend Public Transportation Corporation	11.63%	14
<i>Average</i>	<i>3.48%</i>	
<i>Standard Deviation</i>	<i>2.92%</i>	
<i>Average - 1 Standard Deviation</i>	<i>0.56%</i>	
<i>Average + 1 Standard Deviation</i>	<i>6.40%</i>	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>	
<b>Better or Worse Than Peer Group Average</b>	<b>Worse</b>	

## FIVE-YEAR FIXED-ROUTE PERFORMANCE TARGETS

Act 44 requires that PennDOT and all local transit agencies establish five-year performance targets for each of the following four core metrics:

- Passengers / Revenue Hour
- Operating Cost / Revenue Hour
- Operating Revenue / Revenue Hour
- Operating Cost / Passenger

These metrics are intended to improve both the effectiveness and efficiency of service delivery. PennDOT uses the most recent audited and agency-verified values for passengers, operating costs and operating revenues by mode as the “baseline” from which to develop the targets. Five year targets are then developed based on realistic and achievable expectations of improvement.

*Passengers / Revenue Hour* is a measure of effectiveness of transit service. All else equal, passengers may increase due to successful marketing, customer service, improved route planning and natural growth. Declines in passengers / revenue hour can occur in spite of overall ridership increases due to the introduction of relatively inefficient service. Substantial improvements can be realized through the reduction of relatively inefficient services.

Typically PennDOT suggests a minimum targeted increase of 2% / year in passengers / revenue hour of service. This target is recommended because: it is consistent with statewide historic trends; it is achievable; and, it encourages agencies to better match service delivery with customer needs. Due to CATA’s already high starting point, a lower 0.5% growth target has been set.

*Operating Cost / Revenue Hour* quantifies the efficiency of service delivery. To some extent, costs are managed through good governance, proactive management and effective cost containment. PennDOT suggests a target of no more than 3% / year increase in operating cost / revenue hour of service. CATA’s target this has been set to 3% / year.

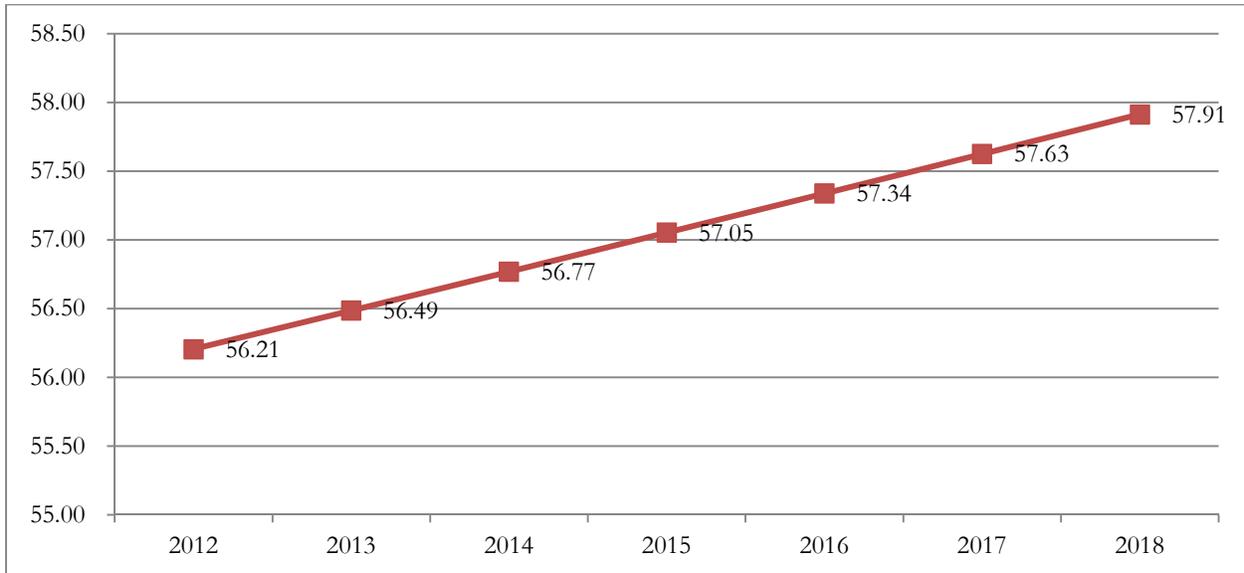
*Operating Revenue / Revenue Hour*, like operating cost / revenue hour, tries to insure an agency remains financially solvent in the long run. Operating revenue is composed of fares and other non-subsidy revenues. The target is set to be the same as passenger / revenue hour (0.5%).

*Operating Cost / Passenger* captures both the efficiency and effectiveness of transit service delivery. The target is set to be equal to the difference between maximum operating cost / revenue increase (3.0%) less the minimum passengers / revenue hour goal (0.5%), or 2.5%.

These performance targets represent the minimum performance level that CATA should achieve for each Act 44 criteria during the next performance review cycle; five years from the date of this report. The performance targets were created using historical data analyzed during the five-year trend analysis as well as the most current certified audit information available. Standards were extrapolated to FY 2018 and are designed to be aggressive, yet achievable. Performance targets will be agreed to by PennDOT and CATA before they are finalized so that expected anomalies are reflected in the standards. The suggested performance targets for CATA’s Act 44 metrics are presented in **Exhibit 12, Exhibit 13, Exhibit 14, and Exhibit 15.**

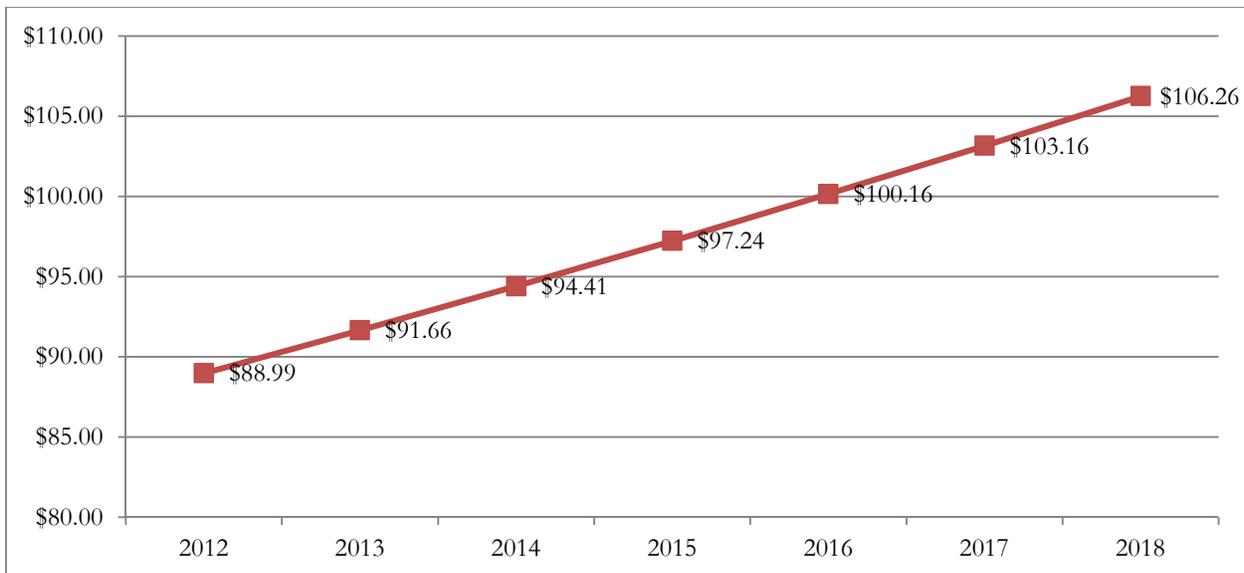
**Exhibit 12: Fixed-Route Passengers / Revenue Hour Performance Targets**

Year 2018 Target.....57.91  
 Interim Year Targets ..... Annual increase of at least 0.5%



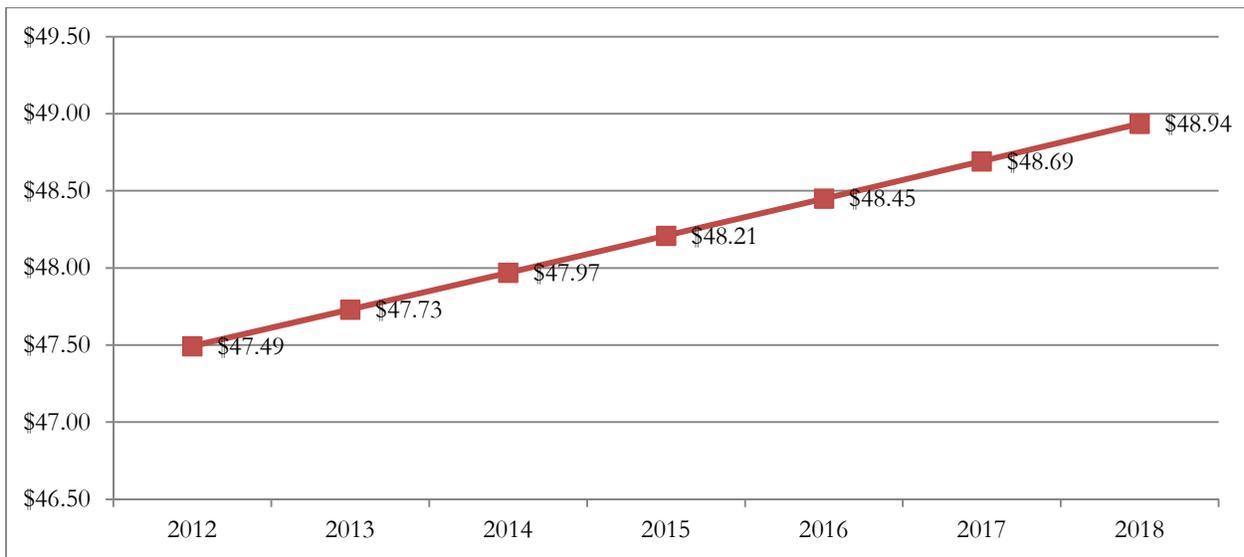
**Exhibit 13: Fixed-Route Operating Cost / Revenue Vehicle Hour Performance Targets**

Year 2018 Target..... \$106.26  
 Interim Year Targets ..... Annual increase of no more than 3.0%



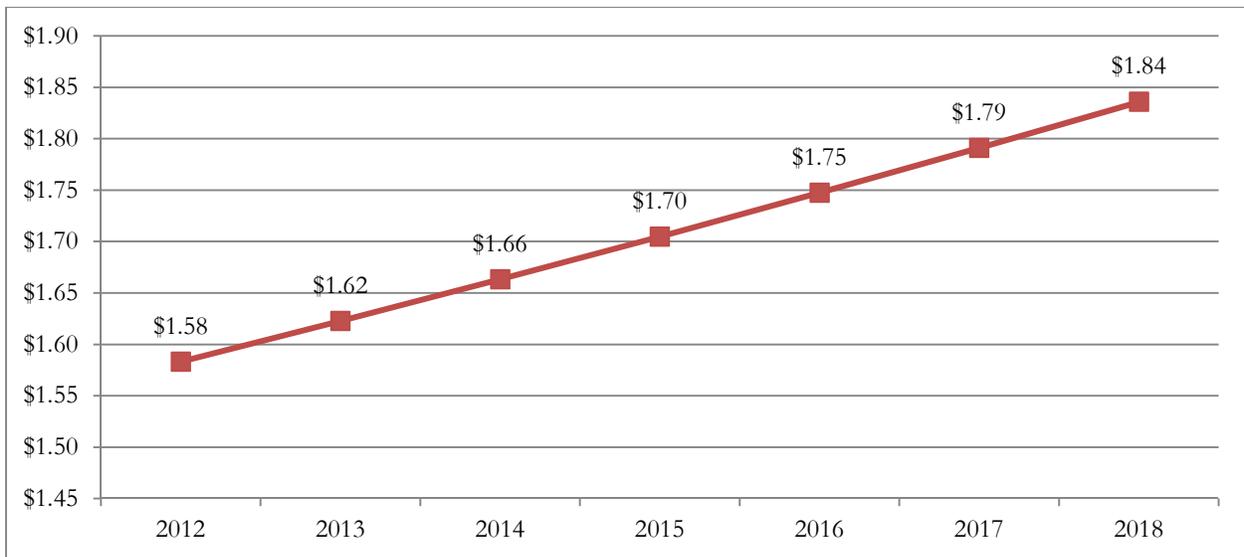
**Exhibit 14: Fixed-Route Operating Revenue / Revenue Vehicle Hour Performance Targets**

Year 2018 Target..... **\$48.94**  
 Interim Year Targets ..... **Annual increase of at least 0.5%**



**Exhibit 15: Fixed-Route Operating Cost / Passenger Performance Targets**

Year 2018 Target..... **\$1.84**  
 Interim Year Targets ..... **2.5% (No Annual Change)**



## FUNCTIONAL REVIEW

Functional reviews are used to determine the reasons behind performance results found in the Act 44 comparisons, to find “best practices” to share with other transit agencies, and to identify opportunities for improvement that should be addressed in the Action Plan (see **Appendix A: Action Plan Improvement Strategies**). A total of 14 functional areas were reviewed through documents received from the agency (see **Appendix B: Documentation Request to General Manager**) and interviews conducted on-site. The functional areas are as follows:

1. **Governing Body** – Responsibilities include setting vision, mission, goals, and objectives; management oversight; recruiting and retaining top management personnel; and advocacy for the agency’s needs and positions.
2. **General Management** – Responsible for the day-to-day operations of the agency. Manage, monitor, analyze, direct, and plan for the future with regard to all functional areas. Inform and report to the Governing Body, and implement governing body direction.
3. **Human Resources** – Responsible for employee retention, recruitment, training, performance reviews, grievance procedures, employee benefits, and labor relations.
4. **Finance** – Includes budgeting, accounting, cash flow management, revenue handling, and insurance.
5. **Procurement** – Includes acquisition of rolling stock, vehicle parts, non-revenue capital items (i.e., office equipment) and other operations-related items.
6. **Operations** – Includes management of daily service operations, on-street supervision and control, dispatching, and general route management.
7. **Maintenance** – Includes vehicle and non-vehicle maintenance management, procedures, and performance.
8. **Scheduling** – Includes route and driver scheduling and decision-making, pay premium considerations, general management, procedures, and performance.
9. **Safety and Security** – Includes vehicle and passenger safety, facility security, and emergency preparedness.
10. **Customer Service** – Includes management, procedures, and performance related to current and future customers of the fixed-route system and other topics such as service information and complaint handling processes.
11. **Information Technology** – Includes automated mechanisms for in-house and customer service communication including future plans for new technology.
12. **Capital Programming** – Includes assessing and programming current and future capital needs reflecting both funded and unfunded projects. Includes the Transportation Improvement Plan (TIP), 12-Year Capital Plan, 20-Year Long-Range Transportation Plan (LRTP), and Transit Development Plan (TDP).
13. **Marketing and Public Relations** – Includes maximizing current markets and expanding into new markets. Includes managing the perception of the agency by the public at-large to encourage current and future ridership.
14. **Planning** – Includes analysis of information to effectively plan for changes to the system in the short-, medium-, and long-term horizons, to help ensure continued success.

The functional review findings are organized by a brief description of the Act 44 variables guiding the performance review: passengers, fare and other non-subsidy revenues, and operating costs.

These 14 areas work together to effectively meet the needs of passengers, to deliver high-quality service in a cost-effective manner and to provide resources that will adapt to changing needs.

The following sections summarize the ways which service can be delivered more efficiently and effectively in ways that are sensitive and responsive to the community's needs, maximize productivity, direct service hours effectively, control operating costs, and achieve optimum revenue hours. The observations garnered during the review process are categorized as *Best Practices* or *Items to Address in the Action Plan*. Best Practices are those exceptional current practices that are beneficial and should be continued or expanded.

*Items to Address in the Action Plan* are recommendations which have the potential to maximize productivity, to direct service hours effectively, to control operating costs, and to achieve optimum revenue levels which will enhance the system's future performance overall for one or more of the Act 44 fixed-route performance factors. For the convenience of CATA, Action Plan templates have been included in this document (pp. 33-37). It should be noted that specific actions may partially address the broadly noted opportunities for improvement found in the "**General Findings**" (pp. vii-vii). Some actions will be quickly implementable while others may take several discrete steps to achieve over a longer period of time. The template does however provide a simple-to-follow order of key findings of this report that should be addressed in the Action Plan.

## **OPPORTUNITIES TO INCREASE FIXED-ROUTE RIDERSHIP**

Act 44 defines "passengers" as unlinked passenger trips or passenger boardings across all routes in the fixed-route transit system. Increases in ridership directly represent how effectively management has matched service levels to current demand for service.

### **BEST PRACTICES**

1. CATA has an operating agreement with Penn State University to provide fare-free circulator service around the main campus in State College. This service boosts ridership levels system-wide and recovers the marginal cost of providing the service as well as provides a source of funding to help meet the agency's federal and state grant local match requirements. CATA's high ridership / revenue hour is largely the result of this agreement. Having operating agreements with major regional institutions increases both ridership and revenues.
2. CATA provides real-time bus location information on their website, on smartphone applications and at their downtown ticket location which is staffed until 5:00 p.m. on weekdays. Experience at CATA and elsewhere has demonstrated that the availability of real-time bus arrival information increases customer satisfaction and builds ridership. CATA currently provides such information via its <http://realtime.catabus.com> website, text messaging, multiple smartphone applications and three on-street displays. Real-time bus arrival information will be provided at new shelter-mounted displays in high traffic locations within the next year.
3. CATA has operating agreements with individual apartment complexes on high-demand student commuting corridors. CATA recently renegotiated these agreements to be compensated on a per-trip basis resulting in better farebox recovery. An aggressive marketing campaign to these apartment complexes has resulted in increases in ridership and revenues.

4. Customer comments and complaints are tracked in a database then a random sample is called about two weeks after the case is closed out for satisfaction follow up. By providing an additional level of quality control on the customer complaint process, management can be assured that procedures and protocols in place are adequate and effective resulting in a high-level of customer service.
5. CATA has a close relationship with local land use planners and works closely with them to incorporate transit considerations into all new development. Promoting transit accessible development patterns improves customer satisfaction and provides new sources of ridership. In addition, ensuring that new developments are designed and constructed in a way that facilitates transit service enhances safety, efficiency and enables CATA to offer on-street amenities that would be difficult for CATA to implement on its own.

#### **ELEMENTS TO ADDRESS IN PART 2-A OF THE ACTION PLAN (SEE P. 34)**

1. CATA conducts **routine customer satisfaction surveys every three years**. The last customer satisfaction survey was conducted in 2010 and needs to be conducted again to obtain more current information. However, non-customer surveys are not routinely conducted. Periodic **customer and non-customer surveys** should be adequately budgeted with results used to direct service and operational changes. Such surveys can help to identify trends, estimate market potential and produce corrective action plans.
2. CATA currently lacks a standing Citizens' Advisory Committee (CAC) for fixed-route service. Many agencies find that a CAC can advise from a passenger's perspective on a variety of topics including service changes, fare changes, branding, community outreach, how to increase the effectiveness of social-media tools and customer satisfaction. **CATA Management and the Board should evaluate the potential benefit of creating a standing citizens' advisory committee** as a means to enhance customer feedback.
3. CATA's facilities have video cameras but busses do not. The vehicles do have the wiring harnesses but the investment in the cameras/disk drives has not been made yet. Many agencies find on-board video technology a valuable tool to investigate customer service complaints and to provide cost-effective road supervision. **CATA's management should develop an implementation plan to outfit vehicles with video and audio recording capabilities as part of a larger strategic IT investment plan.**
4. CATA has a \$56,000 marketing budget; the cost of which is fully offset by revenues from in-vehicle advertising. CATA also has a well-defined marketing plan. However, no information on the effectiveness of the marketing strategies is collected. It is recommended that CATA management **establish appropriate marketing performance metrics** so that management can best target limited marketing resources.

#### **OPPORTUNITIES TO INCREASE FIXED-ROUTE REVENUES**

Act 44 defines "revenues" as all non-subsidy revenues generated to help fund the operation of a transit system. The largest contributors to this are typically farebox revenues, route guarantees, interest on accounts, and advertising revenues.

**BEST PRACTICES**

1. CATA's Board has directed management that it should always achieve at least a 50% farebox recovery ratio. In fact, the Board sees an ideal system as one that depends completely on revenues. This leadership guidance and creative strategies have resulted in CATA having the highest overall farebox recovery ratio in the Commonwealth.

**ELEMENTS TO ADDRESS IN PART 2-B OF THE ACTION PLAN (SEE P. 35)**

1. To maximize operating revenue, and in turn reduce the operating deficit, the Department encourages systems to strive to obtain sufficient reimbursement in existing operating agreements to cover the fully allocated cost of any dedicated service it provides. CATA recovers approximately 2/3 of the fully allocated operating cost of circulator services provided to Penn State thereby recovering the marginal cost of service added but not the cost of administration. Future operating agreements should **strive to achieve a contract rate as close to the fully allocated cost of dedicated services as practical**, which was \$88.99 / revenue hour in FY 2011/2012.

**OPPORTUNITIES TO CONTROL OPERATING COSTS**

Act 44 defines “operating costs” as the non-capital costs incurred in the day-to-day operations of a transit system. Labor, maintenance, and operating costs such as fuel, tires and lubricants contribute to this measure in significant ways. Many transit agencies have noted cost increases much higher than the general rate of inflation. Compounding this is the reality that operating subsidies are not likely to increase at a comparable rate. Controlling operating cost increases is one key to maintaining current service levels.

**BEST PRACTICES**

1. CATA's Board and management moved the system from diesel fuel to an all CNG fleet. In recent years, CNG prices have been low yielding a combined fuel and lubricant cost per mile for CATA that is about 1/3 of that of other systems in the Commonwealth (**Exhibit 16**). Exploring the benefits and costs of alternatives to traditional technologies is a practice that should be continued in all transit agencies in Pennsylvania.
2. CATA was one of the first transit agencies in the State to have a defined contribution (vs. defined benefit) retirement plan. This has allowed management to reliably forecast costs and to contain future cost increases. Furthermore, management has made proactive steps to manage the rate of healthcare costs increases including employee copayments and the competitive selection of healthcare providers. Proactively managing the cost and risk of future cost increases in fringe benefits helps insure CATA's economic sustainability.

**ELEMENTS TO ADDRESS IN PART 2-C OF THE ACTION PLAN (SEE P. 36)**

1. Almost every employee of CATA is full-time though there is nothing in the Collective Bargaining Agreement (CBA) that prohibits the use of part-time employees. However, the CBA it does contain some rules that could limit the efficacy of part-time employees. CATA **management should reevaluate the potential use of part-time employees** in some positions to help reduce the cost of fringe benefits and the need for seasonal layoffs (and associated unemployment claims).

**Exhibit 16: Comparison of CATA FYE 2012 Fuel and Lubricants Cost / Revenue Hour with Other Pennsylvania Transit Systems**



2. CATA routinely uses busses well beyond their design life to expand service. This results in higher maintenance costs than would otherwise be incurred as older vehicles cost more per mile to maintain than newer ones. **CATA should develop a financial plan that funds vehicle replacement as close to the end of vehicle design life as is practical.**
3. CATA performs payroll processing in-house. This practice is labor-intensive and costly. Management should **explore the potential benefits of outsourcing payroll services.**
4. There is periodic interest in the Centre region of combining shared-ride service provided by CATA and Centre County. CATA's management and Board should periodically **explore the potential benefits of combining these services** as there may be economies of scale that could be realized through coordinated paratransit service delivery.
5. CATA develops all operator schedules manually using spreadsheets. This is an uncommon practice in an agency of this size. **Management should explore the potential of using computerized scheduling software** to fine-tune schedule development either through outsourcing or by developing internal capacity as the annual cost savings could be substantial. It would also help management and the Board to understand the cost impacts of specific terms in the drivers' CBA.

## **OTHER FINDINGS THAT IMPACT OVERALL AGENCY PERFORMANCE**

“Other Findings” is a collection of findings from the functional review that may, if addressed, improve current or future operations. While not directly tied to Act 44 measures, actions to address these findings will result in a more seamless operation and greater operational efficiencies.

### **BEST PRACTICES**

1. CATA shares the cost and time of a planning position with the local MPO. Such an arrangement helps insure an appropriate level of competency at CATA, a depth of resources and an ongoing means of coordination with other partners in the metropolitan planning process, all at the lowest possible cost.
2. CATA recently completed an employee satisfaction survey (2011). Such surveys help to identify and address the concerns of employees in a proactive way that can insure the agency operates as smoothly as possible.

### **ELEMENTS TO ADDRESS IN PART 3 OF THE ACTION PLAN (SEE P. 37)**

1. CATA currently lacks, but recognizes the need for a strategic plan. A strategic plan should explicitly recognize vision, targets, and a plan to get to a certain point in balancing service to demand while recognizing the need for rebuilding cash reserves, oversight capacity and aging capital infrastructure. The Board should insure adequate resources are available to **complete a strategic plan in the coming year.**
2. CATA’s oversight and supervision of drivers and mechanics is inadequate given there are more than 80 drivers and only five active supervisors expected to oversee 7 day a week operations. Furthermore, the practice of floating supervisors (i.e., each driver doesn’t have a direct supervisor) is not considered a good practice as it can result in inconsistent performance evaluations and inefficient use of resources. Mechanics are managed by non-union supervisors for only one of three working shifts per day. **CATA’s management should reevaluate its resources to assure adequate and consistent driver (and mechanic) supervision during all hours of agency operation.**
3. CATA’s management should provide **annual performance reviews to mechanics** for the same reasons as they apply these reviews to all other positions in the agency.
4. CATA has flexibility in how it uses federal funding for operations and/or capital expenditures and has favored expending federal funds on operations rather than capital needs. A number of important capital needs were identified in the review such as:
  - Bus replacement
  - Adequate number of spare vehicles
  - Roof replacement
  - Maintenance facility expansion
  - Facility major repairs (water damage)
  - Major maintenance equipment (lift for articulated busses)
  - Adequate parking

Since funding is limited, and potentially may become even more limited in the future, it is essential that transit systems constantly reevaluate the balance between their current and planned operating and capital needs. **Management and the Board should reexamine the balance between likely funding and capital and operating needs to achieve a more sustainable approach.**

5. CATA lacks a strategic Information Technology (IT) investment plan. While CATA has many systems that collect data (finance, accounting, inventory, ridership, GIS, AVL, etc.), these systems are independent and do not exchange data. Furthermore, vehicles lack cameras, audio recording capabilities and crash avoidance technology. **Management should assess the various technologies in use, or potentially in use, and develop an IT investment plan** that recognizes gaps and opportunities for improvement including potential return on investment.
6. CATA's Board is small (5 members) and does not have standing committees. However, there are some aspects of the public transit business that evolve rapidly and require regular and detailed oversight such as human resources, safety and budgeting. Given the relatively brief time of a regular Board meeting, **the Board should either develop a committee structure that routinely and proactively addresses these issues or finds other mechanisms to insure Board members are fully aware of constantly evolving conditions in CATA, the transit industry, and other sectors that affect CATA's performance and condition.**

## FINANCIAL REVIEW

In an era of increasing costs and limited funding opportunities, many transit agencies are entering a difficult period. Many are pressed to reduce service while increasing fares just to make ends meet. It is in the interest of the Commonwealth to monitor the financial health of transit agencies before manageable financial problems become much larger challenges. With more than 40 transit agencies in the Commonwealth funded by Act 44, PennDOT needs information to assess where financial difficulties can be predicted so that a corrective course of action can be taken before financial challenges seriously impede the ability of local transit agencies to deliver service.

The challenge in assessing the “financial health” and trajectory of transit agencies without first-hand knowledge of day-to-day operations is that much of the information regarding financial indicators is often dated and relies on “end of year” indicators. Furthermore, costs, such as fuel, can vary widely year-to-year or even week-to-week. Funding sources, while more predictable, can change depending on the availability of federal funds, tax collections or funding formulae.

This financial review focuses on “high-level” snapshot and trend indicators to determine if additional scrutiny is warranted by reviewing audited information where available, other financial reports and budgets. The review assesses the following:

- High-Level Indicators of Financial Health
- Total Agency-wide Operational Expenditures and Funding
- Fixed-Route Funding
- Paratransit Funding
- Balance Sheet Findings

### HIGH-LEVEL INDICATORS OF FINANCIAL HEALTH

Several high-level indicators of financial health and stability have been examined to determine CATA’s current state. As shown in **Exhibit 17**, CATA is in line with industry goals and targets for many, but not all, high-level financial indicators.

Historically, CATA received local contributions that amounted up to 4.1% of operating costs which equates to a 11.9% match of local funds to state funds (FY 2007/2008). As of FY 2011/2012, that value has increased to meet the required local match of state funds (12.3%). In coming years, due to Act 44 requirements, local contribution amounts will steadily increase. However, given CATA’s demonstrated ability to have higher local contributions combined with the service agreement revenues from Penn State, it is expected that CATA will remain fiscally sound. Management reports no concerns with funding increasing local match requirements for the next several years.

However, there are two major areas of concern in the high-level financial indicators. First, CATA’s cash reserves and state carryover subsidies combined are very low compared to the annual operating budget. This could create a cash flow problem. Furthermore, a line of credit available is only intended for capital purchases. Therefore, CATA is in a “cash weak” position. In the short-run, CATA should implement strategies to build short-term cash reserves in the event of delays in subsidy payments from federal or state funding agencies. In the long-run, it should continue to rebuild its cash reserves in a way that assures maximum flexibility for both anticipated and unanticipated expenses.

**Exhibit 17: High-level Financial Indicators**

<b>Indicator</b>	<b>CATA Value</b>	<b>Assessment Criteria / Rationale</b>	<b>Source</b>
Cash Reserves / Annual Operating Cost	5.8%	The combined target should be 25%+. This provides flexibility to account for unexpected cost increases or service changes.	FY 2011/2012 Audit
State Carryover Subsidies / Annual Operating Cost	0.5%		
Actual Local Match / Required Match	100%	Target 100%+. Local match that exceeds required minimums gives a transit agency flexibility to change service and to accommodate unexpected cost changes.	FY 2011/2012 Audit
Accounts Payable (AP) 90+ days	0.0%	Target should be 0% over 90 days. Larger values indicate cash flow concerns.	Ledger Detail Report 2/28/13
Accounts Receivable (AR) 90+ days	0.0%	Target should be 0% over 90 days. Larger values can cause cash flow problems.	Ledger Detail Report 2/28/13
Operating Debt / Annual Operating Cost	0.0%	Target should be 0%. Low debt amounts reduce borrowing costs.	FY 2011/2012 Audit
Credit available/ Annual Payroll <sup>7</sup>	12.7%	Target should be 15%+. This gives the ability to cover payroll due to unexpected delays in accounts receivable.	FY 2011/2012 Audit

<sup>7</sup> CATA had a \$350,000 line of credit with a bank which was used in the past but was at a zero balance and eliminated as of 6/30/12. CATA established a new \$1,500,000 revolving line of credit in FY 11/12 that is set aside for capital purchases.  $\$1,500,000 / \$11,837,225 = 12.7\%$  (FYE 2012)

### TOTAL AGENCY-WIDE OPERATIONAL EXPENDITURES AND FUNDING

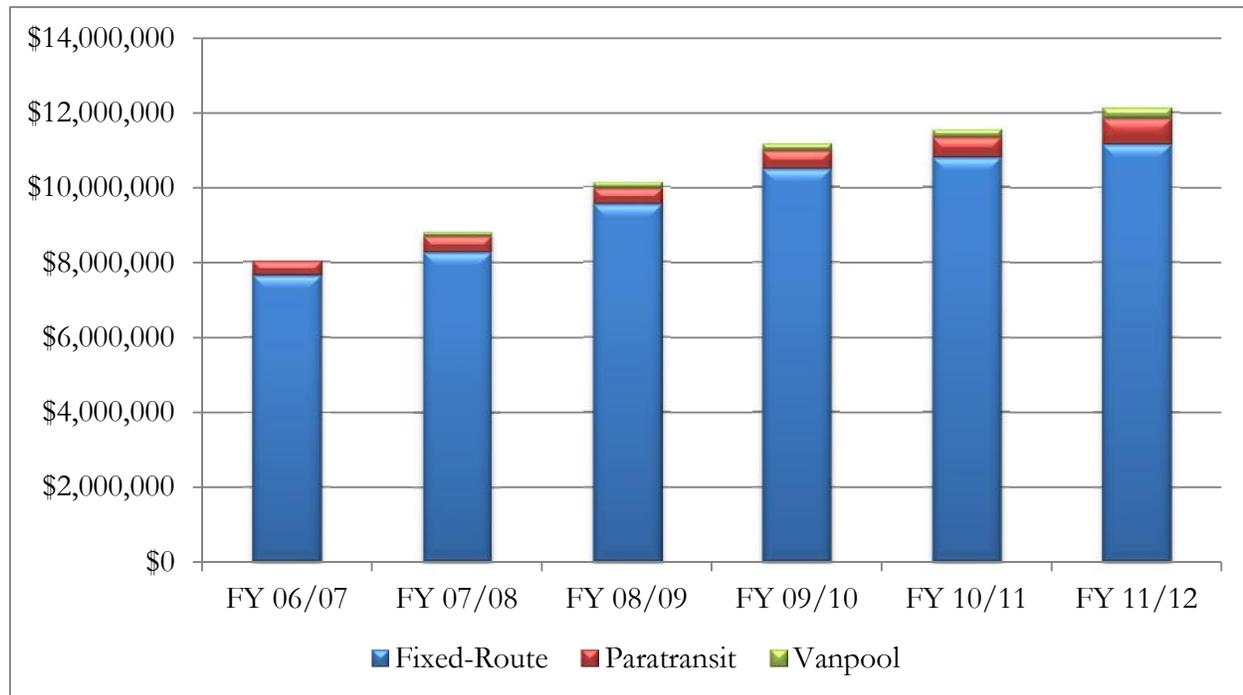
As shown in **Exhibit 18**, CATA has grown from a \$8.0 million / year operation in FY 06/07 to a \$12.0 million / year operation in FY 11/12. Approximately 91.9% of CATA’s operational expenses are for fixed-route service. The remaining operational expenses are for paratransit service (5.7%) and vanpool (2.3%), as shown in **Exhibit 19**.

CATA’s operational funding comes from a variety of sources including federal subsidies, state funds, lottery funds, local funds and passenger fares. Since FY 10/11, federal funds used to finance fixed-route and paratransit operations combined have been hovering around 16% (**Exhibit 20**) of total operational income. Passenger fares have remained stable and the largest share of income. State funding remains the second largest funding source for CATA (**Exhibit 21**). Local funding is in line with Act 44 requirements.

**Exhibit 18: CATA Total Operating Expense by Service Type (FY 06/07 - FY 11/12)**

Expense by Service Type	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Fixed Route	\$7.6	\$8.3	\$9.5	\$10.5	\$10.8	\$11.1
Paratransit	\$0.4	\$0.4	\$0.4	\$0.5	\$0.5	\$0.7
Vanpool <sup>8</sup>	\$0.0	\$0.1	\$0.1	\$0.2	\$0.2	\$0.3
<b>Total (\$ millions)</b>	<b>\$8.0</b>	<b>\$8.8</b>	<b>\$10.1</b>	<b>\$11.1</b>	<b>\$11.5</b>	<b>\$12.1</b>

**Exhibit 19: CATA Share of Agency-wide Operating Expenses by Mode**

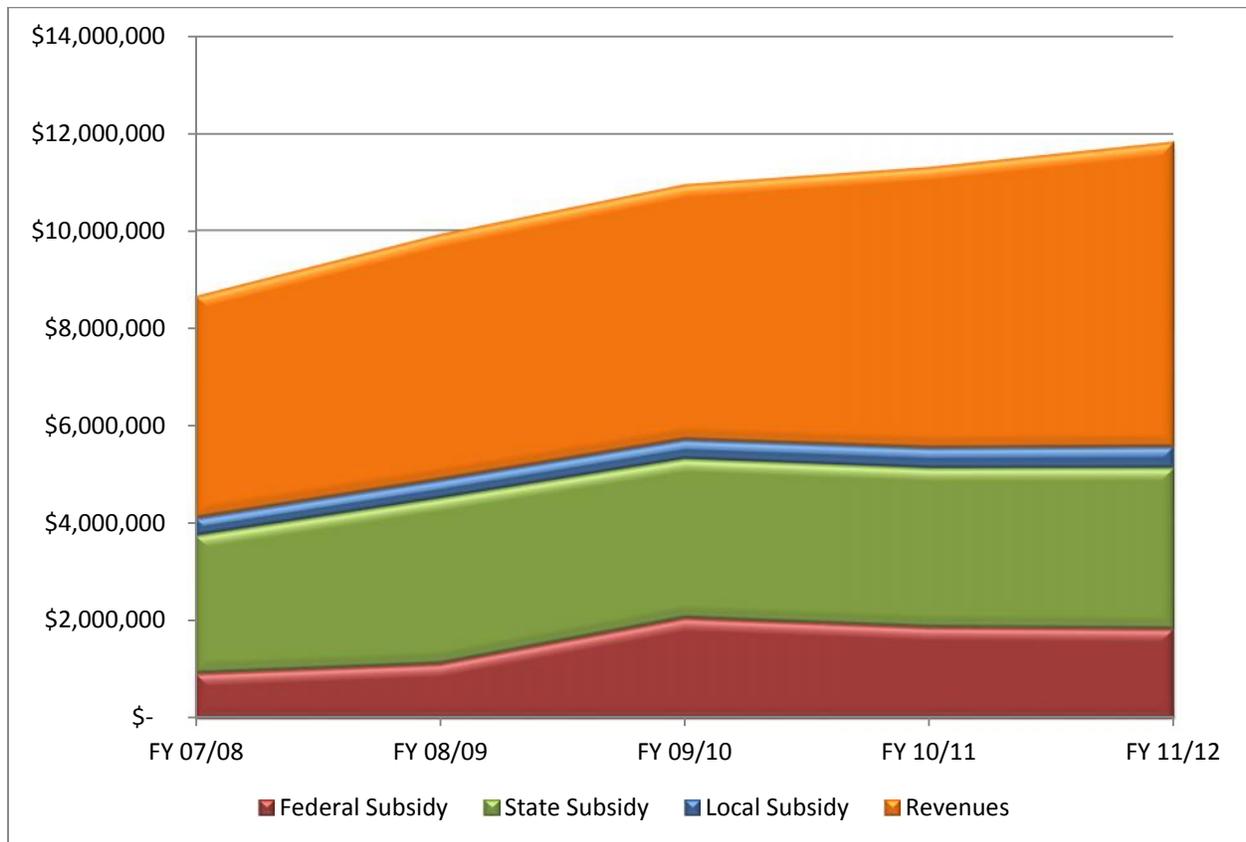


<sup>8</sup> Vanpool expenditures are not reported in dotGrants prior to FY 09/10. Amounts were determined based on NTD reported values.

**Exhibit 20: Agency-wide Operational Funding by Source (FY 07/08 - FY 11/12)**

Share of Funding <sup>9</sup>	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Federal Subsidy	10.6%	11.3%	18.8%	16.5%	15.5%
State Subsidy	32.3%	33.9%	29.7%	28.8%	27.8%
Local Subsidy	4.1%	3.7%	3.6%	3.6%	3.6%
Other Subsidy (Misc.)	0.7%	0.5%	0.3%	0.3%	0.3%
Revenues (Non-Subsidy)	52.2%	50.6%	47.7%	50.9%	52.8%
Local Subsidy / State Subsidy	12.6%	11.0%	12.0%	12.6%	13.1%

**Exhibit 21: CATA Reported Agency-wide (Fixed-Route + Paratransit) Operational Funding (FY 07/08 - FY 11/12)**



<sup>9</sup> Exhibit 20 and Exhibit 21 exclude vanpool programs as all sources of funding are not fully documented for the FY 07/08 to FY 11/12 time period. The vanpool program adds \$100,000 to \$300,000 in expenditures/revenues in any given year to CATA’s total operational funding.

## FIXED-ROUTE FUNDING

CATA's historic and proposed fixed-route funding is derived from general revenues and government subsidies. Direct Passenger fares have covered between 47.0% and 51.8% of total operating revenues (**Exhibit 22**). Based on the FY 09/10 to FY 11/12 dotGrants reporting, CATA operated using current year funding with no excess state funding being "carried over." CATA does not show any excess local contribution to operating expense. The total local carryover match available at the end of FY 11/12 was \$867. Section 1513 carryover has increased from \$0 in FY 09/10 to \$59,852 in FY 11/12.

### Exhibit 22: Fixed-Route Funding

Funding Category	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
<b>Revenues</b>					
Passenger Fares	\$4,195,242	\$4,712,618	\$4,923,537	\$5,381,488	\$5,772,929
Advertising	\$14,499	\$15,382	\$21,917	\$37,711	\$78,341
Charter	\$0	\$0	\$0	\$0	\$0
Route Guarantee	\$0	\$0	\$0	\$0	\$0
Other Misc.	\$84,842	\$76,986	\$52,430	\$56,918	\$94,552
<b>Subtotal</b>	<b>\$4,294,583</b>	<b>\$4,804,986</b>	<b>\$4,997,884</b>	<b>\$5,476,117</b>	<b>\$5,945,822</b>
<b>Subsidies</b>					
Federal Operating Grant	\$611,415	\$846,952	\$1,800,287	\$1,613,554	\$1,389,039
Act44 (1513) State Prior	\$2,815,238	\$3,378,286	\$3,253,123	\$3,253,123	\$3,293,435
Act44 (1513) Current	\$0	\$0	\$0	\$0	\$0
Municipal Prior	\$354,842	\$372,584	\$391,213	\$410,774	\$431,313
Municipal Current	\$0	\$0	\$0	\$0	\$0
Act3 BSG Grant (State)	\$0	\$0	\$0	\$0	\$0
Act3 BSG Grant (Local)	\$0	\$0	\$0	\$0	\$0
Special-(Federal)	\$127,167	\$83,877	\$0	\$0	\$50,000
Special-(State)	\$0	\$0	\$0	\$0	\$0
Special (Local)	\$64,953	\$47,211	\$28,582	\$30,010	\$31,510
<b>Subtotal</b>	<b>\$3,973,615</b>	<b>\$4,728,910</b>	<b>\$5,473,205</b>	<b>\$5,307,461</b>	<b>\$5,195,297</b>

<b>Total Funding</b>	<b>\$8,268,198</b>	<b>\$9,533,896</b>	<b>\$10,471,089</b>	<b>\$10,783,578</b>	<b>\$11,141,119</b>
<b>Passenger Fares/ Total Funding</b>	<b>50.7%</b>	<b>49.4%</b>	<b>47.0%</b>	<b>49.9%</b>	<b>51.8%</b>

Source: PennDOT dotGrants Reporting System

## PARATRANSIT FUNDING

CATA's paratransit funding is small and limited to ADA and shared ride services which are subcontracted. Federal operating subsidies represent the largest contribution towards paratransit operating costs (**Exhibit 23**) growing to cover more than one-half of expenses in FY 11/12. The total paratransit program has grown from \$435,366 in FY 07/08 to \$696,106 in FY 11/12. No state subsidies are directly used to subsidize paratransit operations.

**Exhibit 23: Non-Fixed Route (ADA Paratransit) Funding**

Category	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
<b>Revenues</b>					
Passenger Fares	\$80,735	\$74,671	\$73,963	\$80,079	\$94,162
Lottery Reimbursement	\$170,119	\$154,300	\$154,870	\$196,732	\$208,397
<b>Subtotal</b>	<b>\$250,854</b>	<b>\$228,971</b>	<b>\$228,833</b>	<b>\$276,811</b>	<b>\$302,559</b>
<b>Subsidies</b>					
Federal Operating Grant	\$184,512	\$192,412	\$255,431	\$250,038	\$393,547
<b>Subtotal</b>	<b>\$184,512</b>	<b>\$192,412</b>	<b>\$255,431</b>	<b>\$250,038</b>	<b>\$393,547</b>
<b>Total Funding</b>	<b>\$435,366</b>	<b>\$421,383</b>	<b>\$484,264</b>	<b>\$526,849</b>	<b>\$696,106</b>

Source: PennDOT dotGrants Reporting System

**BALANCE SHEET FINDINGS**

Review of balance sheets from CATA shows that the agency maintains very small cash reserves (**Exhibit 24** and **Exhibit 25**) amounting to 5.8% of annual operational expenses in FY 11/12. CATA also has a \$1,500,000 revolving line of bank credit for capital purchases that has a zero balance providing a means to cover debt payments if/when grant payments are not received on time. This margin between current assets and liabilities is much closer than seen in other transit agencies in the Commonwealth and has been declining since FY 08/09 while operating expenses have steadily increased. The large grants receivable amount in FY 11/12 represents capital grants that were yet to be paid at the time of the audit while the relatively large accounts payable represents capital expenditures that were to be paid once grants were received.

**CONCLUSIONS**

For the FY 07/08 to FY 11/12 period, local governments and Penn State University have contributed to help finance CATA's operational funding requirements. CATA has used all of those amounts in any given year to balance its budget and comply with state requirements leaving few resources to meet future capital needs or build an adequate cash reserve. Furthermore, CATA does not have a significant amount of uncommitted cash reserves to cover unexpected operational expenses and any funding irregularities.

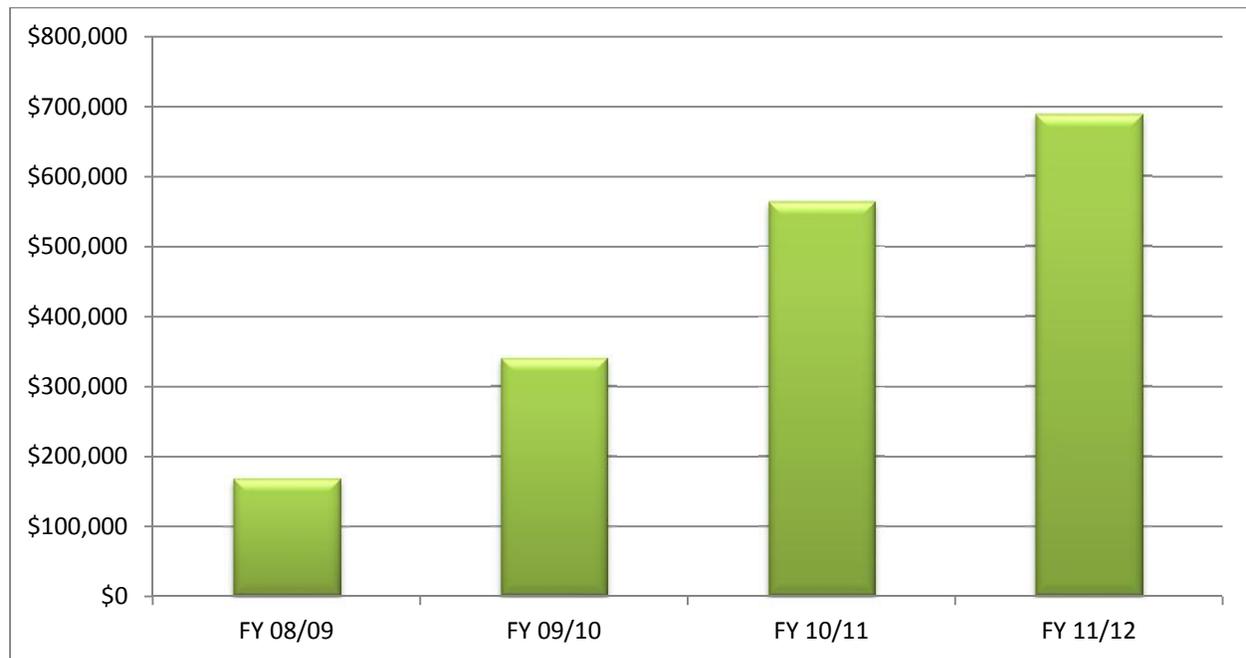
CATA management should reexamine the need for service expansion, operational expenses, capital needs, CATA's end-of-year cash position and carryover funds for changes in the agency's fiscal health and address any unexpected changes in trajectory. The Action Plan should recognize the changes in availability of federal and state capital funds and how CATA is balancing these considerations in its operating and capital planning. **Management should take appropriate action to continuously improve CATA's financial health and build a cash reserve buffer so as to minimize the risk of unexpected service cuts or fare increases that could result from revenue shortfalls or short-term cost increases.**

**Exhibit 24: CATA Balance Sheet Summary (FY 08/09 - FY 11/12)**

Balance Sheet Report	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Cash Equivalent Balance	\$168,108	\$339,719	\$562,908	\$687,322
Grants Receivable (including capital)	\$276,167	\$789,041	\$338,439	\$1,645,483
Other Accounts Receivable	\$251,358	\$54,720	\$193,944	\$87,694
Inventory Value	\$424,871	\$447,436	\$493,789	\$436,058
Pre-paid Expenses	\$76,725	\$108,850	\$94,682	\$113,635
Accounts Payable (including capital)	\$284,559	\$704,332	\$614,332	\$1,937,920
Accumulated Absences/Payroll	\$413,656	\$488,078	\$503,039	\$518,345
Line of Credit	\$0	\$350,000	\$350,000	\$1,850,000
Credit Used	\$0	\$300,000	\$250,000	\$0
Total Operating Expense <sup>10</sup>	\$9,954,730	\$10,955,353	\$11,314,879	\$11,837,225
Cash Eqv. Bal / Total Operating Exp.	1.7%	3.1%	5.0%	5.8%
Line of Credit / Total Operating Exp.	0.0%	3.2%	3.1%	15.6%
Current Assets	\$1,197,229	\$1,739,766	\$1,683,762	\$2,970,192
Current Liabilities	\$1,089,381	\$1,651,031	\$1,628,412	\$2,919,292
Net Current Assets	\$107,848	\$88,735	\$55,350	\$50,900

Source: Annual Audit Reports

**Exhibit 25: CATA End-of-Year Cash Equivalent Balance (FY 08/09 - FY 11/12)**



<sup>10</sup> Excludes vanpool operations

## APPENDIX A: ACTION PLAN IMPROVEMENT STRATEGIES

### PART 1- EXECUTIVE SUMMARY FINDINGS TEMPLATE

IMPROVEMENT OPPORTUNITY	CATA Actions	Estimated Initiation Date	Estimated Completion Date
Build cash reserve capacity (p. vii)			
Improve oversight of operations (p. vii)			
Develop performance targets for all key agency functions (p. vii)			

*Note: Include additional pages as necessary.*

**PART 2- ACT 44 PERFORMANCE METRIC FINDINGS TEMPLATES**

**A. ACTIONS TO INCREASE PASSENGERS / REVENUE HOUR TEMPLATE**

Recommendation (page)	CATA Action	Estimated Initiation Date	Estimated Completion Date
Conduct Routine Customer Satisfaction Surveys and Non-Rider Surveys (p. 21)			
Evaluate the potential benefits of establishing a Citizens Advisory Committee (p. 21)			
Develop a plan to outfit busses with cameras and audio recording capabilities as part of a larger IT investment plan(p. 21)			
Develop marketing performance metrics (p. 21)			

**B. ACTIONS TO INCREASE OPERATING REVENUE / REVENUE HOUR TEMPLATE**

Recommendation (page)	CATA Action	Estimated Initiation Date	Estimated Completion Date
Work to achieve rate on dedicated service contracts that covers the fully-allocated cost of service delivery (p. 22)			

**C. ACTIONS TO REDUCE OR CONTAIN OPERATING COST / REVENUE HOUR TEMPLATE**

<b>Recommendation (page)</b>	<b>CATA Action</b>	<b>Estimated Initiation Date</b>	<b>Estimated Completion Date</b>
Evaluate the potential use and cost savings associated with part-time employees (p. 22)			
Develop a financial plan that targets vehicle replacement at as close to design life as practical (p. 22)			
Explore the potential benefits of outsourcing payroll services (p. 22)			
Periodically reevaluate the potential of consolidating CATA and Centre County paratransit services (p. 23)			
Evaluate the potential cost savings and alternatives to manually developing driver schedules (p. 23)			

**PART 3- OTHER ACTIONS TO IMPROVE OVERALL PERFORMANCE TEMPLATE**

Recommendation (page)	CATA Action	Estimated Initiation Date	Estimated Completion Date
Complete a strategic plan in the coming year (p. 24)			
Improve operations oversight (p. 24)			
Conduct annual performance reviews for mechanics (p. 24)			
Reexamine the balance between operating / capital expenditure requirements and funding (p.24)			
Develop an IT investment plan (p. 25)			
Enhance Board structure to have committees or other mechanisms to provide routine oversight to quickly evolving topics of concern (p.25)			

## APPENDIX B: DOCUMENTATION REQUEST TO GENERAL MANAGER

**2013 Transit Performance Review  
Data Request  
Pennsylvania Department of Transportation  
Bureau of Public Transportation**



**DOCUMENT REQUEST**

Please provide the following documents and label as shown for **fixed route service only**. Information is strongly preferred in electronic format. Please indicate on the below checklist as to the status and availability of the information.

\*\*Denotes information requested from contractors in addition to Agency.

Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
<b>BACKGROUND</b>				
1. Enabling legislation, ordinances, compacts or charter.	X			
2. Brief history of the agency, including its current and any prior official names, any present nicknames or monikers, and identify any predecessor entities, service days/hours and any other general agency information.	X			
3. Business or Strategic Plans, including adopted Mission and Vision statements.	X			
4. Describe any unique circumstances that have adversely or positively affected the agency (ridership, finances, other).	X			
<b>GOVERNANCE/GENERAL MANAGEMENT</b>				
5. List of current governing body members, with terms and tenure of each member and contact information for each.	X			
6. Governing body minutes and agenda from the last 12 months.	X			
7. Biography, contract terms, and tenure of General Manager / Executive Director.	X			
8. **Organization chart delineating decision authority by roles.	X			
9. Succession plan or equivalent.	X			
10. Any documentation not provided above which delineates the respective roles and responsibilities of management and governing body members.	X			
<b>OVERSIGHT AND REVIEWS</b>				
11. Two most recent annual reports from chief executive officer to governing board.	X			
12. Financial Management Oversight (FMO) reviews, Triennial Reviews, and any other recent outside audits or evaluations in any administrative areas such as: Executive Management, Human Resources, Finance, Legal, Information Management, Resource Management, Internal Audit, Marketing, etc. Include all correspondence between the agency, PennDOT, FTA, auditors, etc.	X			
<b>HUMAN RESOURCES</b>				
13. All collective bargaining agreements as well as any related documents (e.g., letters or memoranda of understanding, letter agreements, side letters that clarify or modify the collective	X			

**2013 Transit Performance Review  
Data Request  
Pennsylvania Department of Transportation  
Bureau of Public Transportation**

Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
bargaining agreements, etc.)				
14. Any strikes or work stoppages over the past 6 years.	N/A			
15. Any reports filed with the state or federal government regarding union operations, funds management, etc.	N/A			
16. Cost of benefits (health care, pension/retirement, etc.) broken down by major category for the last year and projected for the next 5 years.	X			
17. Turnover rate by position for each of the last 5 years.	X			
18. **Operator hiring and performance review procedures.	X			
<b>FINANCE</b>				
19. Operating and Capital Budgets for the current fiscal year (provide separately if not in the Annual Report).	X			
20. Official Bond Statements for the most recent issuances.	N/A			
21. Audited Financial Statement for the previous five fiscal years.	X			
22. Profit/Loss/Cash Flow statements for each of the past 12 months.	X			
23. Operating revenues and expense detail by account for each of the last 2 years. Please provide in as frequent intervals as possible (i.e. monthly, quarterly)	X			
24. Accounts Receivable (AR) and Accounts Payable (AP) aging Report	X			
<b>PROCUREMENT</b>				
25. Procurement policy and procedures.	X			
<b>CONTRACTING</b>				
26. Contracts involving purchased transportation.	X			
27. Contracts for the provision of services or special operations agreements to specific agencies, localities, colleges, universities, or other entities.	X			
28. **Contracts for tire services, management services, and professional services over \$25,000 in value.	X			
29. Contract management plan.	N/A			
<b>OPERATIONS</b>				
30. **Operations Manual.	N/A			
31. **Operators Manual.	X			
32. **Emergency and inclement weather (snow, flood, etc.) operational plans and procedures.	X			
33. **Dispatch procedures	X			
34. **On-street supervision procedures (incl. AVL, if equipped).	N/A			
35. **Service standards for existing and new or newly restructured services. Provide description or example of how used in periodic service evaluations and service planning.	N/A			
36. Significant seasonal variations in service supplied (including school alterations, special routes, etc.).	X			

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Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
37. Identify and provide relevant documents regarding any present & future operational challenges.	X			
<b>FARES AND FARE SECURITY</b>				
38. Listing of fares by type and media (pass, token, cash, etc.)	X			
39. Plans for changes in fare media (e.g. electronic).	N/A			
40. **Monthly fare revenue by category, and by patron type.	X			
41. **Fare handling policy & procedures (from on-board vehicle to deposit at bank).	X			
42. Commuter choice program description, synopsis of participants, marketing activities, and total revenues derived from program (if applicable).	N/A			
<b>MAINTENANCE</b>				
43. **Maintenance plan, programs and procedures manual.	X			
44. **Fleet roster for fixed route revenue and non-revenue vehicles	X			
45. End of year parts inventory value (\$) for each of past 5 years.	X			
46. Building condition appraisals.	X			
47. Ongoing asset maintenance programs.	X			
<b>OPERATIONAL SCHEDULING/PLANNING</b>				
48. **Scheduling Manual.	N/A			
49. Maps and schedules (system wide and route specific).	X			
50. Revenue miles, revenue hours & fares from any charter services provided in each of the last 6 years.	N/A			
51. Short range transit operational plan (i.e., TDP - transit development plan).	N/A			
52. Long range transit plan.	X			
<b>SAFETY AND SECURITY</b>				
53. Summary of Worker Compensation Claims, by year, for each of last 5 years.	X			
54. **Description of accident/incident policy and definitions, including how they are recorded and monitored (separated by employee and patron).	X			
55. **Property collisions and other reportable incidents for each of the past 6 years.	X			
56. **Personal injuries and fatalities for each of the past 6 years.	N/A			
57. **On-board criminal activities for each of the past 6 years	N/A			
58. **Property criminal activities for each of the past 6 years	N/A			
59. **Safety training and Collision reduction plan(s).	X			
60. **Emergency Preparedness / Operations Continuity Plan.	X			
61. **List of any safety or security issues and/or concerns.	X			
62. **Number of vehicles and sites with security monitoring (i.e., camera, patrols).	X			
63. Records of safety meetings for past 2 years.	X			

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Requested Item	Mark Form in which Data to Be Provided			
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<b>CUSTOMER SERVICE</b>				
64. **Fixed route ADA compliance reports for the most recent year.	N/A			
65. Two most recent customer service surveys reports and any actions taken to address known issues.	X			
66. **Complaint procedures manual/policy and 2 most recent reports.	X			
67. Other customer service metrics maintained by the agency.				
<b>INFORMATION TECHNOLOGY</b>				
68. **Computer disaster recovery plan.	X			
69. Computer security procedures now in use.	X			
70. **Data collection technology/programs (i.e., APCs, AVL, scheduling software, financial management software, maintenance software).	X			
<b>CAPITAL PROGRAMMING</b>				
71. Short and Long-term capital programs or plans including: <ul style="list-style-type: none"> <li>• Transit TIP</li> <li>• Agency Specific Plans (additional to TIP): <ul style="list-style-type: none"> <li>○ Fleet expansion needs/plans for revenue and non-revenue vehicles (if in addition to TIP)</li> <li>○ State-of-good-repair facility projects for next 5 years (new roof, vehicle overhaul, etc.)</li> <li>○ New/Expanded facilities projects for next 5 years</li> <li>○ Replacement/expansion needs/plans for all other capital assets for next 5 years</li> </ul> </li> </ul>	X			
72. Contact information for any assets owned, operated, or maintained by others.	N/A			
73. Listing of real estate fixed assets (i.e., facilities, transfer locations, etc.) identifying any asset currently not directly used in transit operations and plans for same.	X			
74. Listing of Real estate plans (purchases, sales, or lease changes) including current or planned construction projects, documenting cost to complete and projected completion date planned for next 5 years	N/A			
<b>MARKETING AND PUBLIC RELATIONS</b>				
75. Service area demographics, customer profiles, and market research documents (as available).	X			
76. Local news clippings from past 5 years.	X			
77. Copy of current year marketing program and policies.	X			
78. Public involvement plan, and notices and attendance rosters from events from most recent 2 years.	X			
79. Reports, input, recommendations, etc. from ridership committees and/or advocacy groups for the past 2 years.	X			

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