

**CENTRE AREA TRANSPORTATION AUTHORITY**

**Fiscal Year 2006/2007**

**DRAFT BUDGET**

# MEMO

To: Member Municipalities of the Centre Area Transportation Authority

From: Hugh A. Mose, General Manager

Re: CATA's FY 2006/2007 DRAFT Budget

Date: April 10, 2006

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On behalf of the Centre Area Transportation Authority (CATA) Board of Directors, I am pleased to present for your consideration CATA's FY 2006/2007 DRAFT Budget, as approved by the Board at their March 27, 2006 meeting.

Again this year, developing the CATA budget has been a challenging experience. However, this time the situation is not so much one of inadequate resources as it is of uncertainty. Passage late last year of the new federal transportation reauthorization legislation, known now as SAFETEA-LU, has resulted in CATA receiving approximately \$800,000 of additional formula assistance, the money that we can use to support either our operating budget or our capital improvement program.

Unfortunately, there are others who see this new funding as a "windfall" and are seeking to negate its effect. This is manifesting itself with PENNDOT, who as this text is written is considering rescinding CATA's allocation of the federal bridge and highway funds that were "flexed" to transit last year. You may recall that this was the approach used by Governor Rendell to keep Pennsylvania's transit systems afloat until the General Assembly could develop a permanent solution to the state's transit funding crisis.

Nonetheless, the budget that follows will allow CATA to continue all of its current programs, add about 4,000 revenue hours of bus service and increase staffing by two (plus whatever additional Bus Drivers are needed). The new bus-hours will be devoted to routes with insufficient capacity or inadequate headways, to service restoration in areas where curtailments have been made in prior years, to responding to new demands (such as the new County Prison) and to otherwise improving service for existing customers.

Other than addressing the full-year impact of changes made during the current year (for instance, we added two Maintenance positions in January), there is very little program growth in the budget. Funds have been budgeted to enhance CATA's Marketing efforts, the Professional Services line item has been increased to cover the cost of CATA's participation in the Regional Technology Consortium and we have included funds to support CATA's share of an advocate in Harrisburg, should it be determined that a lobbyist needs to be retained by Pennsylvania's small urban transit systems.

Again this year, for the Operating Budget CATA is asking our municipal funding partners for a 5.0% increase in local share. This amount, along with the shares contributed by Bellefonte Borough, Spring Township and – for the first time this year – Benner Township, as well as Penn State, represents a local

commitment of \$399,805. Although this increase will make the total local share somewhere around 20% higher than the required minimum, the 5.0% is commensurate with the increase we are requesting from the University, as well as other institutional customers.

As is almost always the case, the increase is not allocated evenly among the participating municipalities. This year the largest increases occur in Ferguson and Patton Townships, largely as the result of planned service increases in the North Atherton corridor, where continued development and increased ridership from existing residential areas has really strained our ability to meet the demand. At the other end of the spectrum is College Township, where the local share declines significantly due mainly to the decision made last fall to serve Innovation Park with the LINK rather than Centre Line.

For the Capital Budget, we are once again requesting \$60,000, the amount agreed on four years ago when the COG Finance Committee suggested a capital reserve account that would even out the large year-to-year fluctuations in local shares for capital. This year the \$60,000 is slightly less than the required 3-1/3% share of current capital projects. As was anticipated when the Capital Reserve was created, the shortfall will be covered by funds already in the reserve account.

I and my colleagues on the CATA staff, as well as members of the CATA Board of Directors, will be pleased to meet with the COG Finance Committee, the COG General Forum and the Boards of Supervisors and Councils of the individual municipalities to discuss the details of the budget and address any issues you may have.

## TABLE OF CONTENTS

<u>ITEM</u>	<u>PAGE</u>
General Manager's Memo	i - ii
Table of Contents	iii
<b>SECTION I BUDGET SUMMARY AND LOCAL SHARES</b>	
Introduction	1
Annual Operating Budget – COG Format	2-6
Annual Capital Budget	7
Local Share Calculation and Allocation	8-18
<b>SECTION II BACKGROUND INFORMATION</b>	
CATA Fact Sheet 2005	19
CATA Organizational Structure	20
CATA Service Standards Performance Review	21
Ridership by Route Report	22
Trends in Revenue	23-25
<b>SECTION III FY 2005/2006 RECAP</b>	
Goals Established by the CATA Board of Directors	26-29
Other Accomplishments	29-37
<b>SECTION IV FY 2006/2007 POLICY CONSIDERATIONS</b>	
Background	38-39
Revenue Issues	39-41
Expenditure Issues	41-42
Staffing Levels	42-43
Service Revisions	43-44
Summary	45
<b>SECTION V FY 2006/2007 WORK PLAN</b>	
Goals Set by the Board of Directors	46
Other Programs, Services and Activities	46-50
<b>SECTION VI OPERATING BUDGET</b>	
Introduction	51
FY 2006/2007 DRAFT Operating Budget (CATA Format)	51-55
Operating Budget Narrative	56-69
Introduction	56
Revenue Detail	57-61
Expenditure Detail	62-69
<b>SECTION VII CAPITAL BUDGET</b>	
Introduction	70
Capital Projects Requiring Local Match	70
Capital Local Share Allocation	71
Capital Budget Narrative	71-73
<b>SECTION VIII LONG TERM OUTLOOK</b>	
CATA Strategic Plan	74-77
Operating Budget: Five-Year Projections	78-79
Capital Improvement Program	80
Capital Reserve Account	80-83

# SECTION I

## BUDGET SUMMARY AND LOCAL SHARES

### Introduction

The following five pages contain a line-item summary of the FY 2006/2007 Draft Operating Budget, presented in the standard COG Format to facilitate review by the COG Finance Committee, elected officials of CATA's member municipalities, and other local officials.

Also included is a one-page summary, designed to replicate the COG Format, which identifies those capital items for which CATA is requesting local share of 3 $\frac{1}{3}$ %, the minimum required to match state and federal capital assistance. Because the total local funding request for capital projects exceeds \$60,000, a withdrawal of \$7,833 from the Capital Reserve Account, established three years ago at the request of the COG Finance Committee, has been included this year to keep capital funding at the same level as in FY 2005/2006.

Following the tables is a narrative describing the calculation and allocation of local shares. The text is accompanied by the spreadsheets used to calculate the miles of service in each municipality, estimate a regional factor for each route, and finally allocate the required local share by route among the participating municipalities and Penn State.

The complete budget, with an overview of transit funding and narratives explaining each individual line item, can be found in Section VI - Operating Budget.

The table below provides a summary of the total and individual local operating and capital contributions requested for FY 2006/2007.

### FY 2006/2007 Local Shares: Operating and Capital

	<b>OPERATING</b>	<b>CAPITAL</b>	<b>TOTAL</b>
State College Borough	\$81,858	\$12,285	\$94,143
Ferguson Township	\$72,202	\$10,836	\$83,038
Patton Township	\$57,970	\$8,700	\$66,670
College Township	\$50,202	\$7,534	\$57,736
Harris Township	\$20,673	\$3,102	\$23,775
Bellefonte Borough	\$14,731	\$2,211	\$16,942
Spring Township	\$14,263	\$2,140	\$16,403
Benner Township	\$2,174	\$326	\$2,500
Penn State University	\$85,732	\$12,866	\$98,598
<b>Total Operating and Capital</b>	<b>\$399,805</b>	<b>\$60,000</b>	<b>\$459,805</b>

ANNUAL OPERATING BUDGET

COG FORMAT

COMPARATIVE DETAIL OF REVENUES

AGENCY: Centre Area Transportation Authority

Acct. No.	Account	Budgeted Receipts 2004-2005	Actual Receipts 2004-2005	Budgeted Receipts 2005-2006	Estimated Receipts 2005-2006	Anticipated Receipts 2006-2007
	CASH BALANCE	N/A	N/A	N/A	N/A	N/A
	DEPARTMENT REVENUES					
	Interest Earnings	6,500	11,451	6,500	17,000	17,000
	<b>Subtotal</b>	<b>6,500</b>	<b>11,451</b>	<b>6,500</b>	<b>17,000</b>	<b>17,000</b>
	INTERGOVERNMENTAL REVENUE					
	<u>FEDERAL GRANTS</u>					
	Transportation Planning	0	0	0	0	0
	Operating Assistance:					
	Annual Apportionment +	1,014,816	1,063,514	1,063,495	1,857,398	1,852,952
	Prior Year Carry-In +	448,402	485,858	197,645	335,610	502,230
	** Transferred =	0	0	0	0	0
	* Total Operating Available:	1,463,218	1,549,372	1,261,140	2,193,008	2,355,182
	Total Operating Used:	1,307,974	1,213,762	1,030,140	1,690,778	2,050,420
	* Total Operating Not Used:	155,244	335,610	231,000	502,230	304,762
	<b>Subtotal</b>	<b>1,307,974</b>	<b>1,213,762</b>	<b>1,030,140</b>	<b>1,690,778</b>	<b>2,050,420</b>
	<u>STATE/SPECIAL GRANTS</u>					
	Senior Citizen Free Transit	46,000	45,799	48,000	45,500	45,500
	Senior Citizen Shared Ride	176,500	178,646	182,000	176,000	178,000
	Transportation Planning	0	0	0	0	0
	Operating Assistance	895,641	967,043	922,716	922,716	937,722
	Act 26 for Asset Maint.	310,837	310,837	310,837	281,180	283,712
	Act 3 Supplemental Funding	541,186	541,195	541,270	541,270	539,739
	New State Funding	0	0	671,041	125,000	448,372
	Welfare to Work Grant	0	0	0	0	0
	Special Demonstration Grants	12,000	0	0	0	0
	RideShare Support	29,250	29,820	31,310	31,310	32,875
	<b>Subtotal</b>	<b>2,011,414</b>	<b>2,073,340</b>	<b>2,707,174</b>	<b>2,122,976</b>	<b>2,465,920</b>
	<u>MUNICIPAL CONTRIBUTIONS</u>					
	Bellefonte Borough	12,692	14,963	12,668	14,668	14,731
	Benner Township	0	0	0	0	2,174
	College Township	49,468	49,468	54,024	54,024	50,202
	Ferguson Township	61,301	61,301	64,191	64,191	72,202
	Harris Township	20,067	20,067	21,496	21,496	20,673
	Patton Township	53,009	53,009	53,138	53,138	57,970
	Penn State University	77,763	77,763	81,651	81,651	85,732
	State College Borough	68,824	68,824	75,127	75,127	81,858
	Spring Township	13,068	13,068	14,091	14,091	14,263
	<b>Subtotal</b>	<b>356,192</b>	<b>358,463</b>	<b>376,386</b>	<b>378,386</b>	<b>399,805</b>

\*Memo item only where shaded; only actual amount used added in those columns.

\*\*Transfer to Capital Program.

## ANNUAL OPERATING BUDGET

COG FORMAT

COMPARATIVE DETAIL OF REVENUES						
AGENCY: Centre Area Transportation Authority						
Acct. No.	Account	Budgeted Receipts 2004-2005	Actual Receipts 2004-2005	Budgeted Receipts 2005-2006	Estimated Receipts 2005-2006	Anticipated Receipts 2006-2007
	MISCELLANEOUS REVENUE					
	Farebox	567,300	512,934	504,000	600,000	620,000
	"ONEPASS"	439,300	399,892	390,000	436,500	450,000
	Football Shuttle	30,000	25,564	29,000	42,250	40,000
	Paratransit	88,000	96,461	96,000	100,000	103,000
	Special Purchase of Service	957,800	974,802	1,017,000	904,300	905,600
	LOOP Revenue	1,357,300	1,377,741	1,447,000	1,509,000	1,583,900
	Charter Service	0	1,575	0	260	0
	Advertising	32,000	29,532	32,000	24,800	24,800
	Vehicle Lease & Rental	0	0	0	0	0
	Miscellaneous	11,400	6,633	2,100	8,850	2,100
	<b>Subtotal</b>	<b>3,483,100</b>	<b>3,425,134</b>	<b>3,517,100</b>	<b>3,625,960</b>	<b>3,729,400</b>
	<b>TOTAL:</b>	<b><u>7,165,180</u></b>	<b><u>7,082,150</u></b>	<b><u>7,637,300</u></b>	<b><u>7,835,100</u></b>	<b><u>8,662,545</u></b>

CENTRE REGION COUNCIL OF GOVERNMENTS

## ANNUAL OPERATING BUDGET

COG FORMAT

COMPARATIVE DETAIL OF APPROPRIATIONS AND EXPENDITURES						
AGENCY: Centre Area Transportation Authority						
Acct. No.	Account	Budgeted Appropriation 2004-2005	Actual Expenditure 2004-2005	Budgeted Appropriation 2005-2006	Estimated Expenditure 2005-2006	Anticipated Expenditure 2006-2007
	<b>PERSONNEL</b>					
	Salaries (Staff)	847,000	858,130	893,800	899,940	1,011,045
	Salaries (Part-Time Interns)	0	260	0	0	0
	Drivers' Wages	2,397,200	2,400,560	2,532,700	2,532,700	2,756,100
	Maintenance Wages	461,600	446,288	483,300	495,350	571,000
	Employee Benefits	1,627,880	1,496,395	1,696,000	1,736,960	2,013,300
	<b>Subtotal</b>	<b>5,333,680</b>	<b>5,201,633</b>	<b>5,605,800</b>	<b>5,664,950</b>	<b>6,351,445</b>
	<b>OPERATING EXPENSES</b>					
	<b>MAINTENANCE</b>					
	Revenue Vehicle Maintenance	220,000	221,232	265,000	250,000	265,000
	Service Vehicle Maintenance	7,500	2,203	3,800	5,000	4,000
	Radio Maintenance	6,800	5,782	7,400	5,800	6,300
	Building & Equipment Maintenance	59,500	67,689	70,000	79,000	84,000
	Uniforms & Accessories	10,500	11,799	11,500	16,000	16,500
	Contract Maintenance	6,000	719	5,900	5,200	5,600
	Utilities	85,000	92,193	98,000	115,000	120,000
	Paratransit	6,800	9,449	10,600	11,000	14,000
	Training	4,000	3,254	6,000	5,800	5,500
	Miscellaneous	7,600	7,778	8,000	8,000	8,200
	<b>Subtotal</b>	<b>413,700</b>	<b>422,098</b>	<b>486,200</b>	<b>500,800</b>	<b>529,100</b>
	<b>TRANSPORTATION</b>					
	Revenue Vehicles - Tires	53,700	44,159	46,000	47,250	48,600
	Service Vehicles - Tires	1,000	170	600	300	1,100
	Revenue Vehicles - Fuel & Lube	495,000	581,452	573,000	734,000	763,000
	Service Vehicles - Fuel & Lube	12,600	8,944	12,800	11,000	15,000
	Safety & Training	16,300	10,492	20,500	25,000	26,000
	Insurance	185,000	171,066	184,000	165,000	179,000
	Vehicle Lease	0	0	0	0	0
	Shelters & Signs	5,000	5,029	5,500	5,000	5,000
	Paratransit	354,400	372,401	394,300	390,500	396,000
	Uniforms	2,000	1,872	2,000	4,200	4,200
	Miscellaneous	5,700	5,575	7,600	5,700	5,700
	<b>Subtotal</b>	<b>1,130,700</b>	<b>1,201,160</b>	<b>1,246,300</b>	<b>1,387,950</b>	<b>1,443,600</b>

CENTRE REGIONAL COUNCIL OF GOVERNMENTS

## ANNUAL OPERATING BUDGET

**COG FORMAT**

COMPARATIVE DETAIL OF APPROPRIATIONS AND EXPENDITURES						
AGENCY:	Centre Area Transportation Authority					
Acct. No.	Account	Budgeted Appropriation 2004-2005	Actual Expenditures 2004-2005	Budgeted Appropriation 2005-2006	Estimated Expenditures 2005-2006	Anticipated Expenditures 2006-2007
	<b>ADMINISTRATION</b>					
	Temporary Help	0	2,096	2,200	900	1,500
	Insurance	38,100	35,977	38,000	35,000	36,000
	Pass Sales & Supplies	10,800	10,872	8,500	8,900	9,800
	Professional Services	97,000	77,824	101,500	85,500	118,000
	Advertising	16,450	13,370	15,200	15,200	25,000
	Marketing Support	12,350	6,564	13,400	13,400	18,400
	Printing	2,700	2,111	1,500	1,000	3,000
	Schedule Printing & Design	22,000	17,490	19,000	24,100	25,600
	Telephone	13,500	13,339	15,800	14,000	18,000
	Office Supplies & Services	21,000	19,001	26,000	19,500	21,000
	Dues & Subscriptions	16,600	16,465	17,100	21,400	21,400
	Travel & Meetings	11,600	13,587	13,000	16,600	18,000
	Interest	500	0	500	1,500	0
	Miscellaneous	8,500	10,969	8,500	5,600	5,200
	Paratransit	16,000	17,594	18,800	18,800	17,500
	<b>Subtotal</b>	<b>287,100</b>	<b>257,259</b>	<b>299,000</b>	<b>281,400</b>	<b>338,400</b>
	<b>TOTAL:</b>	<b>7,165,180</b>	<b>7,082,150</b>	<b>7,637,300</b>	<b>7,835,100</b>	<b>8,662,545</b>

CENTRE REGION COUNCIL OF GOVERNMENTS

## ANNUAL OPERATING BUDGET

COG FORMAT

## PERSONNEL SCHEDULE

AGENCY: Centre Area Transportation Authority										
Acct. No.	Account	2005-2006 Salary*	2006-2007 Proposed		FICA	Medical Insurance	Workers' Compensation	Retirement	Disability/Life Insurance	Unemployment Insurance
	General Manager	89,986	N.A.	- N.A.	7,159	9,600	270	7,487	544	0
	Director of Transportation	72,280	57,283	- 80,933	5,910	9,600	223	6,181	426	0
	Director of Administration	68,822	54,517	- 77,043	5,539	9,951	209	5,792	405	0
	Human Resources Manager	47,528	44,740	- 63,232	3,896	4,821	147	4,074	296	0
	Service Development Manager	53,768	47,008	- 66,435	4,534	9,600	171	4,741	351	0
	Maintenance Manager	52,442	47,008	- 66,435	4,352	4,821	164	4,551	339	0
	Maintenance Supervisor	43,056	42,598	- 60,195	3,523	9,600	133	3,684	261	0
	Operations Manager	45,240	42,598	- 60,195	3,903	9,951	147	4,082	301	0
	Operations Supervisor	37,128	38,584	- 54,516	3,130	9,600	118	3,274	261	0
	Operations Supervisor	39,962	38,584	- 54,516	3,259	9,600	123	3,408	251	0
	Operations Supervisor	41,990	38,584	- 54,516	3,413	9,600	128	3,569	413	0
	Operations Supervisor	39,962	38,584	- 54,516	3,250	0	122	3,398	247	0
	Operations Supervisor	39,962	38,584	- 54,516	3,245	9,600	122	3,394	238	0
	Safety & Training Officer	N.A.	38,584	- 54,516	2,991	9,600	113	1,564	208	0
	Bookkeeper	36,972	31,678	- 44,740	3,151	4,821	119	3,296	251	0
	Human Resources Specialist	N.A.	31,678	- 44,740	2,516	9,600	95	1,315	186	0
	Bookkeeping Assistant	27,586	26,000	- 36,732	2,277	9,951	86	2,381	173	0
	Marketing Manager	44,148	40,539	- 57,283	3,662	9,600	138	3,829	285	0
	Executive Assistant	32,006	30,139	- 42,598	2,660	0	100	2,782	204	0
	Customer Service Technician	23,790	24,752	- 34,964	1,933	4,821	73	2,021	177	0
	Receptionist	19,526	20,300	- 28,683	1,616	9,600	61	1,690	187	0
	<b>SUBTOTAL</b>	856,154			75,920	164,335	2,858	76,514	6,004	0
	Part-Time Office Assistant	12.02/hr.	11.32-16.00/ hr.		1,008	0	38	1,055	0	0
	Part-Time Fare Counter	9.87/hr.	9.76-13.79/ hr.		417	0	16	436	0	0
	<b>TOTAL:</b>				77,345	164,335	2,912	78,004	6,004	0

**ANNUAL CAPITAL BUDGET**

<b>FY 2006/2007 CAPITAL PROJECT LISTING</b>				
<b>AGENCY: Centre Area Transportation Authority</b>				
<b>CAPITAL PROJECT DESCRIPTION</b>	<b>Total Estimated Project Cost</b>	<b>Federal Share (80%)</b>	<b>State Share (16 2/3 %) or (96 2/3%)</b>	<b>Local Share -3.33%</b>
<b><u>VEHICLES AND VEHICLE EQUIPMENT</u></b>				
Bus Refurbishment	500,000	400,000	83,333	16,668
Service Vehicles	85,000	0	82,167	2,833
Vanpool Vans	100,000	0	96,667	3,333
<b><u>FACILITIES</u></b>				
CNG Compressor Replacement	250,000	0	241,667	8,333
<b><u>EQUIPMENT</u></b>				
Advanced Public Transportation Systems	1,000,000	800,000	166,667	33,333
Major Bus Parts	<u>100,000</u>	<u>0</u>	<u>96,667</u>	<u>3,333</u>
<b>SUBTOTAL CAPITAL EXPENDITURES</b>	2,035,000	1,200,000	767,168	67,833
<b><u>OTHER</u></b>				
Withdrawal from Capital Reserve Account	N/A	N/A	NA	<u>-7,833</u>
<b>TOTAL LOCAL CAPITAL CONTRIBUTIONS</b>				60,000
State College Borough				12,285
Ferguson Township				10,836
Patton Township				8,700
College Township				7,534
Harris Township				3,102
Bellefonte Borough				2,211
Spring Township				2,140
Benner Township				326
Penn State University				12866

## **Local Share Calculation And Allocation**

This section of the budget addresses the Authority's request for local share for FY 2006/2007, in the amount of \$399,805. The local share requested represents a 5% increase, plus a first-time contribution from Benner Township, over the amount provided in FY 2005/2006.

Once total local match has been determined, the Authority allocates amounts to each funding partner using a formula which first calculates costs, revenues, and deficit for each route, and then computes federal, state, and local funding needed to finance that deficit. Each route's deficit is then distributed to the municipalities based on mileage operated in each municipality; for certain routes, a second factor allocates a portion of local share on a regional basis. The formula calculates each municipality's share as follows:

### **OVERVIEW**

For many years, the total local share in CATA's budget was distributed among member municipalities based solely on that portion of total system miles operated in each municipality. Each route's mileage in a particular municipality was determined and added to calculate the percentage of total system miles in that municipality. The resulting percentages were then used to distribute total local funding. This version of the formula did not account for differing levels of cost recovery on each route due to variations in ridership (productivity); two routes with identical mileage were weighted equally in determining local share even if one covered a higher portion of its costs due to higher ridership.

A new formula was developed by Dr. Jim Miller in the early 90's to address this deficiency. It was simplified several years ago, but accomplishes the same result: both the costs of each route and its revenues are used to determine a "net" route deficit which takes into account differing levels of cost recovery. Federal, state and local subsidies are then allocated to each route to cover the deficit.

In FY 1998/1999, the formula was further modified in three ways. First, estimated ridership, mileage, revenue and expense data for the budget year replaced final audited data from the most recently completed fiscal year, used prior to that time. This change more accurately incorporates the impact of new and/or changed service planned for the budget period. Second, a "regional" component was added to the standard mileage-based portion of the formula to recognize that certain routes benefit the entire community. Third, the formula was modified in FY 2001/2002 to set the local share amount for the University equal to the percentage of total system route mileage operated on the LOOPS and the LINK, in order to avoid extremely low local subsidies on these heavily-subsidized routes. These three modifications were used in the past three years and again have been used in FY 2006/2007 calculations.

It is important to note that changes in ridership, cost, and/or mileage data used in the formula impact the percentage of total local share contributed by a given municipality even where total local funding does not change from one year to the next. For example, individual municipal shares will change if ridership on a route increases or decreases significantly, even though all other data items, such as cost, system or individual route miles and total local share remain unchanged from the previous year.

## **DETAILS OF THE FORMULA**

Note: All data items used in the formula (revenue, expenses, mileage, ridership, etc.) are budgeted or estimated values for FY 2006/2007.

1. Expenses are separated into fixed route and paratransit categories and allocated to each route as follows:
  - a) Total annual fixed route costs (excluding paratransit service) are divided by total fixed route miles to determine cost per mile of fixed route service.
  - b) Total miles for each route detailed on the separate “Revenue Milage Allocation” spreadsheet are multiplied by the cost per mile to derive the cost of each fixed route.
  - c) Total paratransit expenses are added to the fixed route expense of each route by calculating the percentage of total miles for each fixed route and multiplying that percentage times total paratransit expenses. For example, a route with 14% of total fixed route miles will be allocated 14% of total paratransit expenses.
  - d) Fixed route and paratransit expenses for each route are added for total route expense. The sum of the total expense for each route equals total budgeted expense.
2. Revenues are broken into different categories, depending on their source, for allocation to each route and are then subtracted from each route’s expense to determine each route’s deficit before any subsidy funding is applied.
  - a) Revenues from apartment complex agreements and other contracts which provide fare-free transit on specified routes are allocated directly to those routes.
  - b) Operating revenues which cannot be directly attributed to specific routes, such as charter revenue, investment income, lottery-funded state senior citizen grants, miscellaneous revenue, and others, are totaled and allocated to each route based on the percentage of total fixed route miles for each route. For example, a route with 14% of total fixed route miles will be allocated 14% of total non-route revenue.
3. Net Route Expense is the total cost of each route after subtracting the total direct revenue and non-route revenue allocated to each route as noted above.
4. Passenger Revenue includes all receipts from fares, tokens, ONEPASSes, and PSU employee passes sold through the University’s “Ride for Five” program.
  - a) Total passenger revenue is divided by total fare, token and pass riders to derive a systemwide average revenue per passenger.
  - b) Total fare, token and pass riders on each route are multiplied by the average revenue per passenger to obtain the passenger revenue for each route.

5. Net Route Deficit is the amount remaining after passenger revenue for each route is subtracted from the net route expense. At this point, total expenses and revenues have been allocated to each route and only subsidy funding remains to be assigned to each route and zero out the deficit.
6. Federal and State Subsidy equals total budgeted federal and state operating assistance, state dedicated funding for asset maintenance, and state supplemental funding.
  - a) Federal and state subsidies are allocated to each route by calculating the percentage of total net route deficit for each fixed route and multiplying that percentage times total federal and state subsidy. For example, a route with 14% of the total net route deficit will be allocated 14% of total federal and state subsidies.
  - b) Federal and state subsidies allocated to each route are subtracted from net route deficit for each route to derive the remaining deficit to be funded by local subsidy.
7. Local Subsidy for each route is the amount of deficit remaining after federal and state subsidies have been applied.

The attached spreadsheet shows the above calculations for each route; the last column identifies the total local subsidy required for each route.

### **ALLOCATING LOCAL SUBSIDY FOR EACH ROUTE**

Once the formula has calculated each route's total local subsidy, those amounts are allocated to each municipality and funding partner using route mileage and, for selected routes, a "regional" factor to account for service which benefits and impacts a wider area than the municipalities in which it operates.

a) For routes with no regional impact, mileage is used to allocate local share by calculating the percentage of miles for each route which are operated in each municipality and multiplying that percentage times the total local subsidy for each route. For example, Patton Township will be allocated 14% of the local subsidy required for a route with 14% of its miles in Patton Township.

b) The regional impact of each route is assessed using three weighted criteria: non-residential destinations served, connections to other routes, and non-productive mileage. For each route, a subjective assessment assigns a score between 0 and 5 for each of the three criteria; these scores are then multiplied by the weight for each criteria and summed, with the sum then used as the percentage of the route's local subsidy to be allocated regionally. The regional portion of the route is allocated based on the current COG formula for Parks and Recreation services. The process is detailed on the attached spreadsheet "Calculation of Regional Factors."

c) For routes that operate outside of the Centre Region, such as the X Route, all mileage outside of the Centre Region is considered "external" and is allocated on a mileage basis to the municipalities, such as Spring Township and Bellefonte Borough, which have contracted with CATA for the service. All mileage on these routes inside the Centre Region is considered to be regional, and allocated based on the COG formula.

d) Once the local, regional and external percentages of each route’s total local subsidy have been determined, a complex formula is used to apply those percentages to each route’s local subsidy amount. First, any Public/Private Partnership funds collected by a municipality to support service on a particular route are subtracted from that route’s local subsidy. This process is detailed in the spreadsheet titled “CATA Local Share Allocation - Local, Regional and External Tiers.”

e) Once the local taxpayer support for each route is determined, that amount is allocated to each municipality based on the local, regional and external percentages. The amounts for each route are then

summed to determine each municipality’s local taxpayer support for the coming year. These amounts are then added to any Public/Private Partnership monies expected to be collected to give the total local share required from each municipality. This amount is shown in the long box across the bottom of the spreadsheet. These numbers, plus the local share payment made by Penn State, equal CATA’s total local share requirement for the year.

These totals are in turn shown in the following table. As noted last year, the final details of routing and scheduling for the service for the new fiscal year have not yet been made. However, the mileage and ridership estimates used in the formula are based on the best information currently available and incorporate the most significant features of planned service for the budget year.

Municipality	2005/2006 Budget	% of total	2006/2007 Proposed	% of total	Percent Change
College Township	\$54,024	14.28%	\$50,202	12.56%	-7.07%
Ferguson Township	\$64,191	16.96%	\$72,202	18.06%	12.48%
Harris Township	\$21,496	5.68%	\$20,673	5.17%	-3.83%
Patton Township	\$53,138	14.04%	\$57,970	14.50%	9.09%
State College Borough	\$75,127	19.85%	\$81,858	20.47%	8.96%
Bellefonte Borough*	\$14,668	3.88%	\$14,731	3.68%	0.43%
Spring Township	\$14,091	3.72%	\$14,263	3.57%	1.22%
Benner Township	\$0	0.00%	\$2,174	0.54%	N.A.
Penn State University	\$81,651	21.58%	\$85,732	21.44%	5.00%
<b>TOTAL</b>	<b>\$378,386</b>	<b>100.00%</b>	<b>\$399,805</b>	<b>100.00%</b>	<b>5.66%</b>

\*For FY 2005/2006, the initial budgeted amount for Bellefonte Borough was \$12,668.

**REVENUE MILEAGE - ALLOCATION TO MUNICIPALITIES - FY 2006/2007  
MARCH 31 2006**

Route		Service Days	Trips	Mileage	PSU	St. College	Ferguson	Patton	College	Harris	Benner	Spring	Bellefonte
A	Park Forest	Weekday Trips		5	9.6	0	3.7	4.4	1.5	0	0	0	0
	Overlook Hgts.	Subtotal Wkdys	253	5	48	0	18.5	22	7.5	0	0	0	0
		Annual Total	253	1265	12144	0	4680.5	5566	1897.5	0	0	0	0
		0.97% Percent				0.00%	38.54%	45.83%	15.63%	0.00%	0.00%	0.00%	0.00%
B	University Dr.	AM Peak Trips		1.5	21.1	0	6.4	0	0	3.4	11.3	0	0
	Boalsburg	PM Peak Trips		2	23.2	0	6.4	0	0	3.4	13.4	0	0
		Midday/Evening Trips		3.6	21.1	0	6.4	0	0	3.4	11.3	0	0
		Subtotal Wkdys	253	7.1	154.01	0	45.44	0	0	24.14	84.43	0	0
		Saturday Trips		3.55	21.1	0	6.4	0	0	3.4	11.3	0	0
		Subtotal Sats	52	3.55	74.905	0	22.72	0	0	12.07	40.115	0	0
		Annual total	305	1980.9	42859.59	0	12677.76	0	0	6735.06	23446.77	0	0
		3.44% Percent				0.00%	29.58%	0.00%	0.00%	15.71%	54.71%	0.00%	0.00%
C	Houserville	Weekday Trips		4	17.9	0	3.7	0	0	14.2	0	0	0
	Penn Hills	Subtotal Wkdys	253	4	71.6	0	14.8	0	0	56.8	0	0	0
		Annual Total	253	1012	18114.8	0	3744.4	0	0	14370.4	0	0	0
		1.45% Percent				0.00%	20.67%	0.00%	0.00%	79.33%	0.00%	0.00%	0.00%
F	Stonebridge	Weekday Trips		5	22.6	0	6	16.6	0	0	0	0	0
	Pine Grove	Subtotal Wkdys	253	5	113	0	30	83	0	0	0	0	0
		Annual total	253	1265	28589	0	7590	20999	0	0	0	0	0
		2.29% Percent				0.00%	26.55%	73.45%	0.00%	0.00%	0.00%	0.00%	0.00%
H	Toftrees	Weekday Trips		14.5	13.7	0	2.9	0	6.9	3.9	0	0	0
	Colonnade	Subtotal Wkdys	253	14.5	198.65	0	42.05	0	100.05	56.55	0	0	0
		Saturday Trips		5	13.7	0	2.9	0	6.9	3.9	0	0	0
		Subtotal Sats	52	5	68.5	0	14.5	0	34.5	19.5	0	0	0
		Annual total	305	3928.5	53820.45	0	11392.65	0	27106.65	15321.15	0	0	0
		4.32% Percent				0.00%	21.17%	0.00%	50.36%	28.47%	0.00%	0.00%	0.00%
K	Cato Park	Daytime Trips		11	9.1	0	4.1	5	0	0	0	0	0
		Evening Trips		4.5	9.1	0	4.1	5	0	0	0	0	0
		Subtotal Wkdys	253	15.5	141.05	0	63.55	77.5	0	0	0	0	0
		Saturday Trips		1.5	9.1	0	4.1	5	0	0	0	0	0
		Subtotal Sats	52	1.5	13.65	0	6.15	7.5	0	0	0	0	0
		Annual total	305	3999.5	36395.45	0	16397.95	19997.5	0	0	0	0	0
	2.92% Percent				0.00%	45.05%	54.95%	0.00%	0.00%	0.00%	0.00%	0.00%	

	Route		Service Days	Trips	Mileage	PSU	St. College	Ferguson	Patton	College	Harris	Benner	Spring	Bellefonte	
M	Lemont	Weekday Trips		14	13.8	0	3.9	0	0	9.9	0	0	0	0	
	Nittany Mall	Subtotal Wkdys	253	14	193.2	0	54.6	0	0	138.6	0	0	0	0	
		Saturday Trips		16	13.8	0	3.9	0	0	9.9	0	0	0	0	
		Subtotal Sats	52	16	220.8	0	62.4	0	0	158.4	0	0	0	0	
		Sunday Trips		9	13.8	0	3.9	0	0	9.9	0	0	0	0	
		Subtotal Suns	53	9	124.2	0	35.1	0	0	89.1	0	0	0	0	
		Annual total	358	4851	66943.8	0	18918.9	0	0	48024.9	0	0	0	0	
		5.37% Percent				0.00%	28.26%	0.00%	0.00%	71.74%	0.00%	0.00%	0.00%	0.00%	
	MX	Nittany Mall	Weekday Trips		6.5	34.2	0	3.7	0	0	12.9	0	5.9	7.7	4
		Bifnte / Pl Gap	Subtotal Wkdys	253	6.5	222.3	0	24.05	0	0	83.85	0	38.35	50.05	26
		Annual Total	253	1644.5	56241.9	0	6084.65	0	0	21214.05	0	9702.55	12662.65	6578	
		4.51% Percent				0.00%	10.82%	0.00%	0.00%	37.72%	0.00%	17.25%	22.51%	11.70%	
N	Martin St.	Weekday (Full Svc.)		31	8.7	0	3.5	3	2.2	0	0	0	0	0	
	AaronDr.	Trippers		6	2.8	0	1.1	1.2	0.5	0	0	0	0	0	
	Colonnade	Subtotal Full Wkdy	156	37	286.5	0	115.1	100.2	71.2	0	0	0	0	0	
		Weekday (Red. Svc.)		31	8.7	0	3.5	3	2.2	0	0	0	0	0	
		Subtotal Red. Wkd	98	31	269.7	0	108.5	93	68.2	0	0	0	0	0	
		Saturday (Full Svc.)		31	8.7	0	3.5	3	2.2	0	0	0	0	0	
		Subtotal Full Sats	31	31	269.7	0	108.5	93	68.2	0	0	0	0	0	
		Saturday (Red. Svc.)		29.5	8.7	0	3.5	3	2.2	0	0	0	0	0	
		Subtotal Red. Sats	21	29.5	256.65	0	103.25	88.5	64.9	0	0	0	0	0	
		Sunday Trips		16	8.7	0	3.5	3	2.2	0	0	0	0	0	
		Subtotal Suns	53	16	139.2	0	56	48	35.2	0	0	0	0	0	
		Annual total	359	11238.5	92252.55	0	37088.35	32030.7	23133.5	0	0	0	0	0	
		7.40% Percent				0.00%	40.20%	34.72%	25.08%	0.00%	0.00%	0.00%	0.00%	0.00%	
	N/V	Martin St.	Wkdy IB (Full Svc.)		45	4.1	0	1.1	1.8	1.2	0	0	0	0	0
Vairo Blvd.		Wkdy OB (Full Svc.)		37	4.4	0	1.4	1.8	1.2	0	0	0	0	0	
		Subtotal Full Wkdy	156	82	347.3	0	101.3	147.6	98.4	0	0	0	0	0	
		Wkdy IB (Red. Svc.)		6	4.1	0	1.1	1.8	1.2	0	0	0	0	0	
		Wkdy OB (Red. Svc.)		0	4.4	0	1.4	1.8	1.2	0	0	0	0	0	
		Subtotal Red. Wkd	60	6	24.6	0	6.6	10.8	7.2	0	0	0	0	0	
		Annual Total	216	13152	55654.8	0	16198.8	23673.6	15782.4	0	0	0	0	0	
	4.47% Percent				0.00%	29.11%	42.54%	28.36%	0.00%	0.00%	0.00%	0.00%	0.00%		
P	Scenery Park	Wkdy Trips - Full Route		17	13.5	0	7.3	0	0	6.2	0	0	0	0	
	Hospital	Subtotal Wkdys	253	0	229.5	0	124.1	0	0	105.4	0	0	0	0	
		Sat Trips - Full Route		8	13.5	0	7.3	0	0	6.2	0	0	0	0	
		Subtotal Sats	52	8	108	0	58.4	0	0	49.6	0	0	0	0	
		Annual total	253	416	63679.5	0	34434.1	0	0	29245.4	0	0	0	0	
		5.11% Percent				0.00%	54.07%	0.00%	0.00%	45.93%	0.00%	0.00%	0.00%	0.00%	

Route	Service Days	Trips	Mileage	PSU	St. College	Ferguson	Patton	College	Harris	Benner	Spring	Bellefonte	
R	Waupelani Dr.	Weekday (Full Svc.)	30.5	7	0	7	0	0	0	0	0	0	0
		Trippers	0	4.5	0	4.5	0	0	0	0	0	0	0
		Subtotal Full Wkdy	156	30.5	213.5	0	213.5	0	0	0	0	0	0
		Weekday (Red. Svc.)	30.5	7	0	7	0	0	0	0	0	0	0
		Trippers	0	4.5	0	4.5	0	0	0	0	0	0	0
		Subtotal Red. Wkd	98	30.5	213.5	0	213.5	0	0	0	0	0	0
		Saturday (Full Svc.)	30.5	7	0	7	0	0	0	0	0	0	0
		Subtotal Full Sats	31	30.5	213.5	0	213.5	0	0	0	0	0	0
		Saturday (Red. Svc.)	29	7	0	7	0	0	0	0	0	0	0
		Subtotal Red. Sats	21	29	203	0	203	0	0	0	0	0	0
		Sunday Trips	16	7	0	7	0	0	0	0	0	0	0
		Subtotal Suns	53	16	112	0	112	0	0	0	0	0	0
		Annual total	359	10149.5	71046.5	0	71046.5	0	0	0	0	0	0
		5.70% Percent				0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
RE	Waupelani Dr.	Wkdy IB (Full Svc.)	7	3.2	0	3.2	0	0	0	0	0	0	
		Wkdy OB (Full Svc.)	5	2.7	0	2.7	0	0	0	0	0	0	
	(Express)	Subtotal Wkdys	156	12	22.4	0	38.4	0	0	0	0	0	
		Annual Total	156	1872	5990.4	0	5990.4	0	0	0	0	0	
	0.48% Percent				0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
S	Science Pk Rd.	Weekday Trips	5	10.5	0	4	6.5	0	0	0	0	0	
		Subtotal Wkdys	253	5	52.5	0	20	32.5	0	0	0	0	
		Annual total	253	1265	13282.5	0	5060	8222.5	0	0	0	0	
	1.07% Percent				0.00%	38.10%	61.90%	0.00%	0.00%	0.00%	0.00%	0.00%	
UT	University Dr.	Weekday Trips	19	4	0	3.6	0	0	0.4	0	0	0	
		Trippers	2	2.7	0	2.3	0	0	0.4	0	0	0	
	Bellaire Ave.	Subtotal Wkdys	156	21	81.4	0	73	0	8.4	0	0	0	
		Annual Total	156	3276	12698.4	0	11388	0	0	1310.4	0	0	
	1.02% Percent				0.00%	89.68%	0.00%	0.00%	10.32%	0.00%	0.00%	0.00%	
V	Vairo Blvd.	Weekday (Full Svc.)	32	9.5	0	3.5	3	3	0	0	0	0	
		Trippers	4	3.7	0	1.6	1.5	0.6	0	0	0	0	
		Subtotal Full Wkdy	156	36	318.8	0	118.4	102	98.4	0	0	0	
		Weekday (Red. Svc.)	31	9.5	0	3.5	3	3	0	0	0	0	
		Subtotal Red. Wkd	98	31	294.5	0	108.5	93	93	0	0	0	
		Saturday (Full Svc.)	35	9.5	0	3.5	3	3	0	0	0	0	
		Subtotal Full Sats	31	35	332.5	0	122.5	105	105	0	0	0	
		Saturday (Red. Svc.)	30	9.5	0	3.5	3	3	0	0	0	0	
		Subtotal Red. Sats	21	30	285	0	105	90	90	0	0	0	
		Sunday Trips	16.5	9.5	0	3.5	3	3	0	0	0	0	
		Subtotal Suns	53	16.5	156.75	0	57.75	49.5	49.5	0	0	0	
		Annual total	359	11243.5	103194.1	0	38166.65	32794.5	32232.9	0	0	0	
		8.28% Percent				0.00%	22.44%	32.05%	45.51%	0.00%	0.00%	0.00%	0.00%

Route	Service Days	Trips	Mileage	PSU	St. College	Ferguson	Patton	College	Harris	Benner	Spring	Bellefonte		
W	Park Forest	Weekday (Full Svc.)	15.5	15.6	0	3.5	5	7.1	0	0	0	0	0	
		Trippers	3	3.2	0	1.1	2.1	0	0	0	0	0	0	
	Colonnade	Subtotal Full Wkdy	156	18.5	251.4	0	57.55	83.8	110.05	0	0	0	0	
		Weekday (Red. Svc.)	15.5	15.6	0	3.5	5	7.1	0	0	0	0	0	
		Subtotal Red. Wkd	98	15.5	241.8	0	54.25	77.5	110.05	0	0	0	0	
		Saturday Trips		5	15.6	0	3.5	5	7.1	0	0	0	0	
		Subtotal Sats	52	36	78	0	17.5	25	35.5	0	0	0	0	
		Annual total	306	6277	66970.8	0	15204.3	21967.8	29798.7	0	0	0	0	
		5.37% Percent				0.00%	22.70%	32.80%	44.50%	0.00%	0.00%	0.00%	0.00%	
	X	Bellefonte	Weekday Trips	6	20.5	0	0	0	0	2.9	0	5.9	7.7	4
			Subtotal Wkdys	253	6	123	0	0	0	17.4	0	35.4	46.2	24
Pleasant Gap		Saturday Trips	6	20.5	0	0	0	0	2.9	0	5.9	7.7	4	
		Subtotal Sats	52	6	123	0	0	0	17.4	0	35.4	46.2	24	
		Annual total	305	1830	37515	0	0	0	5307	0	10797	14091	7320	
		3.01% Percent				0.00%	0.00%	0.00%	0.00%	14.15%	0.00%	28.78%	37.56%	19.51%
WLP	White LOOP	Weekday (Full Svc.)	130	3.3	3.3	0	0	0	0	0	0	0	0	
		Thurs/Fri Late Night	24	3.3	3.3	0	0	0	0	0	0	0	0	
		Subtotal Full Wkdy	156	139.6	444.84	444.84	0	0	0	0	0	0	0	
		Saturday Trips	30	107	3	3	0	0	0	0	0	0	0	
		Subtotal Sats	30	107	321	321	0	0	0	0	0	0	0	
		Sunday Trips		69	3	3	0	0	0	0	0	0	0	
		Subtotal Suns	32	69	207	207	0	0	0	0	0	0	0	
		Annual total	218	27195.6	85649.04	85649.04	0	0	0	0	0	0	0	
		6.87% Percent				100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	BLP	Blue LOOP	Weekday (Full Svc.)	162	4.1	4.1	0	0	0	0	0	0	0	0
Thurs/Fri Late Night			12	4.1	4.1	0	0	0	0	0	0	0	0	
		Subtotal Full Wkdy	156	166.8	674.04	674.04	0	0	0	0	0	0	0	
		Weekday (Red. Svc.)	16	58	4.1	4.1	0	0	0	0	0	0	0	
		Subtotal Wkdys Rē	16	58	237.8	237.8	0	0	0	0	0	0	0	
		Saturday Trips	30	87	4.1	4.1	0	0	0	0	0	0	0	
		Subtotal Sats	30	87	356.7	356.7	0	0	0	0	0	0	0	
		Sunday Trips		67	4.1	4.1	0	0	0	0	0	0	0	
		Subtotal Suns	32	67	274.7	274.7	0	0	0	0	0	0	0	
		Weekday (Summer)		84	4.1	4.1	0	0	0	0	0	0	0	
		Subtotal Summer	79	84	344.4	344.4	0	0	0	0	0	0	0	
		Annual total	313	37410.8	151849.2	151849.2	0	0	0	0	0	0	0	
		12.18% Percent				100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
RLK	Red LINK	Weekday (Full Svc.)	64	8.8	8.8	0	0	0	0	0	0	0	0	
		Subtotal Full Wkdy	156	64	563.2	563.2	0	0	0	0	0	0	0	
		Weekday (Red. Svc.)	16	39	8.8	8.8	0	0	0	0	0	0	0	
		Subtotal Wkdys Rē	16	39	343.2	343.2	0	0	0	0	0	0	0	
		Saturday Trips	30	22	356.2	4.2	0	0	0	0	0	0	0	
		Subtotal Sats	30	100	7836.4	420	0	0	0	0	0	0	0	
		Sunday Trips		18	8.8	8.8	0	0	0	0	0	0	0	
		Subtotal Suns	32	18	158.4	158.4	0	0	0	0	0	0	0	
		Weekday (Summer)		39	8.8	8.8	0	0	0	0	0	0	0	
		Subtotal Summer	79	39	343.2	343.2	0	0	0	0	0	0	0	
		Annual total	313	16641	132640.8	132640.8	0	0	0	0	0	0	0	
		10.64% Percent				100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	GLK	Green LINK	Weekday Trips	86	2.9	2.9	0	0	0	0	0	0	0	
			Subtotal Wkdys	156	86	249.4	249.4	0	0	0	0	0	0	
		Annual Total	156	13416	38906.4	38906.4	0	0	0	0	0	0		
	3.12% Percent				100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
System	Total mileage		1246439	409045.5	316063.91	165251.6	129951.7	141528.4	23446.77	20499.55	26753.65	13898		
	Percentages		100.00%	32.82%	25.36%	13.26%	10.43%	11.35%	1.88%	1.64%	2.15%	1.12%		

**MILEAGE/SUBSIDY FORMULA: ALL DATA REPRESENTS FY 2006/2007 ESTIMATES**

Column:		1	2	3	4	5	6	7	8	9	10	11	12
		Vehicle Miles	Farepaying Passengers	Fixed Route Expense	Plus Paratransit Expense	Equals Total Expense	Less Direct Route Revenue	Less Non-Route Revenue	Equals Net Expense	Less Passenger Revenue	Equals Route Deficit	Less Federal/State Subsidies	Equals Local Subsidy
Route													
A	Park Forest/Overlook Heights	12,144	11,500	\$80,234	\$6,200	\$86,434	\$0	\$6,705	\$79,729	\$15,257	\$64,472	\$58,753	\$5,718
B	University Drive/Boalsburg	42,859	12,500	\$283,166	\$21,880	\$305,046	\$2,380	\$23,664	\$279,002	\$16,584	\$262,418	\$239,143	\$23,274
C	Houserville/Penn Hills	18,114	6,500	\$119,678	\$9,248	\$128,925	\$0	\$10,001	\$118,924	\$8,624	\$110,300	\$100,517	\$9,783
F	Stonebridge/Pine Grove	28,589	10,500	\$188,885	\$14,595	\$203,480	\$0	\$15,785	\$187,695	\$13,931	\$173,764	\$158,353	\$15,412
H	Toftrees/Colonnade	53,820	19,000	\$355,584	\$27,476	\$383,060	\$32,266	\$29,716	\$321,078	\$25,208	\$295,870	\$269,629	\$26,241
K	Cato Park	36,395	14,000	\$240,459	\$18,580	\$259,039	\$6,960	\$20,095	\$231,984	\$18,574	\$213,410	\$194,482	\$18,928
M	Lemont/Nittany Mall	66,943	57,600	\$442,286	\$34,176	\$476,462	\$0	\$36,962	\$439,500	\$76,419	\$363,081	\$330,879	\$32,202
MX	Mall/Bellefonte/Pleasant Gap	56,241	28,900	\$371,579	\$28,712	\$400,291	\$0	\$31,053	\$369,238	\$38,342	\$330,896	\$301,547	\$29,349
N	Martin St/Colonnade	92,252	115,000	\$609,501	\$47,096	\$656,597	\$153,384	\$50,936	\$452,277	\$152,573	\$299,704	\$273,123	\$26,581
NV	Martin/Vairo (Express)	55,654	25,500	\$367,701	\$28,412	\$396,113	\$268,630	\$30,729	\$96,754	\$33,831	\$62,923	\$57,342	\$5,581
P	Hospital/Scenery Park	63,679	20,500	\$420,721	\$32,509	\$453,231	\$41,598	\$35,160	\$376,473	\$27,198	\$349,275	\$318,297	\$30,978
R	Waupelani Drive	71,046	230,000	\$469,395	\$36,270	\$505,665	\$9,987	\$39,227	\$456,450	\$305,146	\$151,305	\$137,885	\$13,420
RE	Waupelani Drive (Express)	5,990	48,500	\$39,575	\$3,058	\$42,633	\$2,983	\$3,307	\$36,343	\$64,346	-\$28,003	-\$25,519	-\$2,484
S	Science Park Road	13,282	6,000	\$87,753	\$6,781	\$94,534	\$0	\$7,334	\$87,200	\$7,960	\$79,240	\$72,212	\$7,028
UT	University Drive/Bellaire Ave.	12,698	1,500	\$83,895	\$6,483	\$90,377	\$88,386	\$7,011	-\$5,020	\$1,990	-\$7,010	-\$6,388	-\$622
V	Vairo Blvd./Colonnade	103,194	145,000	\$681,794	\$52,682	\$734,476	\$249,328	\$56,978	\$428,170	\$192,374	\$235,796	\$214,882	\$20,913
W	Park Forest/Colonnade	66,970	34,500	\$442,465	\$34,189	\$476,654	\$30,618	\$36,977	\$409,059	\$45,772	\$363,287	\$331,067	\$32,221
X	Bellefonte/Pleasant Gap	37,515	19,500	\$247,858	\$19,152	\$267,010	\$0	\$20,714	\$246,297	\$25,871	\$220,426	\$200,876	\$19,550
White LOOP		85,649	0	\$565,875	\$0	\$565,875	\$331,650	\$0	\$234,225	N.A.	\$234,225	\$216,274	\$17,952
Blue LOOP		151,849	0	\$1,003,253	\$0	\$1,003,253	\$587,990	\$0	\$415,263	N.A.	\$415,263	\$383,437	\$31,827
Red LINK		132,640	0	\$876,341	\$0	\$876,341	\$513,609	\$0	\$362,732	N.A.	\$362,732	\$334,932	\$27,801
Green LINK		38,906	0	\$257,048	\$0	\$257,048	\$150,652	\$0	\$106,397	N.A.	\$106,397	\$98,242	\$8,154
<b>TOTAL</b>		<b>1,246,429</b>	<b>806,500</b>	<b>\$8,235,045</b>	<b>\$427,500</b>	<b>\$8,662,545</b>	<b>\$2,470,420</b>	<b>\$462,355</b>	<b>\$5,729,770</b>	<b>\$1,070,000</b>	<b>\$4,659,770</b>	<b>\$4,259,965</b>	<b>\$399,805</b>

**NOTES:**

- Column 1: Total miles operated on each route
- Column 2: OnePass, cash, and token passengers only
- Column 3: Cost per mile for all fixed route service (excluding paratransit) multiplied by route miles
- Column 4: Allocation of paratransit expenses to each route by its percentage of total fixed route miles
- Column 5: Column 3 plus Column 4; column total equals total operating expense
- Column 6: Purchase of service revenue, such as apartment contracts, attributed directly to appropriate routes
- Column 7: Allocation of other operating revenues (advertising, etc.) to each route by its percentage of total fixed route miles
- Column 8: Column 5 minus the sum of Columns 6 and 7
- Column 9: Average revenue per OnePass, cash, or token passenger times passengers on each route
- Column 10: Remainder of each route's expense (deficit) requiring federal, state and local subsidy
- Column 11: Allocation of total federal and state subsidies to each route by its percentage of total route deficit
- Column 12: Column 10 minus Column 11

# CALCULATION OF "REGIONAL" FACTORS - FY 2006/2007

March 31, 2006

WEIGHT	ROUTE																					
	A	B	C	F	H	K	M	MX	N	N/V	P	R	RE	S	UT	V	W	X	WLP	BLP	RLK	GLK
10	0	1	0	0	1	3	4	na	2	0	3	1	0	2	0	2	1	na	na	na	na	na
6	0	0	0	0	0	0	4	na	1	0	1	1	0	0	0	1	0	na	na	na	na	na
4	0	2	3	3	2	1	1	na	0	0	2	0	0	1	0	0	0	na	na	na	na	na
20	0	18	12	12	18	34	68	na	26	0	44	16	0	24	0	26	10	na	na	na	na	na
100%	82%	88%	88%	82%	66%	32%	0%	74%	100%	56%	84%	100%	76%	100%	74%	90%	0%	na	na	na	na	na
0%	18%	12%	12%	18%	34%	68%	46%	26%	0%	44%	16%	0%	24%	0%	26%	10%	12%	na	na	na	na	na
0%	0%	0%	0%	0%	0%	0%	54%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	88%	0%	0%	0%	0%

### NOTES

Provides commuter level service to exclusively residential areas  
 Serves University Drive, S. Atherton Street, residential areas of Boalsburg; most trips extend to Tussey Mountain  
 Serves Houserville and Penn Hills; commercial areas served are covered better by other routes; commuter level service only  
 Provides commuter level service to Pine Grove Mills and western Ferguson Twp.  
 Serves the Village at Penn State and Tofrees; continues to the Colonnade  
 Serves Cato Park, Bristol Court, commercial areas along W. College Ave; heavy ridership to MBNA  
 Serves E. College Ave., Lemont and Dale Summit; provides connecting service to X Route; heavily used by shoppers  
 Serves E. College Ave., Lemont and Dale Summit, with continuing service to Bellefonte and Pleasant Gap; mainly commuters  
 Connects apartment complexes on Martin St. and Aaron Dr. to campus; also serves Northland Ctr. and the Colonnade  
 Provides additional capacity and frequency between student housing on Vairo Blvd. and Martin St. and campus, downtown  
 Serves Mt. Nittany Medical Center on the north, Pugh St., Foxdale, Hills Plaza, Scenery Park on the south  
 Serves an almost entirely residential area; heavily used by students and other residents of SW Borough  
 Provides additional capacity between student housing on Waupelani Dr. and College and Allen; school year only  
 Serves employment centers along Science Park Road, residential areas further west, commercial areas along W. College Ave.  
 Serves University Drive and Bellaire Avenue; operates during the school year only  
 Connects apartment complexes on Vairo Blvd to campus; also serves Wal-mart and the Colonnade  
 Serves Northland Ctr., Circleville Rd., Valley Vista Dr., western Park Forest and the Colonnade  
 Connects Bellefonte with the Mall; alternating trips travel via Pleasant Gap  
 Travels counter-clockwise around campus; uses Beaver Avenue in downtown State College  
 Travels clockwise around campus; uses College Avenue in downtown State College  
 Travels back and forth from the West Campus to Innovation Park via Curtin Rd. and East Park Ave.  
 Provides "express" service between preipheral parking lots and the core campus

CATA LOCAL SHARE ALLOCATION - REVISED MILLER FORMULA  
APRIL 3, 2006

Route	Subsidy	Public/Pvt. Local Sh.	Tier Percentage	Penn State	State College Boro	Ferguson Twp.	Patton Twp.	College Twp.	Harris Twp.	Spring Twp.	Bellefonte Boro	Bermer Twp.				
A	Park Forest Overlook Hts.	\$5,718	100% Regional	0.00%	\$0	\$38.54%	\$2,204	45.83%	\$2,621	15.63%	\$893	0.00%	\$0	0.00%	\$0	0.00%
B	University Dr. Boalsburg	\$23,274	\$4,490	18%	\$0	\$29.68%	\$4,556	0.00%	\$0	0.00%	\$0	18.54%	\$0	0.00%	\$0	0.00%
C	Housesville Penn Hills	\$9,783	88% Regional	0.00%	\$0	\$20.67%	\$1,780	0.00%	\$0	0.00%	\$0	79.33%	\$6,830	0.00%	\$0	0.00%
F	Stonebridge Pine Grove	\$15,412	89% Regional	0.00%	\$0	\$26.55%	\$3,601	73.45%	\$9,982	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
H	Toftrees Colonnade	\$26,241	\$1,000	18%	\$0	\$21.17%	\$4,381	0.00%	\$0	50.36%	\$10,424	28.47%	\$5,892	0.00%	\$0	0.00%
K	Cato Park	\$18,928	\$11,160	66% Regional	\$0	\$45.06%	\$2,310	54.94%	\$2,817	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
M	Lemont Nitlany Mall	\$32,202	\$2,500	32% Regional	\$0	\$28.26%	\$2,686	0.00%	\$0	0.00%	\$0	71.74%	\$6,819	0.00%	\$0	0.00%
MX	Nitlany Mall Bellefonte Pleasant Gap	\$29,349	\$2,500	49% External	\$0	\$26.41%	\$5,334	25.75%	\$5,201	19.60%	\$3,959	18.54%	\$3,745	0.00%	\$0	0.00%
N	Martin / Aaron Colonnade	\$26,581	\$3,238	74% Regional	\$0	\$40.20%	\$6,945	34.72%	\$5,988	25.08%	\$4,332	0.00%	\$0	0.00%	\$0	0.00%
NV	Vairo / Martin (Express)	\$5,581	\$0	26%	\$0	\$26.41%	\$1,603	25.75%	\$1,563	19.60%	\$1,190	18.54%	\$1,125	0.00%	\$0	0.00%
P	Hospital Scenery Park	\$30,978	\$690	100% Regional	\$0	\$29.11%	\$1,624	42.54%	\$2,374	28.36%	\$1,583	0.00%	\$0	0.00%	\$0	0.00%
R	Waupeliani Dr	\$13,420	\$0	84% Regional	\$0	\$54.07%	\$9,172	0.00%	\$0	0.00%	\$0	45.93%	\$7,790	0.00%	\$0	0.00%
RE	Waupeliani Dr (Express)	\$2,484	\$0	16%	\$0	\$26.41%	\$667	25.75%	\$563	19.60%	\$2,612	18.54%	\$2,471	0.00%	\$0	0.00%
S	Science Pk. Rd.	\$7,028	\$0	76% Regional	\$0	\$38.10%	\$2,035	61.90%	\$3,307	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
UT	University Dr. Bellaire Ave.	-\$622	\$0	24%	\$0	\$26.41%	\$445	25.75%	\$434	19.60%	\$331	18.54%	\$313	0.00%	\$0	0.00%
V	Vairo Blvd. Colonnade	\$20,913	\$3,239	74% Regional	\$0	\$36.98%	\$4,837	31.78%	\$4,156	31.24%	\$4,085	0.00%	\$0	0.00%	\$0	0.00%
W	Park Forest Colonnade	\$32,221	\$1,000	90% Regional	\$0	\$22.70%	\$6,379	32.80%	\$9,217	44.50%	\$12,503	0.00%	\$0	0.00%	\$0	0.00%
X	Bellefonte Pleasant Gap	\$19,550	\$4,000	14% External	\$0	\$0.00%	\$0	0.00%	\$0	0.00%	\$0	14.15%	\$0	0.00%	\$0	0.00%
WLP	White LOOP	\$17,951	\$0	100% Local	\$0	\$17.951%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
BLP	Blue LOOP	\$31,827	\$0	100% Local	\$0	\$31.827%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
RLK	Red LINK	\$27,800	\$0	100% Local	\$0	\$27.800%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
GLK	Green LINK	\$8,154	\$0	100% Local	\$0	\$8.154%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$0	0.00%
TOTALS		\$399,805	\$33,817	Local Tax Support Public/Pvt. Partnerships Penn State Support	\$0	\$81,858	\$61,042	\$49,493	\$44,512	\$16,183	\$14,263	\$10,731	\$4,000	\$0	\$0	\$2,174
	Local Tax Support	\$280,256			\$85,732	\$81,858	\$72,202	\$57,970	\$50,202	\$20,673	\$14,263	\$14,731	\$0	\$0	\$0	\$2,174
	Public/Pvt. Partnerships	\$33,817			\$64,191	\$75,127	\$64,191	\$53,138	\$54,024	\$21,496	\$14,091	\$14,668	\$0	\$0	\$0	\$0
	Penn State Support	\$65,732			\$77,763	\$68,824	\$61,301	\$63,009	\$20,067	\$20,067	\$13,068	\$14,693	\$0	\$0	\$0	\$0
	Total Local Share	\$399,806			\$74,060	\$88,510	\$59,710	\$63,711	\$50,044	\$16,588	\$12,629	\$12,629	\$0	\$0	\$0	\$0
					\$67,327	\$56,927	\$59,659	\$63,309	\$44,987	\$16,116	\$12,991	\$12,991	\$0	\$0	\$0	\$0
					\$67,046	\$58,630	\$53,347	\$47,071	\$43,535	\$13,472	\$12,828	\$12,828	\$0	\$0	\$0	\$0
					\$82,619	\$56,030	\$42,643	\$40,477	\$51,562	\$11,867	\$11,674	\$11,674	\$0	\$0	\$0	\$0
					\$47,500	\$83,229	\$58,751	\$33,062	\$8,459	\$11,575	\$11,575	\$11,575	\$0	\$0	\$0	\$0
					\$47,500	\$81,1519	\$42,411	\$45,572	\$57,682	\$9,327	\$12,265	\$12,265	\$0	\$0	\$0	\$0
					\$0	\$113,465	\$47,582	\$56,963	\$49,870	\$3,632	\$3,662	\$3,662	\$0	\$0	\$0	\$0

# SECTION II

## BACKGROUND INFORMATION

### CATA Fact Sheet 2006

#### **BOARD OF DIRECTORS**

John C. Spychalski, Chairman  
Joseph Davidson, Vice Chairman  
Richard Kipp, Treasurer  
Gary Powers  
Kathryn Bittner

Ferguson Township  
College Township  
Harris Township  
Patton Township  
State College Borough

Hugh A. Mose, General Manager

**SERVICE AREA**      Square Miles – 133      Population – 84,000

Bellefonte, State College Boroughs; College, Ferguson, Harris, Patton, Spring Townships;  
Pennsylvania State University - University Park Campus

#### **SERVICES**

**CENTRE LINE** - Fixed-route regional bus system connecting all participating municipalities with Downtown State College, the Penn State Campus.

**LOOP & LINK** - The LOOP provides fare-free circulator service around the Penn State Campus and Downtown State College. The LINK provides fare-free service along Curtin Road between Lot 44 (the Bryce Jordan Center Parking Lot) and West Campus.

**RIDESHARE** - Free ride-matching program that helps long-distance commuters find easy and economical ways to get to and from work via carpools and vanpools.

**PARK & RIDE** - Provides inexpensive remote parking for Downtown State College business employees.

**CENTRE RIDE** - Provides curb-to-curb transportation primarily for senior citizens (persons age 65 and older) and people whose disabilities prevent their use of CENTRE LINE buses.

**SPECIAL SERVICES** - Include shuttles to Penn State home football games, the Central Pennsylvania Festival of the Arts™, Ag Progress Days, the Bellefonte Arts & Crafts Fair, Bellefonte Victorian Christmas, and First Night® State College.

#### **KEY PERSONNEL**

*Joseph Gilbert*, Director of Transportation  
*Judith Minor*, Director of Administration  
*Eric Bernier*, Service Development Manager  
*Robert Colton*, Maintenance Manager  
*Sherry Snyder*, Operations Manager

*Amanda Jones*, Human Resources Manager  
*Jacqueline Sheader*, Marketing Manager  
*Terri Quici*, Executive Assistant  
*Vacant*, Transportation Planner

#### **FLEET EQUIPMENT**

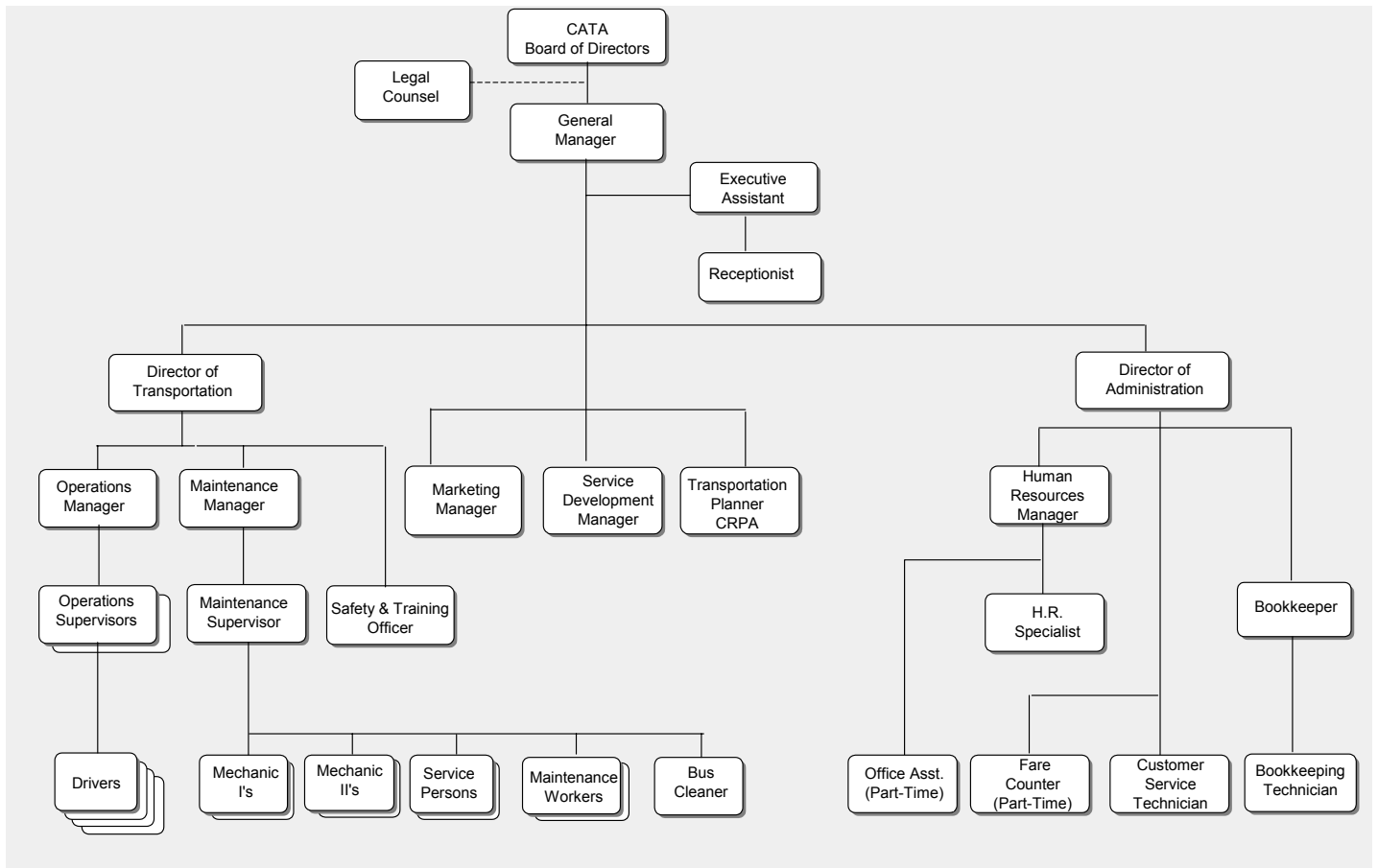
- 28 New Flyer, low-floor, 30-39 passenger, compressed natural gas, ramp-equipped buses.
- 16 Orion, 42 passenger, compressed natural gas, lift-equipped buses.
- 4 ElDorado, 26 passenger, compressed natural gas, ramp-equipped buses.
- 2 Ford, 18 passenger, compressed natural gas, lift-equipped minibuses
- 4 Ford, 10 passenger, lift-equipped small buses (used by Handy Delivery, Inc. to provide paratransit services)

#### **STATISTICS - JULY 1, 2004 - June 30, 2005**

<b>Ridership:</b> 6,067,871	<b>Total Miles:</b> 1,160,817	<b>Total Hours:</b> 98,265
<b>Operating Grants:</b> State Operating Assistance- \$967,043 State Act 3 - \$541,195		State PTAF – Asset Maint. - \$310,837 Federal - \$1,213,762
<b>Capital Grants:</b> State - \$195,680 State Act 26 - \$125,089		Federal - \$677,721

#### **EMPLOYEES**

Bus Drivers .....	90	Maintenance Staff	14
Administrative Support ...	11 (2 part time)	Management/Supervisory	7



## CENTRE AREA TRANSPORTATION AUTHORITY 11 YEAR SERVICE STANDARDS PERFORMANCE REVIEW

Service Standard Measure	Actual 1994/95	Actual 1995/96	Actual 1996/98	Actual 1997/98	Actual 1998/99	Actual 1999/00	Actual 2000/01	Actual 2001/02	Actual 2002/03	Actual 2003/04	Goal 2004/05	Projected Actual 2004/05	Proposed Goal 2005/06	
<b>ROUTE UTILIZATION:</b>														
Passengers Per Vehicle Hour	29	32	32	30	28	40	39	42	48	49	48 minimum	48	48 minimum	
<b>STAFFING RATIOS:</b>														
Administrative Employees per Operations Employee	0.32	0.28	0.43	0.38	0.27	0.19	0.19	0.20	0.22	0.21	0.25 maximum	0.22	0.25 maximum	
Peak Hour Vehicles per Maintenance Employee	3.8	3.8	4.3	4.3	3.7	3.1	3.0	3.2	3.2	3.2	3.1 maximum	3.1	3.1 maximum	
<b>PRODUCTIVITY RATIOS:</b>														
Total Vehicle Miles Per Employee	12,743	12,524	13,166	13,449	13,894	11,012	14,085	12,666	12,991	12,590	11,000 minimum	12,800	11,000 minimum	
Preventable Accidents Per 100,000 miles	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.00	0.00	0.00	0.00 maximum	0.00	0.00 maximum	
On-time performance: <30 min. Peak	98%	97%	97%*	99%	98%	94%	96%	96%	86%	96%	95% minimum	95%	95% minimum	
On-time performance: <30 min. Non-Peak	95%	95%	97%*	98%	99%	98%	97%	97%	96%	99%	95% minimum	95%	95% minimum	
<i>*Starting in 1996/97 On-Time Performance goals for Peak and Non-Peak periods became the same for the two different frequency groups (&lt;30 and &gt; 30 minutes.)</i>														
Mean Distance (Miles) Between Road Failures	5,381	2,853	5,458	6,254	4,817	3,294	2,727	2,908	2,918	2,029	3,000 minimum	2,300	3,000 minimum	
<b>FISCAL INDICATORS:</b>														
Operating Cost Per Passenger	\$ 1.35	\$ 1.26	\$ 1.26	\$ 1.19	\$ 1.27	\$ 0.93	\$ 0.97	\$ 0.93	\$ 0.99	\$1.01	\$1.00 maximum	\$1.12	\$1.10 maximum	
Subsidy Per Passenger	\$ 0.73	\$ 0.69	\$ 0.60	\$ 0.52	\$ 0.66	\$ 0.46	\$ 0.51	\$ 0.47	\$ 0.46	\$0.48	\$0.48 maximum	\$0.56	\$0.55 maximum	
Operating Expense Recovered From Operating	46%	45%	52%	56%	48%	50%	47%	49%	53%	53%	52% minimum	50%	50% minimum	
Paratransit Responsiveness	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	Reservations required no more than one (1) day in advance	
Pre-Qualifications For Service Contractors	n/a	n/a	n/a	n/a	n/a	Minimum 3 years' experience	Minimum 3 years' experience	Minimum 3 years' experience	Minimum 3 years' experience	Minimum 3 years' experience	Minimum 3 years' experience	Minimum 3 years' experience	Minimum 3 years' experience	

**RIDERSHIP REPORT**

<b>Route</b>	<b>Area Served</b>	<b>FY 2001/2002</b>	<b>FY 2002/2003</b>	<b>% Change</b>	<b>FY 2003/2004</b>	<b>% Change</b>	<b>FY 2004/2005</b>	<b>% Change</b>
A	Park Forest/Overlook Hgts.	8,415	12,059	43%	12,358	2%	11,539	-7%
B	University Dr/Boalsburg	18,254	16,122	-12%	17,139	6%	16,857	-2%
C	Houserville/Penn Hills	5,263	6,091	16%	6,043	-1%	6,404	6%
CS	Corl Street	483	0	-100%	0	0%	0	0%
F	Stonebridge/Pine Grove	8,698	12,087	39%	13,028	8%	11,997	-8%
H	Toftrees/Colonnade	46,071	84,144	90%	95,117	13%	100,141	5%
K	CATO Park	22,482	21,043	-6%	26,958	28%	22,771	-16%
M	Lemont/Nittany Mall	132,110	209,092	58%	111,907	-46%	88,253	-21%
N	Martin St/Colonnade	441,690	268,923	-39%	284,773	6%	270,515	-5%
NV	Martin/Vairo Express	0	482,883	100%	332,721	-31%	320,742	-4%
P	Hospital/Scenery Park	66,374	192,876	191%	224,117	16%	210,602	-6%
R	Waupelani Dr.	440,959	256,880	-42%	227,475	-11%	231,297	2%
RE	Waupelani Dr. Express	0	85,142	100%	46,537	-45%	45,087	-3%
S	Science Park Rd.	7,675	4,450	-42%	4,194	-6%	5,761	37%
SP	Scenery Park/University Dr.	3,075	0	-100%	0	0%	0	0%
UT	University Dr/Bellaire Ave.	283,000	130,395	-54%	167,216	28%	129,411	-23%
V	Viro Blvd/Colonnade	675,432	428,330	-37%	423,553	-1%	421,404	-1%
W	Park Forest/Colonnade	45,943	63,762	39%	83,174	30%	66,681	-20%
X	Bellefonte/Pleasant Gap	53,931	48,823	-9%	30,479	-38%	25,028	-18%
White LOOP	Campus	1,793,072	1,554,544	-13%	1,226,867	-21%	1,241,497	1%
Blue LOOP	Campus	1,769,164	1,746,104	-1%	1,769,333	1%	1,814,125	3%
Red Link	Campus	556,619	387,272	-32%	591,211	53%	470,557	-20%
Green Link	Campus	0	0	0%	477,340	0%	470,033	-2%
<b>TOTALS:</b>		<b>6,378,710</b>	<b>6,011,022</b>	<b>-6%</b>	<b>6,171,540</b>	<b>3%</b>	<b>5,980,702</b>	<b>-3%</b>

## TRENDS IN REVENUE

The spreadsheet below shows Trends in Revenue for CATA over the past six years.

REVENUE SOURCES	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006 estimated	2006-2007 budgeted
Passenger Fares	2,714,465	2,831,162	3,088,329	3,281,985	3,387,394	3,592,050	3,702,500
Other Operating Revenue	59,410	67,852	54,108	41,886	49,191	50,910	43,900
State Tax Support	1,667,108	1,726,235	1,738,465	1,731,784	1,819,075	1,870,166	2,209,545
Special Reimbursement Funding	219,291	239,108	281,436	256,396	254,265	252,810	256,375
Penn State University	82,619	67,046	67,327	74,060	77,763	81,651	85,732
Local Tax Support	225,805	241,378	256,518	265,170	280,700	296,735	314,073
Federal Tax Support	1,260,937	1,085,715	814,582	1,009,730	1,213,762	1,690,778	2,050,420
Total Revenues	6,229,635	6,258,496	6,300,765	6,661,011	7,082,150	7,835,100	8,662,545

In comparing the data shown across years, note the following:

Passenger Fares include farebox, token, pass and purchase-of-service revenues for Centre Line, the LOOP/LINK, and Centre Ride. Beginning in FY 1999/2000, total passenger fares included purchase of service revenue from Penn State to provide fare-free LOOP/LINK service

Other Operating Revenue includes charter, advertising and interest income, and miscellaneous revenue. For the 6-year period shown in the table, revenue fluctuates primarily with changes in miscellaneous revenue associated with the disposition of vehicles; because these vehicles have reached the end of their useful lives, as defined by the Federal Transit Administration, sales proceeds are properly classified as operating income.

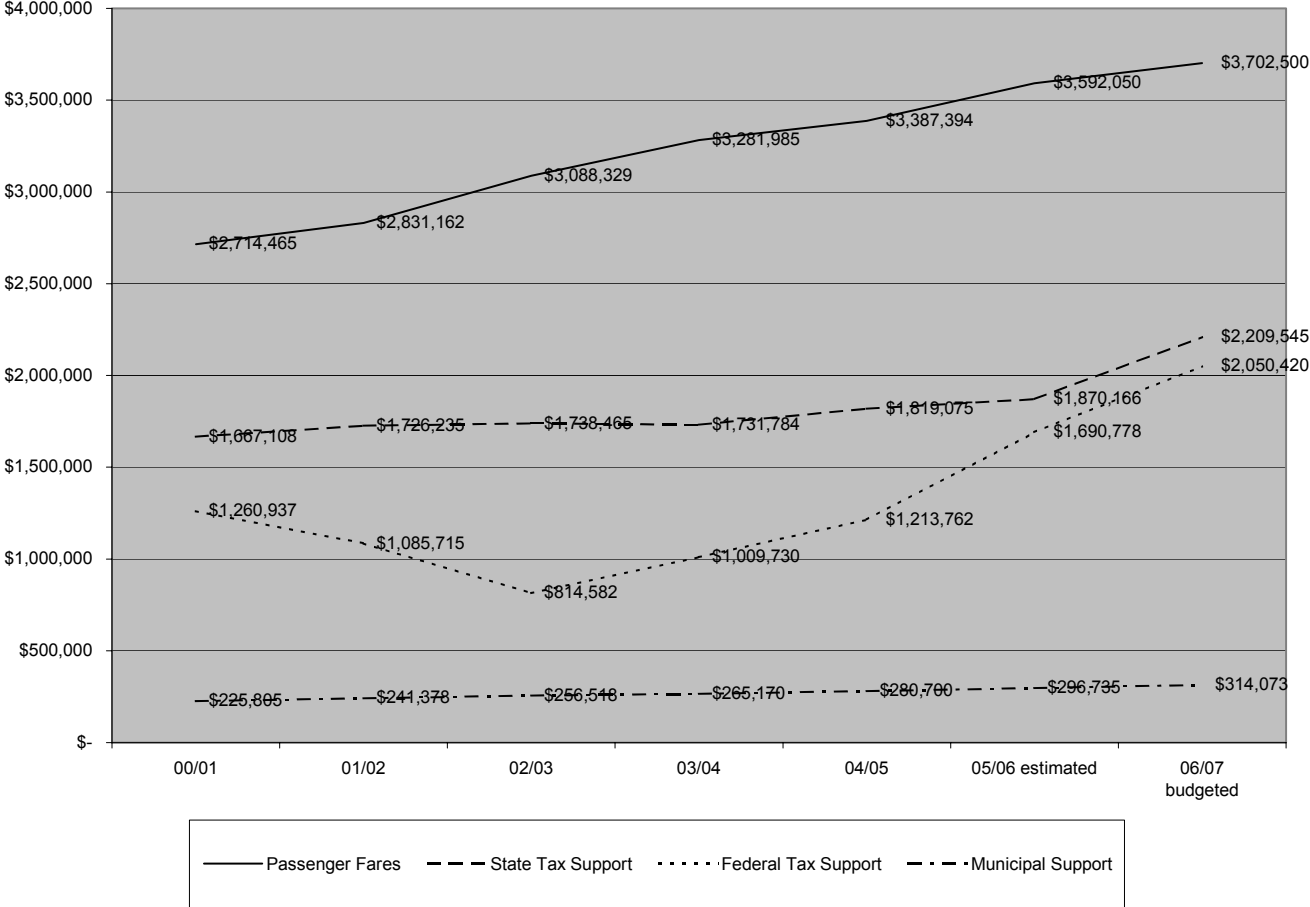
State Tax Support provides the major portion of CATA's subsidy funding. For FY 2005/2006 and FY 2006/2007, the Authority has budgeted new funding under a program proposed by the Governor to assist transit properties statewide in meeting rising costs. With the total amount of that funding budgeted in FY 2006/2007, total state support is significantly higher than in previous years, when only three programs (general fund operating assistance, PTAF dedicated taxes, and Act 3 supplemental grants) were active.

Special Reimbursement Funding includes grants from the state and other entities for specific transit programs. Amounts shown include funding from Penn State to support rideshare program activities; revenues vary primarily with changes in senior citizen shared ride grants and state demonstration projects (one each in FY 2002/2003 and FY 2003/2004 and none since then).

In FY 1998/1999, Penn State agreed to voluntarily contribute to general support of local transit service. The amounts shown for each year since then are counted as part of total local subsidy and therefore reduce the amount requested from the municipalities as Local Tax Support.

Federal Tax Support is highly variable because it is used only after all other revenue and subsidy monies have been applied. With carryover federal funding nearly exhausted by the end of FY 2001/2002, a considerable number of service adjustments and other cost reductions were implemented to reduce federal operating subsidy requirements below the total available, resulting in the decreased federal operating requirement for FY 2002/2003. Despite additional state funding for FY 2005/2006 and FY 2006/2007, as noted above, federal tax support has continued to increase, primarily as a result of higher costs for fuel, insurance and drivers' wages and benefits. Additionally, the the implementation of the STIC (Small Transit Incentive Communities) program, which increases funding to small, highly productive properties such as State College, has provided the Authority's with significantly higher amounts of federal funding than in previous years

### Trends In Revenue



## SECTION III

### FY 2005/2006 RECAP

#### Goals Established by the CATA Board of Directors

##### Outreach

Continue the vigorous pursuit of pro-transit initiatives, especially those supportive of needs distinctive to systems such as CATA, with local, state, and national constituencies in both the public and private sectors.

*Over the past year CATA made some real progress in this area. On the federal level, with the new Transportation Reauthorization bill we were successful in our quest for a High Intensity Transit Tier that provides additional federal support to small urban areas with well-developed transit systems. At the state level, the staff continued to advocate in various forums for an entirely new approach to transit funding that will be more advantageous to growing communities like the Centre Region. At home, we have worked hard to build and maintain relationships with elected officials; one notable local success has been with Benner Township, where it looks like after years of non-participation they have budgeted funds to support to transit service on the Benner Pike.*

*In the private sector, the staff has been very aggressive in the pursuit of transit supportive development. We have worked with numerous projects (the Dale Summit Wal-Mart expansion, new Lowe's and Home Depot, new residential developments along the Benner Pike, etc.) to ensure that they are laid out in a manner that will allow reasonable transit access, and that appropriate transit amenities are included. We have also maintained strong relationships with our various institutional customers such as MBNA, Tussey Mountain and the apartment complexes with which we contract. A number of CATA employees have also been active in the community and the industry, serving on various boards and commissions.*

##### Funding

Ensure that the Authority acts in a timely manner to (1) achieve maximum cost effectiveness and a balanced budget, (2) maintain/build an adequate reserve, and (3) identify sources for additional funding in both the public and private sectors.

*Fiscal conservatism continues to be a high priority at CATA. In addition to the entire management team just generally watching our expenditures, the Operations staff has been relentless in making our service on the street as efficient as possible. Two primary examples are the increased use of tripper buses to supplement LINK service on campus, and the aggressive "fine tuning" of our North Atherton trippers to match bus capacity with ridership demand. In addition, we have made changes in our healthcare program to limit cost escalation, and CATA's Director of Administration monitors natural gas futures daily to make the most prudent "buys." As a result, if it had not been for the unbelievably high energy prices experienced this winter, we would be just about on track with the FY 2005/2006 Budget.*

*light at the end of the tunnel.” We are hoping that the combination of the Governor’s diversion of bridge and highway funds and the passage of SAFETEA-LU will allow CATA to increase its year-end carryover to roughly \$500,000. While CATA has already begun to use some of these new funds to address various activities that have been deferred for the past several years, we do not anticipate making any significant service enhancements until we can be assured that our year-end carry-forward is at an acceptable level, or will grow to that point in the next several years.*

*Developing new funding is always a challenge. As stated above, the new federal High Intensity Transit Tier, now called Small Transit Intensive Communities (STIC), will provide CATA with as much as \$800,000 in additional formula (operating and/or capital) assistance annually. This past year we were successful in getting additional County support for the X Route, and we expect that Benner Township will become a funding partner in FY 2006/2007. Private sector funding has been limited to our traditional sources – the apartment complexes and several other enterprises that pay so that their constituents can ride fare-free. The staff also assists the municipalities to collect from entities that pay for service (Nittany Mall, the Colonnade, MBNA, Tussey Mountain, etc.).*

## **Ridership**

Continue initiatives to develop a larger core of regular transit system users among non-Penn State Student population groups.

*Recognizing the opportunity afforded by the steep run-up in gasoline pump prices at the end of the summer, the CATA Marketing staff undertook an advertising blitz with the theme of **Park Yours... Ride Ours... Save BIG!** Although the reduction of “free on campus” Centre Line service has masked overall ridership growth, nonetheless there have been noticeable increases in patronage on most of CATA’s “non-student” routes. Of course, the Football Shuttle and the Holiday Lights Tour continue to attract non-students (and people in the community who might never otherwise ride CATA), and the opening of the new Centre County Prison has generated ridership from a new clientele, most of whom are not students.*

*Last fall CATA provided the State College Borough Manager with a proposal for how the Borough might help underwrite the cost for residents to ride Centre Line, either through a Borough-wide free-fare zone, a “Ride for Five” program for Borough residents not affiliated with Penn State, or an extension of the LOOP. (The matter was subsequently referred to the Borough Transportation Commission for study over the coming year.) The staff has also continued to pursue a number of other transit initiatives, such as the Smart Commute initiative, a “Bus Buddy” program for seniors, and our RideShare program for long-distance commuters. Nonetheless, while CATA has not yet been able to maintain or build an adequate reserve, there is “*

## **Schlow Library Transit Center**

Ensure that the Authority's best interests are served in occupying, using, and maintaining CATA-funded facilities within the new Schlow Centre Region Library.

*In October CATA moved into its new Downtown Pass Sales Office at the newly-opened Schlow Library, and generally speaking, things have worked well. However, it has taken a long time, and a whole lot of effort, to make the project "work." Several aspects just haven't panned out – for instance, we are not using the Driver Relief Vehicle parking stalls because they are so inconvenient, and there is no access between them and the street. At this point the exterior security cameras are still not in place, the "CATA" signage on our canopy is still an unresolved issue, and there are several interior details that still need to be addressed.*

*All of that having been said, though, CATA's Downtown State College office is now in a more favorable location than we could have ever obtained on our own. (Our experience on New Years' Eve, when we stayed open just to "test the water" and were swamped with visitors, certainly demonstrated that!) We are able to offer our patrons an indoor waiting area, public restrooms and other amenities that we've not had in the past, including a very spacious outdoor bus stop area. In addition, our Customer Service person finally has an office and adequate counter space for even the busiest times, and our Bus Drivers have a lunchroom (although it's way too small) where they can eat, rest and watch TV and have access to restrooms even at 3:00 am.*

## **Capital Improvement Program**

Continue to identify options and pursue initiatives for capital asset renewal and improvement, particularly those involving revenue and service vehicles and associated equipment (e.g., CNG fueling installations).

*Although CATA hasn't made any major capital asset investments over the past year, the staff has worked to advance several projects. First, in the fall we purchased two new (actually, slightly used) driver relief vehicles, and the Shop personnel completely rebuilt the deteriorated body on our twenty-year-old dump truck. We have also replaced the "zamboni" that we use to clean the floors in the bus storage area. With Basic Systems engaged to do the engineering work, we have begun the design for a new CNG fueling facility; construction will take place over the summer in 2007.*

*The long-term plan for the renewal of our rolling stock is a complex activity. Recognizing that the cost of replacing all 34 buses that will reach the end of their life expectancy in the next five years may be prohibitive, the Transportation staff has been evaluating the applicability of mid-life rebuilds. We have determined that FTA capital funds can still be used for such major overhauls, and in fact the Congressional earmark that we received several years ago for the purchase of new buses, but have not expended due to the non-availability of CNG-powered articulated units, could be used for the refurbishment of our existing equipment.*

*Two other issues have recently emerged. First, we have determined that even though the CNG tanks on the buses may be in good working order, at the time of their manufacture they were certified for only 15 years, and at the end of that time they need to be removed from service. Also, as a result of questions that have arisen about whether the funds that the Governor diverted to transit last year should be rescinded, PENNDOT may encourage us to use the “flex” funds for rolling stock renewal. In any event, it is likely that over the next two years CATA will undertake a major bus rebuild campaign.*

## **Technology**

Continue pursuit of opportunities for applications of new technology that hold high potential for improvement the quality and efficiency of CATA services.

*Working with Avail Technologies, Inc., of Ferguson Township, last fall we completed CATA’s Advanced Public Transportation System Plan, and we are now in the process of developing specifications for the hardware and software that will form the “backbone” of our Automatic Vehicle Location (AVL) system. When the system is installed later this year, CATA will be able to track the location of all of our buses, which will open the door to a variety of AVL applications that should increase service quality and operating efficiency. Examples include automated schedule adherence monitoring, real-time route and schedule information, automatic bus stop announcements, automatic passenger counters, etc.*

*One project that has still not moved from planning to implementation is the Transit Signal Priority pilot project on North Atherton Street. After spending almost five years developing a plan and lining up all the institutional interests, the project ground to a halt when our proponent in the PENNDOT Central Office resigned. Nonetheless, last spring we were informed that funding would be forthcoming in FY 2005/2006. However, even though nearly a year has passed, we have yet to get word from PENNDOT that we can proceed, and even if that were to happen, the staff member who would have managed the project has recently resigned, which will set things back even further.*

## **Succession Planning**

Continue progress on plans for succession for senior department staff positions.

*The succession planning the staff had begun in FY 2004/2005 has produced results, but we still have a long way to go. Our new Operations Manager has proved to be a quick study, and under the guidance of the Director of Transportation she has developed to the point that if necessary she could probably manage the Operations area on her own. In Maintenance, for a variety of reasons we have not seen as much progress in positioning someone to fill in behind our Maintenance Manager, who is already past normal retirement age.*

*In Administration we have not made any appreciable progress in preparing someone as an understudy for the Director of Administration. Her own workload, as well as that of our Human Resources Manager, has precluded much “cross-pollination” between the two. However, in December the Board approved the addition of a Human Resources Specialist position, which, when filled, will free up time for the Human Resources Manager to begin*

*learning the encyclopedia of knowledge that our Director has accumulated over the past twenty years.*

*Likewise, succession planning for the General Manager position has also been a challenge, because the incumbents in both of CATA's Director-level positions are even closer to retirement than he is. The efforts made to give the Transportation Planner more opportunity to get involved in the workings of CATA and the transit industry did not achieve the intended result, as he recently resigned to take a position out of the community. However, we are hopeful that as CATA's financial situation improves we can add a Director of Executive Services position, which can serve as an "understudy" for the General Manager.*

### **Legal Services**

Continue to monitor effects of the change in professional firm affiliation of the Authority's legal counsel.

*As requested a year ago, the staff has been continually monitoring how CATA's legal service needs are being met since our Solicitor and his staff changed law firms. The staff has found that there has been no perceptible degradation in either the timeliness or the quality of their responses. In fact, the firm being located on University Drive in State College rather than out at Innovation Park is a plus, as is their ability to bring in specialists should we ever need them – such as in a Public Utility Commission proceeding relating to our use of natural gas as a vehicle fuel.*

*At the Board work session in December the staff made a strong recommendation that CATA should seek to continue our relationship with McNeese, Wallace and Nurick beyond the June 30 expiration of CATA's current contract, even though doing so would likely involve a significant increase in the hourly rate we pay for legal services. The Board was receptive to the staff's recommendation, so the staff is now in the process of negotiating a new legal services agreement that will give CATA the expertise we need at a price that the Authority can afford.*

### **Summary**

Over the past year at least some progress has been made in each of the areas that the CATA Board of Directors identified last spring as priorities for FY 2005/2006. The staff continues working on all of them, with the goal of achieving success if not by the end of the current fiscal year, over a longer horizon.

### **Other Accomplishments**

In addition to the goals established by the CATA Board of Directors, the FY 2005/2006 Budget included the following list of projects and activities that the staff expected to undertake over the course of the current year. Here is a brief report on the progress that was actually made:

## **Service on the Street**

### **CATA's Core Bus Service**

As always, most of CATA's efforts will be devoted to ensuring that there is a bus on every run, a Driver on every bus, and that all of the supporting elements are in place to keep the service running smoothly.

*Virtually without exception, CATA's transit service ran as advertised. Although we came close several times, there was never a point where we did not have enough buses or Bus Drivers to cover all assignments, and thanks to the very mild winter there were no service interruptions due to weather.*

### **Service Quality**

As time permits the staff will commit additional resources to ensuring that key indicators of CATA's transit services – schedule adherence, bus cleanliness, comment follow-up, etc. – meet or exceed transit industry and CATA's own standards.

*Do to the press of other business the staff was not able to formally track our performance in these key areas. However, anecdotal evidence seems to indicate that we were successful in meeting our own – and the community's – expectations for service quality.*

## **Funding**

### **State and Federal Transit Assistance**

The General Manager will work within the state and national transit trade associations to try to insure that any new funding programs include adequate funding for transit systems in growing communities like the Centre Region.

*Thanks to lobbying by a group of small transit system managers, the new federal transportation bill includes a special tier that provides additional support to small communities with well-developed transit systems. As a result, CATA will receive about \$800,000 per year in additional operating funds.*

### **Capital Earmarks**

CATA will pursue an Appropriations earmark for funding for a new transit center on Curtin Road on the Penn State campus and a Reauthorization earmark for the second half of our Advanced Public Transportation Systems (APTS) initiative.

*Although CATA was one of only a handful of Pennsylvania transit systems that did not get an earmark in SAFETEA-LU, thanks to Rep. Peterson we were successful in receiving a \$500,000 Appropriations earmark for a new transit center behind Pattee Library.*

### **Penn State Contract**

CATA will work with Penn State to negotiate and implement a new three-year LOOP/LINK contract that increases funding as much as possible, and also allows CATA to operate the campus transit service more efficiently and productively.

*With “so much on the plate” of the staff at Penn State as well as at CATA, we mutually agreed to extend the existing contract for another year. As a result, once this FY 2006/2007 budget is complete we will again be meeting with the University staff to work out the details of a new agreement.*

### **Ride-for-Five Program**

As an alternative to “unlimited access,” which the Penn State administration has declined to embrace, CATA will continue to lobby the University to expand the Ride-for-Five program to anyone who receives a PSU paycheck.

*CATA’s Board Chair and General Manager have continued to lobby Old Main to expand the Ride-for-Five program. Although the program has not changed, the run-up in gas prices has increased utilization to all-time highs, and we have been encouraged by Penn State to promote the program.*

### **Apartment Complex Contracts**

CATA staff will negotiate new one-year contracts for the 2005/2006 school year, then before the succeeding year we will evaluate the entire apartment complex program to determine its proper role in the “family of services” that CATA provides in the community.

*CATA’s Service Development Manager negotiated new contracts with the apartment complexes, but as our overall financial outlook improved, there was less need to consider curtailing the apartment contract program, so the in-depth evaluation was not undertaken.*

## **Planning**

### **Transit versus Low-cost Parking**

CATA will continue to document the effect of Penn State’s low-cost peripheral parking program and use the study as a vehicle to educate local elected officials and other community leaders about the impact of roadway and parking decisions on the viability of public transit.

*As CATA’s funding situation improved and the high cost of gasoline brought people back to transit, this issue faded somewhat. Nonetheless, the COG Transportation Committee finished its evaluation of transit policy and made several recommendations, although it’s not clear how effective this may have been in educating local officials.*

### **Curtin Road Transit Service**

CATA will work with Penn State on the development of a major new transit facility behind Pattee Library, and also to ensure that changes in bus stop locations in this part of campus do not negatively impact the viability of the Centre Line service.

*CATA has worked with Penn State and their architects, Sasaki and Associates, to ensure that the new Pattee Library bus stop will meet CATA's current and future needs. Each time we have inquired about the future of Centre Line on campus, we have been reassured that there will be no loss of access.*

### **County Coordination**

The General Manager will initiate discussions with the Centre County staff – Planning as well as Transportation – concerning the coordination of Shared Ride, which both CATA and the County operate, as well as the long-term future of public transportation services throughout the County.

*No work was done in this area over the past year. However, trying to get into position for the new Job Access / Reverse Commute (JARC) program, CATA has asked CRPA to apply for supplemental planning funds to conduct a study of human service transportation coordination in Centre County.*

### **Regional Commuter Bus Service**

If it can be determined that state funding might reasonably be expected for “new start” projects, CATA staff will resume planning for regional commuter bus service from Penns Valley and the Moshannon Valley.

*With the passage of SAFETEA-LU, it looks like funding may finally be possible, either through JARC, Congestion Management / Air Quality (CMAQ) or some other program. However, the only work that was actually done was to request support for the planning work necessary for future JARC funding.*

### **Football Shuttle**

With the continued success of the Football Shuttle, and recognizing the inevitability of the redevelopment of Hills Plaza, CATA will develop additional parking options, and possibly add a second Football Shuttle route.

*Even though Hills Plaza found a new tenant for one of its major stores, we were still allowed to use the parking lot. We did, however, promote the use of alternative parking out in Scenery Park and along the Football Shuttle route. Due to staffing limitations, we did not attempt to create another route.*

### **Administration**

#### **CATA's Business Processes**

Just like the Operations staff spends most of their organizational energy on the service on the street, the Administration Department will devote itself to ensuring that CATA is financially sound and in full compliance with all state and federal regulations.

*Under the leadership of the Director of Administration, CATA was successful in preparing and administering the budget, completing the annual audit (once again with no findings), making application for all necessary grants, and keeping abreast of CATA's many reporting requirements.*

### **Computer Support Systems**

Recognizing that the current vendor-based approach to PC support is no longer adequate, CATA will join with the COG and several municipalities in the new Centre Region Information Technology (IT) Consortium.

*After spending the first half of the fiscal year getting all of the details worked out, CATA formally joined the Regional Technology Coalition (RTC) in January. Unfortunately, delays in hiring additional RTC staff have set back the actual start-up of CATA participation until April 1.*

### **American Public Transportation Association (APTA) Involvement**

With the support of the CATA Board of Directors, the General Manager will commit time and energy to serving as the Chairman of the APTA Small Operations Committee.

*The General Manager has been fully engaged in the national transit trade association, serving on (or chairing) several groups. His personal involvement in their legislative effort had the direct result of SAFETEA-LU including additional funding eligible for operating expenses, not just capital.*

### **Human Resources**

#### **Labor Negotiations**

Assuming that agreement can be reached on a new labor contract, over the coming year staff will implement all of its new provisions. The focus of management's efforts at the negotiating table has been to streamline obsolete work rules, particularly in terms of Bus Driver work assignments.

*After very challenging negotiations, which ran three months past the expiration of the prior labor agreement, we reached a new contract, which did streamline work rules, although not to the extent that we had hoped. Nonetheless, the changes were successfully implemented last August.*

#### **Health Care Options**

Before CATA's next health insurance contract renewal, the Human Resources Manager will develop at least one alternative to our current insurance provider and implement a Flexible Spending Account program for the non-represented staff.

*In April CATA joined with the COG and three Centre Region municipalities in a health insurance purchasing cooperative. The initial savings compared to the continuation of our former coverage is on the order of 30%. No work was done to create a Flexible Spending Account program.*

## **Employee Relations**

The Director of Transportation and his staff will continue to work with the Union leadership and the rank-and-file employees to reinforce the precepts of the new Employee Handbook that was introduced in January 2005.

*With a change in Union leadership and the protracted labor contract negotiations, we were not able to maintain as sharp a focus on the Employee Handbook and its concepts as we had hoped. However, certain other personnel actions have had a positive effect on overall employee relations.*

## **Maintenance**

### **Bus Procurement**

As soon as at least one manufacturer resumes offering a CNG engine large enough to power an articulated bus, the staff will begin the procurement of three CNG-powered, low-floor “artics,” which should consume the remaining funds available in our two current bus earmarks.

*Just as it appeared that a manufacturer was on the verge of offering a CNG-powered articulated bus, we determined that a higher priority use of the funds would be to undertake a refurbishment program for our 16 oldest CNG buses. As a result, the “artic” project has been shelved indefinitely.*

### **CNG Fueling Infrastructure**

Working with Columbia Gas and Basic Systems (our CNG facilities consultants), the staff will begin the planning and design process to replace our CNG compressors and other fueling facilities. Construction is targeted for summer 2006.

*By the time we were able to get Basic Systems engaged as our engineers and project managers, it was already too late to order compressor equipment for a spring 2006 delivery. As a result, the design work has been set for completion this fall, with construction scheduled for summer 2007.*

### **Bus Maintenance**

The Maintenance staff will continue to evaluate the number and type of road calls (on-street problems), with the expectation that enhanced preventative maintenance procedures can reduce their incidence over the course of the year.

*A year-end analysis of on-street problems showed that performance in this key area had improved over the prior year, and also identified areas for focus during routine bus servicing. Restructuring in Maintenance to provide 24-hour staffing has also had an impact on early morning road calls.*

## **Public Information and Marketing**

### **Internet Homepage**

The staff will continue to enhance the [www.catabus.com](http://www.catabus.com) website to include more “real-time”

route and schedule information; the ultimate goal is to be able to provide up-to-the-minute service information that can be transmitted wirelessly to passengers via cell phones and PDA's.

*In the ongoing enhancement of CATA's website, the Service Development Manager explored several options for providing automated trip-planning, but no actual work was done to incorporate them. The real-time service information "box" is being used routinely, but we are still at least a year away from being able to "push" this information to customers.*

### **Bus and Bike Facilities Map**

The Marketing staff will work with the Centre Region Bicycle Coalition to complete the full-color fold-out map of all transit and bicycle facilities in the Centre Region that is currently being designed. Funding has been secured through a Transportation Enhancements grant.

*The development of the Bus and Bike Map has taken more time than anyone could possibly have envisioned. Now in a fifth draft, the map is nearly ready for printing. Once the 2006 service changes are incorporated it will go to print, and be available to the public this summer.*

### **Customer Service Plan**

The Marketing staff will complete and implement the Customer Service Plan currently in development.

*Following a series of outreach meetings with all departments, the Marketing Manager has nearly completed the Customer Service Plan. Once the plan is finalized it will become a focus of this year's end-of-summer employee training, and implemented immediately thereafter.*

## **Technology**

### **Advanced Public Transportation Systems (APTS) Initiative**

Now that a consultant has been selected, CATA will prepare a deployment plan, develop specifications, acquire hardware and software, and begin implementing "smart bus" technologies throughout the CATA fleet.

*The APTS Plan was completed and adopted by the CATA Board of Directors in January. Requests for Proposals and Invitations to Bid are nearly complete for the initial elements. Equipment vendors will be selected this summer, with installation and activation to occur by the end of the year.*

### **Transit Signal Priority (TSP) Project**

Assuming that funding is forthcoming and that the staff can work out any lingering institutional details, we will upgrade the controls on eleven signalized intersections on North Atherton Street, place the TSP system into service, and begin to evaluate its performance.

*Although PENNDOT staff have stated repeatedly that the Transit Signal Priority project will be funded in the current fiscal year, the money has never been released. As a result, the*

*project has not advanced, and now the CRPA Planner who was to have been the project manager has resigned.*

### **Hydrogen Bus Project**

The staff will work with Penn State's Pennsylvania Transportation Institute (PTI) to re-power one of our New Flyer buses to burn a blend of CNG and hydrogen, then use it on the LOOP/LINK as a research platform.

*Progress has been made, albeit slowly. The bus that CATA committed to the project has been at the Test Track for six months, and although the new engine is now installed and running, the bus itself has not been released for on-the-road testing. We expect to have the bus in actual service this summer.*

### **Facilities**

#### **Library Transit Center Project**

CATA will continue working with the Schlow Library project team to incorporate a new downtown pass sales office, passenger waiting area and Bus Driver facilities into the ground floor of the Beaver Avenue end of the new Library.

*The Library Transit Center has been completed. Although we moved into the new facility in October, we continue to work on numerous details, such as exterior signage, streetscape improvements and security cameras. Nonetheless, the new office is a great enhancement to CATA's customer service.*

#### **Old Fort Park and Ride Lot**

To ensure that the Park-and-Ride project moves forward to construction, CATA will serve as liaison between the American Legion (who owns the land), PENNDOT (who will design and build the lot) and Potter Township (who will operate the facility).

*The CRPA Transportation Planner who works with CATA has continued to shepherd the project along. After a protracted archeological review, it was determined that a park-and-ride lot could indeed be sited on the parcel, so design is now proceeding. Construction is anticipated in 2007.*

#### **Intercity Bus Terminal**

CATA staff will work with the Borough of State College and Penn State to try to ensure that any replacement of the current Bus Depot is well-sited for access by key Centre Line bus routes as well as the LOOP and/or LINK.

*Although the University announced last fall that the Bus Terminal would not need to be relocated for several more years, the replacement study continued, resulting in two final site recommendations. Neither is as good as the current location, but both are served by either the LOOP or LINK (but unfortunately not Centre Line, which is a major concern).*

### **Security System**

CATA will complete the installation of a robust intrusion detection and access control system at our Cato Park facility, where an arsonist did almost \$50,000 of damage in the summer of 2004.

*The security system, consisting of access control, intrusion detection and video surveillance, was installed last fall. It's working – earlier this year the video image of a Bus Driver being assaulted and the perpetrator's truck departing was instrumental in the arrest of a suspect.*

### **Bus Stop Signage**

In addition to making our usual annual investment in bus stop facility improvements, in FY 2005/2006 CATA will replace the signs on all 800+/- bus stops in the Centre Line system.

*This project has been deferred until the current year. However, the additional time has allowed the CATA staff to establish overall standards for bus stop placement as well as signage.*

### **Facilities Maintenance and Upkeep**

As resources permit, Maintenance staff and contractor personnel will address various problems cropping up with our 15-year-old facility, so that the building and grounds continue looking good and working well.

*Over the past year various improvements have been made. New overhead doors have been installed in several locations, a drainage problem in front of the Bus Washer has been resolved and deteriorated landscaping has been removed. Two sinkholes that opened up on the property are in the process of being remediated.*

## **SECTION IV**

### **FY 2006/2007 POLICY CONSIDERATIONS**

#### **Background**

The FY 2001/2002 Budget stated that “CATA’s financial position remains reasonably strong, with subsidies and operating revenues both trending upward.” Over the past five years, however, conditions have deteriorated. State transit assistance – our largest source of subsidy – has been virtually flat, while operating costs, particularly health care and energy, have escalated beyond anything we could have imagined even five years ago.

In response CATA has cut service three different times, by a total by a total of 20%. We have also raised fares for every service, including Centre Line, Centre Ride and our various special services, and we have successfully negotiated higher rates with our purchase-of-service customers. We have asked our municipal funding partners to increase their contributions, and they have consistently raised their commitment by 5% annually. Nonetheless, CATA has been hanging on by a shoestring.

In early 2005 it appeared that CATA, like almost every transit system in Pennsylvania, would simply not be able to create a balanced budget for FY 2005/2006. Fortunately for the state’s transit systems, at the very last moment the Governor stepped in and “flexed” bridge and highway funds to public transportation. This very controversial action allowed CATA to maintain current operations for the past year, but essentially placed us in a holding pattern until the end of calendar year 2006.

About six months later the new federal transportation authorization bill, which has become known as SAFETEA-LU, provided a significant boost to CATA. Included in the legislation is a new funding tier called the Small Transit Intensive Communities program, or STIC. STIC provides additional funding to small urban areas with particularly strong transit systems, such as the Centre Region. This incentive program will result in CATA receiving about \$800,000 annually in additional federal transit assistance.

With this new funding in hand, CATA began to address some of the many unmet needs that had arisen over the previous five years, when in spite of continued growth in the community CATA was reducing services, deferring maintenance and otherwise cutting costs. In January we added two positions in the Shop to shore up bus maintenance, which had been deteriorating due to earlier staffing reductions, and plans were being made to begin adding back transit service over the coming year.

However, before CATA really had a chance to take advantage of the new federal funding that the General Manager and others had worked so hard to secure, it was announced that PENNDOT was reassessing the “flex” funds it had committed to CATA last spring. The stated reason is that since CATA is now receiving STIC funding, we no longer need the funds that were to have been made available to us. In early March CATA staff was summoned to Harrisburg to justify why PENNDOT should not rescind the flex funds that had been promised.

This unfolding development puts CATA in a difficult position. If we back away from our planned program enhancements, it'll be evidence that we don't truly need the funds. However, if we include all of the activities that we had intended to implement, and the funding is indeed cut, the budget could be seriously out of balance. After considerable thought and consultation with the staff, the CATA Board of Directors has agreed on a budget that assumes that the funds will not be withdrawn.

In any event, the DRAFT Budget that follows will allow CATA to continue all of our current programs, add approximately 4,000 revenue hours of bus service and increase staffing by two (plus whatever additional Bus Drivers are needed). In addition to addressing the full-year impact of changes made during the current year, such as increasing our Maintenance capabilities and joining the Regional Technology Coalition, the budget also includes funds to enhance our marketing efforts and to support a share of an advocate in Harrisburg, who would be retained jointly with other small urban transit systems.

## **Revenue Issues**

### **Local Shares**

This DRAFT Budget includes a request for a 5% increase in local shares from the participating municipalities and Penn State. This will be the fifth year in which CATA has asked for 5%, which has been our game plan ever since we raised the base fare by 25% and the Finance Committee declined to support an equivalent increase in one jump. In discussion with the Finance Committee in February, the members of the Committee seemed to indicate a willingness support this increase.

The local share allocation issue which consumed so much of last year's budget discussions seems to have been set aside. This was a major point of contention, pitting State College Borough, which wanted to replace the Miller Formula with the COG Formula, against Ferguson Township, which wanted to maintain the status quo. Since it was determined that a unanimous approval was required, ultimately nothing was changed. The Borough's suggestion that it might withhold funding from certain routes if the formula was not changed is apparently no longer an issue.

The concern over the willingness of Bellefonte Borough and perhaps Spring Township to keep paying the amount necessary to support the X Route service has moderated with the decision earlier this year by the Benner Township Supervisors to budget funds for a portion of the local share. This new development should allow CATA to maintain current service levels, and if Centre County, which is getting more value from the X Route since the opening of the new prison, continues its support (through Bellefonte Borough), we expect to be able to restore one of the trips we were forced to cut last year.

### **State Assistance**

For the coming year CATA expects our traditional state assistance – State Operating Assistance, PTAF and Act 3 – to continue at or near current funding levels. However, there is a great amount of

uncertainty over the status of the funding that the Governor “flexed” to transit a year ago as a temporary measure, and whatever more permanent solution that might be found to address the long-term transit funding issue.

The immediate concern is what will happen to the flex funds that we have been anticipating. As this is written, PENNDOT is considering reducing or even eliminating CATA’s allocation, which for FY 2005/2006 and FY 2006/2007 totals \$1.2 million. When the staff recently met with PENNDOT, they suggested that perhaps our best justification for the funds was to show them being used to rehabilitate our 1996 Orion buses. While this strategy may keep the dollars coming to CATA, and certainly addresses a longer-term capital issue, it may mean that fewer funds are available to support our current operations.

### **Federal Assistance**

In FY 2005/2006 CATA’s apportionment of federal formula assistance was \$1,800,000, up nearly \$800,000 from the prior year, thanks entirely to the new Small Transit Intensive Communities (STIC) program. We anticipate the same amount of federal assistance for the coming year. These funds are essentially assured; while theoretically the Governor could reallocate part or all of these funds to one or more of the State’s other small urban areas, the chances of that happening are very remote.

In addition, in SAFETEA-LU there are two sub-components of our formula allocation – JARC and New Freedom (a new fund for enhanced services for persons with disabilities). While these allocations are listed for the State College urbanized area, in reality all of the small urban money will be directed to PENNDOT, which is required to develop a competitive process for its distribution. It is unknown at this time how long it will take the State to develop and to conduct its competitive process, so we have not yet programmed any projects for the use of either of these funds.

Similarly, as a result of Centre County becoming a non-attainment area for ozone, for the first time our community is eligible for Congestion Management / Air Quality (CMAQ) funds. At this point it is not clear whether any of these moneys will be available to CATA in FY 2006/2007 to help support the operating budget. (CMAQ funds can be used not only for capital acquisitions, but also for up to three years of “start-up” costs for new programs.) Hence we are not projecting CMAQ as a source of FY 2006/2007 revenue, even though CATA may be able to access this funding for selected new programs.

### **Passenger Revenue**

At the current rate of \$1.25 for each one-way trip and \$49.00 for a monthly pass, Centre Line fares are about as high as people appear to be willing to pay for public transportation in a community as small as ours. Likewise, with Centre Ride fares of \$1.50 for seniors, \$2.50 for persons with disabilities (the maximum allowed by federal regulations), and \$10.00 for the general public, a paratransit fare increase would be difficult to recommend. Last year CATA raised the fare for the Football Shuttle to \$2.00 (\$1.00 for seniors and persons with disabilities).

When CATA last raised Centre Line fares in FY 2002/2003, we established a revenue target of \$0.75 per trip on our apartment complex program. Due to aggressive negotiating by CATA's Service Development Manager and the fact that ridership from the established complexes had fallen, last year we were able to achieve average revenue of \$0.85 per trip. However, with the run-up in gasoline prices this past fall, ridership from the apartment complexes increased significantly, driving the per-trip yield back down below \$0.80. As a result, once again we will be seeking to negotiate more competitive rates with a number of the complexes.

### **Penn State**

For FY 2006/2007 CATA anticipates continuing basically the same level of service on the LOOP and LINK, although in anticipation of the H Route running out to the Airport we may delete that route from the Free-fare Zone. Once again we will ask for an inflationary increase in the hourly rate; the University currently pays \$43.82 per revenue hour for LOOP and LINK service, which covers not quite all of our direct costs for running the service. Although Penn State had recently notified us that they were planning to increase the employee cost of the Ride-for-Five passes to \$6.00, at CATA's request the University agreed to maintain the current rate so long as CATA keeps our charge to them at \$40.00/month.

## **Expenditure Issues**

### **Marketing**

In response to a number of requests from local elected officials and others, and with the support of the CATA Board, the Marketing budget (Advertising and Marketing Support) is increased by approximately \$15,000 to underwrite the elements of the FY 2006/2007 Marketing Plan (still in development). We will use these additional funds to increase the amount of resources we devote to the advertising and promotion of our various services. Also, for the first time we plan to publish an Annual Report.

### **Lobbying Support**

For the past ten years, perhaps longer, the smaller transit systems in Pennsylvania have relied on the government affairs staffs of SEPTA (Philadelphia) and the Port Authority Transit (Pittsburgh) to "carry the water" for them in Harrisburg. After years of being pretty much alone in the belief that this was not a good approach, CATA is finally getting some support for the idea of having our own small-systems' advocate. In the hope that a group of small urban transit operators might jointly retain a lobbyist, the Professional Services line item includes \$10,000 for this purpose.

### **Employee Compensation**

Each year CATA programs an increase for a market adjustment to the pay plan for non-represented employees. For the coming year the CATA Board of Directors has approved a July 1 increase of 3%, commensurate with the 3% increase negotiated last spring with CATA's bargaining unit

employees. Although the Board has been discussing some form of enhanced retirement benefit for senior non-represented employees who never had the chance to accrue much coverage (CATA's defined benefit retirement program was not established until 1998), no funds have been budgeted for this purpose.

## **Staffing Levels**

When the CATA Board of Directors held its annual planning Work Session this past December, they discussed the need for additional staffing to address various activities that had been deferred when CATA's funding situation was so precarious. At that time the staff presented three classes of positions – those that needed immediate attention, ones that would be recommended in the FY 2006/2007 Budget, and some that would be set aside for future consideration.

### **Immediate Needs**

The following positions are included in the FY 2006/2007 DRAFT Budget.

#### **Mechanic I**

To complement the two positions the staff recommended for immediate action back in December, it was expected that a third Maintenance staff person, who would be assigned to work days, would be recommended for FY 2006/2007. However, since the two unskilled positions came on board in January, we can see that a higher priority need is for one additional skilled Mechanic who can supplement the new overnight shift. While there is still a need for increased attention to bus cleaning, which is best done during the day, this DRAFT Budget includes only the one Mechanic I position.

#### **Safety/Training Officer**

CATA does a lot of training – both initial training for new Bus Drivers and refresher training for everyone else. We currently divide these responsibilities among our Operations Manager and our Supervisors, with assistance from selected Bus Drivers and support from Human Resources. One of the recommendations of the state-mandated Management Performance Review from several years ago was that one person be designated to handle these responsibilities, as well as maintaining our Safety program. We have included that position in the FY 2006/2007 Budget.

### **Future Needs**

Given the current uncertainty of both the “flex” funding and a permanent solution to the state's transit funding crisis, the following positions are not included in the DRAFT Budget. However, once the State funding situation is resolved, these positions should be considered:

#### **Laborer/Custodian**

CATA currently contracts out janitorial service and uses Shop employees at all levels for facilities upkeep. We regularly divert our skilled Mechanics to mow the lawn, plow snow, pick up trash, prune

trees, etc. CATA has never had a person whose primary responsibility it is to look after facilities, and with the growing size and complexity of our physical plant, we need someone. If such a position were created, the incumbent could also provide hands-on supervision to our Bus Cleaner, who is a former Skills client.

### **Clerical Staff**

The Transportation Department (Operations and Maintenance) includes 100+ employees who are on duty almost 24/7, year-around. However, there is not one clerical support person in the entire department, and as a result the Director, the Managers and the Supervisors must do all of the “paperwork,” which means that Supervisors spend large chunks of time with data input and record-keeping. An Office Assistant would not only expedite the department’s administrative tasks, but their support would allow our Operations Supervisors to put additional hours “out of the street.”

### **Executive Services Director**

Over the past several years the CATA organizational chart has been rearranged to create a spot for a person who could be groomed to be the next General Manager. This “Executive Services Director,” on the same level as the two existing Directors, would have responsibility for planning, marketing, service development and information technology. They would also look after some of the day-to-day activities that now consume so much of the General Manager’s time. The incumbent would be expected to develop to the point where they could move into the “corner office” with a minimal dislocation, should the need arise.

### **RideShare Coordinator**

For almost ten years CATA has operated the Centre Region’s ridematching program. From the outset CATA has run it on a shoestring – the Executive Assistant does as much as she can with whatever time she has available. As a result, while we maintain the database of carpoolers and vanpoolers and do a small amount of outreach, we are just “scratching the surface” in meeting the needs of the growing numbers of long-distance commuters. If we could devote a half-time individual to RideSharing, we could serve more of the people who are REALLY feeling the impact of high gas prices.

## **Service Revisions**

Over the past five years, during which CATA has cut 20% of its service, we have fallen further and further behind in our ability to meet the needs of the areas in which the buses currently run, we have not been able to restore service in various areas where we made cutbacks, and we have been completely unable to keep pace with our growing community. The staff began the 2006 service planning process with the thought that at long last we might be able to begin catching up, but due to the recent developments concerning the state’s “flex” funding, we are hesitant to over-commit. Nonetheless, this DRAFT Budget does anticipate the following service enhancements.

### **V (Vairo), N (Martin/Aaron) and R (Waupelani) Routes**

The staff proposes to add six bus-hours of additional capacity each weekday during Full Service to ease overcrowding and enhance schedule adherence. In addition, we plan to “un-shade” midday trips and possibly evening trips during Reduced Service to bring headways back down to a more reasonable level. We will also increase Saturday frequencies during the school year when the North Atherton buses are routinely overcrowded.

### **H (Toftrees) and W (Park Forest) Routes**

The staff has been looking at re-routing the H Route so that after it runs through Toftrees it goes out to the University Park Airport, rather than over to the Colonnade. Unfortunately, the Airport Authority recently voted not to provide funding for the service, so these plans have been set aside for now. Nonetheless, expecting that we will eventually be able to address this need, the staff is considering separating the H and W Routes, which connect at the Colonnade. This will have the immediate benefit of allowing us to re-orient the W Route to better serve the northern part of Park Forest.

### **K (Cato Park) and S (Science Park) Routes**

The K and S Routes, which currently alternate trips during the morning and afternoon peak periods, are the only two Centre Line routes that do not traverse the campus. By adding a second bus, we would have enough running time so that both routes could cover the campus. The additional time would allow us to increase the area covered by the S Route, including the area around Corl Street and Westerly Parkway, where we were forced to abandon service several years ago.

### **P (Scenery Park / Hospital) Route**

The P Route currently runs at 70 minute frequencies all day long. The staff is looking at various options to reduce the headways, at least during the morning and afternoon peak periods, to no more than 60 minutes. Such a change may also allow us to improve the routing on the Scenery Park end of the route.

### **X (Bellefonte) Route**

During the morning commute period the inbound Bellefonte buses bypass the Nittany Mall. The staff is evaluating how we might make the afternoon trips, which now take a circuitous route through the Dale Summit commercial area, more direct. Also, we plan to run the X Route into the parking lot of the new Centre County Prison, and discontinue service to Governors’ Gate apartments east of Bellefonte. As a result of Benner Township beginning to provide financial support to the X Route, it may also be possible to restore one of the midday trips that were discontinued last year.

## **Summary**

This DRAFT Budget has been developed to include all of the expenditures required to maintain existing programs and activities, add a small amount of additional revenue hours of bus service, increase staffing slightly and make a greater investment in Marketing. The staff believes that the assumptions about revenues are fairly optimistic but not unreasonable. Likewise, our projections for expenditures are fairly conservative, but not unnecessarily so. Therefore the Board of Directors and staff at CATA have a high degree of confidence that we can live with this budget for the coming year.

## **SECTION V**

### **FY 2006/2007 WORK PROGRAM**

#### **Goals Set by the Board of Directors**

The CATA Board of Directors has not yet set out its goals for the General Manager (and thus for the organization) for the coming year. When they are determined, they will be added to the DRAFT Budget.

#### **Other Programs, Services and Activities**

The following list highlights those key activities that the staff expects to pursue over the coming year, and for which resources have been programmed in the DRAFT Budget:

##### **Funding**

###### **State Transit Assistance**

The General Manager will advocate for a permanent solution to the ongoing state transit funding crisis, and in particular adequate funding for transit systems in growing communities like the Centre Region. Paid lobbying support may be retained if deemed necessary.

###### **Congressional Earmarks**

CATA will continue to pursue a federal Appropriations earmark for Phase II of our Advanced Public Transportation Systems (APTS) initiative, and, if that is successful, begin work on a subsequent request for funding to expand the bus storage area of CATA's Cato Park facility.

###### **Local "Buy-down" of Transit Fares**

As an alternative to "unlimited access," which the Penn State administration has declined to embrace, CATA will attempt to work with the Borough of State College to reduce the cost of riding transit for Borough residents, perhaps through some variation of the "Ride for Five" or Free-fare Zone programs.

###### **Congestion Management / Air Quality (CMAQ)**

CATA staff will work with the Centre Regional Planning Agency (CRPA) to secure CMAQ funding for eligible projects, such as extending transit service to new areas, expanding the RideShare program, "buying down" transit fares, etc.

###### **Job Access / Reverse Commute (JARC) and New Freedom (NF)**

The General Manager will work to stay abreast of the rule-making process for these two newly "formularized" programs, so that CATA will be positioned to take advantage of the funding once PENNDOT establishes the programs' requirements.

## **Administration**

### **CATA's Business Processes**

Just like the Operations staff spends most of their organizational energy ensuring the integrity of the service on the street, the Administration Department will devote itself to ensuring that CATA is financially sound and in full compliance with all state and federal regulations.

### **Computer Support Systems**

Having joined with the COG and several municipalities in the Regional Technology Consortium, CATA will expand its Information Technology program, replacing and upgrading its e-mail system, installing a new Accounting system, relocating CATA's Server Room, etc.

### **Staffing and Succession Planning**

With the hiring of a Human Resources Specialist in the spring of this year, the Administrative Department will devote much of the coming year to cross-training, so that the current Human Resources Manager can be positioned to take over the responsibilities of the Director of Administration, should the need arise.

## **Planning and Service Development**

### **Service Enhancements**

The Service Development Manager will take the lead on the annual service planning process. With the expectation that additional state transit funds may be forthcoming, this effort will take on new significance in 2007, as CATA decides which unmet needs should be addressed first with the new resources.

### **Human Services Transportation Coordination Plan**

CATA will work with CRPA to retain a consultant to undertake a Human Services Transportation Study. The plan is expected to address long-standing concerns about Shared Ride, which both CATA and the County operate, as well as the long-term future of public transportation services throughout the County.

### **Regional Commuter Bus Service**

With the expectation that JARC, CMAQ or other funding may soon be made available for "new start" projects, CATA staff will resume planning for regional commuter bus service from Penns Valley and the Moshannon Valley, as well as Altoona (in conjunction with AMTRAN).

### **Hiester Street Bus Stop**

The bus stop on East College Avenue at the end of Hiester Street has deteriorated over the years, and while technically it is accessible, it's very challenging for anyone with a mobility impairment. Over the coming year, CATA staff will work with their Penn State counterparts to design and cost-out a new bus stop.

## **Public Information and Marketing**

### **Bus and Bike Facilities Map**

The Marketing staff will continue to work with the Centre Region Bicycle Coalition to complete the full-color fold-out map of all transit and bicycle facilities in the Centre Region currently being designed. The map should be complete and available for use by the start of Full Service this fall.

### **Transit Coalition**

CATA's Marketing Manager is taking the lead in the creation of a Centre Region Transit Coalition, a group of transit stakeholders and other interested persons who can be called up to advocate for public transportation funding and otherwise encourage elected officials to "do the right thing" for transit.

### **Annual Report**

Following the completion of the annual audit for FY 2005/2006, CATA will produce a formal Annual Report that will complement the annual Budget document, and also serve as CATA's primary community information piece.

### **Internet Homepage**

The staff will continue to enhance the [www.catabus.com](http://www.catabus.com) website to include more "real-time" route and schedule information; the ultimate goal is to be able to provide up-to-the-minute service information that can be transmitted wirelessly to passengers via cell phones and PDA's.

## **Transportation**

### **CATA's Core Bus Service**

As always, most of CATA's transportation efforts will be devoted to ensuring that there is a bus on every run, a Driver on every bus, and that all of the supporting elements are in place to keep the service running smoothly. Ninety percent of CATA's organizational energy is devoted to this core function.

### **Service Quality**

As time permits the staff will commit additional resources to ensuring that key indicators of CATA's transit services – schedule adherence, bus cleanliness, customer service, comment follow-up, etc. – meet or exceed transit industry and CATA's own standards.

### **Rolling Stock Rebuild/Replacement Plan**

The highest priority special project for the Operations staff for the coming year is the completion of a bus rebuild/replacement plan, so that we can begin taking the necessary steps to ensure the integrity of our bus fleet, which includes 34 buses that will reach the end of their life-expectancy within the next four years.

## **Safety and Training**

With the creation of a new Safety and Training Officer position, we will reorganize our Bus Driver training regimen, our all-employee refresh employees' skills assessment, etc. We will also reactivate CATA's dormant Safety Committee.

## **Bus Driver Training Curriculum**

Earlier this spring CATA provided two buses and two minibuses to the Central Pennsylvania Institute of Science and Technology (CPI) to enable them to begin a Bus Driver training program to mirror their truck-driving curriculum. Over the coming year we will work with CPI to help the program achieve its intended goal of providing CATA a supply of pre-trained Bus Driver candidates.

## **Maintenance**

### **Bus Maintenance**

As the bulk of CATA's bus fleet approaches the end of its life expectancy, additional work will be required to keep the buses in good working order. Over the coming year additional efforts will be made to address body and frame corrosion, engine power deficiencies, air systems deterioration, etc.

### **Road Calls**

The Maintenance staff will continue to evaluate the number and type of road calls (on-street problems), with the expectation that enhanced preventative maintenance procedures can reduce their incidence over the course of the year.

### **CNG Tank Evaluation and Remediation**

With "seepage" of natural gas having been found in several CNG tanks, we will evaluate the tanks' structural integrity and replace them as needed.

### **Facilities Maintenance and Upkeep**

As resources permit, Maintenance staff and contractor personnel will address various problems cropping up with our 15-year-old facility, so that the building and grounds continue to look good and work well. Activities will include the remediation of several sinkholes and the rehabilitation of our stormwater retention basins.

## **Capital Investment**

Over the coming year CATA will pursue roughly a dozen capital improvement projects. Among the most significant are the Advanced Public Transportation Systems (APTS) initiative, the replacement and upgrading of CATA's CNG fueling facility, working with Penn State to create a transit center behind Pattee Library, the refurbishment of CATA's 16 oldest CNG buses and the replacement of CATA's bus stop signs throughout the community. Details of the various capital projects follow in SECTION VII – FY 2006/2007 CAPITAL BUDGET.

## **Other**

### **Old Fort Park and Ride Lot**

To ensure that the Park-and-Ride project moves forward to construction, CATA or CRPA staff will continue to serve as liaison between the American Legion (who owns the land), PENNDOT (who will design and build the lot) and Potter Township (who will operate the facility).

### **Hydrogen Bus Research Project**

The staff will continue to work with Penn State's Pennsylvania Transportation Institute (PTI) to re-power one of our New Flyer buses to burn a blend of CNG and Hydrogen, then use it on the LOOP/LINK as a research platform. The bus should be in revenue service by this coming summer.

### **American Public Transportation Association (APTA) Involvement**

With the support of the CATA Board of Directors, the General Manager will continue serving as the Chairman of the APTA Small Operations Committee, with the expectation of being elected APTA Vice Chair for Small Operations in October.

## SECTION VI OPERATING BUDGET

### Introduction

This page and the four that follow it provide the Receipts and Expenditures line items that comprise the FY 2006/2007 DRAFT Operating Budget.

### CENTRE AREA TRANSPORTATION AUTHORITY 2006/2007 DRAFT OPERATING BUDGET March 30, 2006

<b>RECEIPTS</b>	<b>Actual 04/05 <u>Receipts</u></b>	<b>Current <u>05/06 Budget</u></b>	<b>Estimated <u>Actual 05/06</u></b>	<b>DRAFT <u>06/07 Budget</u></b>	<b>% change from <u>05/06 Budget</u></b>
<u>Passenger Revenue</u>					
Farebox	512,934	504,000	600,000	620,000	23.02%
OnePass	399,892	390,000	436,500	450,000	15.38%
Football Shuttle	25,564	29,000	42,250	40,000	37.93%
Paratransit	96,461	96,000	100,000	103,000	7.29%
Purchase of Service	974,802	1,017,000	904,300	905,600	-10.95%
LOOP Revenue	<u>1,377,741</u>	<u>1,447,000</u>	<u>1,509,000</u>	<u>1,583,900</u>	<u>9.46%</u>
<b>Subtotal-Passenger Revenue</b>	<b>3,387,394</b>	<b>3,483,000</b>	<b>3,592,050</b>	<b>3,702,500</b>	<b>6.30%</b>
<u>Other Operating Income</u>					
Charter	1,575	0	260	0	N/A
Advertising	29,532	32,000	24,800	24,800	-22.50%
Interest	11,451	6,500	17,000	17,000	161.54%
Vehicle Lease	0	0	0	0	N/A
Misc. Transportation Revenue	40	100	50	100	0.00%
Misc. Non-Transportation Revenue	<u>6,593</u>	<u>2,000</u>	<u>8,800</u>	<u>2,000</u>	<u>0.00%</u>
<b>Subtotal-Other Operating Income</b>	<b>49,191</b>	<b>40,600</b>	<b>50,910</b>	<b>43,900</b>	<b>8.13%</b>
<u>Special Reimbursement Funding</u>					
Senior Citizen Free Transit	45,799	48,000	45,500	45,500	-5.21%
Senior Citizen Shared Ride	178,646	182,000	176,000	178,000	-2.20%
Transportation Planning Grants	0	0	0	0	N/A
Demonstration Grants	0	0	0	0	N/A
Welfare to Work	0	0	0	0	N/A
Rideshare Support	<u>29,820</u>	<u>31,310</u>	<u>31,310</u>	<u>32,875</u>	<u>5.00%</u>
<b>Subtotal-Special Reimbursements</b>	<b><u>254,265</u></b>	<b><u>261,310</u></b>	<b><u>252,810</u></b>	<b><u>256,375</u></b>	<b><u>-1.89%</u></b>
<b>Total Operating Revenue</b>	<b>3,690,850</b>	<b>3,784,910</b>	<b>3,895,770</b>	<b>4,002,775</b>	<b>5.76%</b>

**CENTRE AREA TRANSPORTATION AUTHORITY  
2006/2007 DRAFT OPERATING BUDGET  
March 30, 2006**

<b>RECEIPTS</b>	<u>Actual 04/05</u> <u>Receipts</u>	<u>Current</u> <u>05/06 Budget</u>	<u>Estimated</u> <u>Actual 05/06</u>	<u>DRAFT</u> <u>06/07 Budget</u>	<u>% change from</u> <u>05/06 Budget</u>
<u>Operating Assistance Grants</u>					
Federal Operating Assistance:	1,213,762	1,030,140	1,690,778	2,050,420	99.04%
State Operating Assistance	967,043	922,716	922,716	937,722	1.63%
Act 26 Asset Maintenance	310,837	310,837	281,180	283,712	-8.73%
State Supplemental Funding	541,195	541,270	541,270	539,739	-0.28%
State Funding - New	<u>0</u>	<u>671,041</u>	<u>125,000</u>	<u>448,372</u>	<u>-33.18%</u>
<b>Subtotal- Operating Assistance</b>	<b>3,032,837</b>	<b>3,476,004</b>	<b>3,560,944</b>	<b>4,259,965</b>	<b>22.55%</b>
<u>Local Contributions</u>					
State College Borough	68,824	75,127	75,127	81,858	-100.00%
Ferguson Township	61,301	64,191	64,191	72,202	-100.00%
Patton Township	53,009	53,138	53,138	57,970	-100.00%
College Township	49,468	54,024	54,024	50,202	-100.00%
Harris Township	20,067	21,496	21,496	20,673	-100.00%
Bellefonte Borough	14,963	12,668	14,668	14,731	-100.00%
Spring Township	13,068	14,091	14,091	14,263	-100.00%
Benner Township	0	0	0	2,174	N/A
Penn State University	<u>77,763</u>	<u>81,651</u>	<u>81,651</u>	<u>85,732</u>	<u>-100.00%</u>
<b>Subtotal - Local Contributions</b>	<b>358,463</b>	<b>376,386</b>	<b>378,386</b>	<b>399,805</b>	<b>6.22%</b>
<b>Total Subsidy</b>	<b><u>3,391,300</u></b>	<b><u>3,852,390</u></b>	<b><u>3,939,330</u></b>	<b><u>4,659,770</u></b>	<b><u>20.96%</u></b>
<b>Total Subsidy and Operating Revenue</b>	<b>7,082,150</b>	<b>7,637,300</b>	<b>7,835,100</b>	<b>8,662,545</b>	<b>13.42%</b>

**CENTRE AREA TRANSPORTATION AUTHORITY  
2006/2007 DRAFT OPERATING BUDGET  
March 30, 2006**

<b>EXPENDITURES</b>	<b>Actual 04/05 <u>Expenditures</u></b>	<b>Current <u>05/06 Budget</u></b>	<b>Estimated <u>Actual 05/06</u></b>	<b>DRAFT <u>06/07 Budget</u></b>	<b>% change from <u>05/06 Budget</u></b>
<u>Maintenance Expenses</u>					
Supervisory Wages	92,480	96,800	98,140	104,045	7.48%
Supervisory Benefits	31,056	34,100	33,560	36,000	5.57%
Maintenance Wages	446,288	483,300	495,350	571,000	18.15%
Maintenance Benefits	194,476	221,500	219,500	273,100	23.30%
Revenue Vehicle Maintenance	221,232	265,000	250,000	265,000	0.00%
Service Vehicle Maintenance	2,203	3,800	5,000	4,000	5.26%
Radio Maintenance	5,782	7,400	5,800	6,300	-14.86%
Building and Equipment Maint.	67,689	70,000	79,000	84,000	20.00%
Uniforms and Accessories	11,799	11,500	16,000	16,500	43.48%
Contract Maintenance	719	5,900	5,200	5,600	-5.08%
Utilities	92,193	98,000	115,000	120,000	22.45%
Paratransit	9,449	10,600	11,000	14,000	32.08%
Training	3,254	6,000	5,800	5,500	-8.33%
Miscellaneous Maintenance	<u>7,778</u>	<u>8,000</u>	<u>8,000</u>	<u>8,200</u>	<u>2.50%</u>
<b>Subtotal-Maintenance Expenses</b>	<b><u>1,186,398</u></b>	<b><u>1,321,900</u></b>	<b><u>1,347,350</u></b>	<b><u>1,513,245</u></b>	<b><u>14.47%</u></b>

**CENTRE AREA TRANSPORTATION AUTHORITY  
2006/2007 DRAFT OPERATING BUDGET  
March 30, 2006**

<b>EXPENDITURES</b>	<b>Actual 04/05 <u>Expenditures</u></b>	<b>Current <u>05/06 Budget</u></b>	<b>Estimated <u>Actual 05/06</u></b>	<b>DRAFT <u>06/07 Budget</u></b>	<b>% change from <u>05/06 Budget</u></b>
<i>Transportation Expenses</i>					
Supervisory Salary	323,428	346,400	338,000	390,500	12.73%
Supervisory Benefits	92,715	100,000	111,100	126,400	26.40%
Driver's Labor	2,400,560	2,532,700	2,532,700	2,756,100	8.82%
Driver's Benefits	1,054,475	1,206,400	1,224,800	1,411,600	17.01%
Paratransit	372,401	394,300	390,500	396,000	0.43%
<i>Tires/Tubes:</i>					
Revenue Vehicles	44,159	46,000	47,250	48,600	5.65%
Service Vehicles	170	600	300	1,100	83.33%
<i>Fuel and Lubricants:</i>					
Revenue Vehicles	581,452	573,000	734,000	763,000	33.16%
Service Vehicles	8,944	12,800	11,000	15,000	17.19%
Safety and Training	10,492	20,500	25,000	26,000	26.83%
Insurance	171,066	184,000	165,000	179,000	-2.72%
Vehicle Lease	0	0	0	0	N/A
Shelters and Signs	5,029	5,500	5,000	5,000	-9.09%
Uniforms	1,872	2,000	4,200	4,200	110.00%
Miscellaneous Transportation	<u>5,575</u>	<u>7,600</u>	<u>5,700</u>	<u>5,700</u>	<u>-25.00%</u>
<b>Subtotal-Transportation Expenses</b>	<b><u>5,072,338</u></b>	<b><u>5,431,800</u></b>	<b><u>5,594,550</u></b>	<b><u>6,128,200</u></b>	<b><u>12.82%</u></b>

**CENTRE AREA TRANSPORTATION AUTHORITY  
2006/2007 DRAFT OPERATING BUDGET  
March 30, 2006**

	<u>Actual 04/05</u> <u>Expenditures</u>	<u>Current</u> <u>05/06 Budget</u>	<u>Estimated</u> <u>Actual 05/06</u>	<u>DRAFT</u> <u>06/07 Budget</u>	<u>% change from</u> <u>05/06 Budget</u>
<b>EXPENDITURES</b>					
<u>Administrative Expenses</u>					
Staff Salary	442,222	450,600	463,800	516,500	14.62%
Staff Benefits	123,652	134,000	148,000	166,200	24.03%
Intern Wages	260	0	0	0	N/A
Intern Benefits	21	0	0	0	N/A
Temporary Help	2,096	2,200	900	1,500	-31.82%
Insurance	35,977	38,000	35,000	36,000	-5.26%
Pass Sales and Supplies	10,872	8,500	8,900	9,800	15.29%
Professional Services	77,824	101,500	85,500	118,000	16.26%
Advertising	13,370	15,200	15,200	25,000	64.47%
Marketing Support	6,564	13,400	13,400	18,400	37.31%
Printing	2,111	1,500	1,000	3,000	100.00%
Schedule Printing and Design	17,490	19,000	24,100	25,600	34.74%
Telephone	13,339	15,800	14,000	18,000	13.92%
Office Supplies and Services	19,001	26,000	19,500	21,000	-19.23%
Dues and Subscriptions	16,465	17,100	21,400	21,400	25.15%
Travel and Meetings	13,587	13,000	16,600	18,000	38.46%
Interest	0	500	1,500	0	-100.00%
Miscellaneous Administrative	10,969	8,500	5,600	5,200	-38.82%
Paratransit	<u>17,594</u>	<u>18,800</u>	<u>18,800</u>	<u>17,500</u>	<u>-6.91%</u>
<b>Subtotal-Administrative Expenses</b>	<u>823,414</u>	<u>883,600</u>	<u>893,200</u>	<u>1,021,100</u>	<u>15.56%</u>
<b>Grand Total-Operating Expenses</b>	7,082,150	7,637,300	7,835,100	8,662,545	13.42%

# Operating Budget Narrative

## Introduction

CATA has established and maintains its financial record-keeping in accordance with the National Transit Database (NTD) requirements of the Federal Transit Act. NTD defines specific accounts that cross-classify all revenues and expenses by functional category and object class in order to present a consistent accounting system for all transit authorities nationwide. The Authority's internal accounting system includes many individual accounts, which are compiled into major functional categories in the 5-page line item budget.

The separate categories for revenue are:

**PASSENGER REVENUE** - revenues derived from passenger fares for both fixed route (CENTRE LINE, LOOP/LINK) and demand responsive (CENTRE RIDE) service, either paid directly by riders or through purchase-of-service contracts, such as those with apartment complexes, providing payment for all or part of required fares for specific groups.

**OTHER OPERATING INCOME** - revenues from operations other than passenger fares, including income from transportation activities such as charter service or advertising on buses, or from non-transportation sources, such as vehicle leasing.

**SPECIAL REIMBURSEMENT FUNDING** - grants from state and federal sources to reimburse all or part of the difference between full and special reduced fares (state lottery receipts for senior citizen programs) or to finance specific planning expenditures. This section of the budget includes any demonstration grants from the Pennsylvania Department of Transportation, as well as RideShare program support provided by Penn State. Under NTD reporting, all revenues from these grants are classified as operating revenue to distinguish them from general operating assistance.

**FEDERAL, STATE AND LOCAL OPERATING SUBSIDIES** - income from governmental entities that supports general operating costs for transit service. Special reimbursement grants and revenues based on special fares or specified expense items are excluded.

The separate categories for expenditures are:

**MAINTENANCE** - expenditures for personnel, materials and supplies, services, and utilities required to perform, supervise, and administer maintenance and repair of revenue and service vehicles, buildings, grounds and equipment.

**TRANSPORTATION** - expenditures for personnel, materials and supplies, services, and insurance directly related to operation of revenue service and its supervision and/or administration.

**ADMINISTRATION** - expenditures associated with general administration of the transit system, including, but not limited to, personnel costs, material and supplies, professional services, financing costs and marketing.

The following narrative details the specific assumptions and projections used for each line item in developing the FY 2006/2007 budget. Where appropriate, the narrative describes specific items included in each line and calls attention to significant differences between prior year and budgeted amounts.

## Revenue Detail

### Passenger Revenue

#### **FAREBOX**

**\$ 620,000**

Farebox revenue includes receipts from cash fares and tokens. The FY 2005/2006 estimate, based on actual receipts for the first 7 months of the year, is well above budget with higher cash ridership on most routes. This increase, along with higher-than-planned pass revenue, likely reflects consumer reaction to higher gasoline prices. FY 2006/2007 revenue is increased modestly over the current year.

#### **ONE PASS**

**\$ 450,000**

The ONEPASS can be purchased at any time during the year for periods ranging from 1 to 12 calendar months. Pass prices, last increased in July 2002, range from \$49 for a 1-month pass to \$499 for a 12-month pass. The current year estimate is above budget with increased pass sales and increased revenue from Penn State's "Ride for Five" program (under which the University subsidizes all but \$5 of the monthly cost), likely resulting from the same factors which affect cash ridership. FY 2006/2007 revenue assumes a small increase in pass sales over the current year estimate.

#### **FOOTBALL SHUTTLE**

**\$ 40,000**

The football shuttle provides economical and convenient access between downtown and local motels/hotels and Beaver Stadium on home game Saturdays. Estimated revenue for FY 2005/2006 is higher-than-planned with higher per-game attendance and shuttle ridership associated with the team's winning season and competitive games. With a less attractive home schedule, per game ridership may decline somewhat, and a small decrease in FY 2006/2007 revenue is budgeted.

#### **PARATRANSIT**

**\$ 103,000**

This line item represents passenger revenue from CENTRE RIDE, CATA's paratransit program, which serves two populations -- senior citizens and persons with disabilities-- with curb-to-curb shared ride transportation in the CENTRE LINE service area. Those over 65 pay a reduced fare; a special state grant reimburses the Authority for all or most of the balance. CENTRE RIDE also meets federal requirements for complementary paratransit under the Americans with Disabilities Act (ADA) for passengers with physical or cognitive impairments that prevent use of CENTRE LINE buses.

The FY 2005/2006 estimate reflects higher-than-anticipated ridership, most notably in ADA ridership categories, based on the first 7 months of actual data. The FY 2006/2007 budget assumes continued increases in total ridership and no change in fares (\$1.50 per trip for those over 65 and \$2.50 per trip for ADA passengers). The line item also includes estimated revenue from social service agencies paying full cost to transport clients under negotiated agreements (as permitted under the ADA), and from general public passengers paying full CENTRE RIDE fares.

#### **PURCHASE OF SERVICE**

**\$ 905,600**

This line item includes revenue from purchase-of-service contracts with several large apartment complexes (Heritage Oaks, State College Park, University Terrace, Nittany Crossing, University Commons, Copper Beech, Oak Hill, The Pointe, Northbrook Greens, and several properties owned by Nevins' Real Estate) under which the Authority provides bus service on specified CENTRE LINE routes to tenants. Income from special services, as noted below, and Penn State's purchase-of-service revenue for fare-free service on selected CENTRE LINE routes that cross the University Park campus, is also included.

FY 2005/2006 estimated revenue reflects current contract amounts for apartment complexes and Penn State and is below budget with one complex (Nittany Gardens) dropping out of the program and decreased contract amounts, negotiated after the budget was prepared, for several others. Additionally, estimated Penn State revenue for CENTRE LINE fare free service (replaced with higher revenue for LOOP/LINK service, as noted below), is lower than initially anticipated.

The FY 2006/2007 budget reflects estimated contract rates for all complexes currently participating in the program; no new contracts are anticipated. The line item also includes estimates for Penn State purchase-of-service revenue (as noted above), revenue from other entities sponsoring free shuttle service (such as the Central Pennsylvania Festival of the Arts, Ag Progress Days and First Night), and contract revenue from MBNA, Inc. for free employee transit on the K-Route and from Tussey Mountain Ski Resort for free B-Route transit during ski season for Penn State physical education students.

**LOOP/LINK**

**\$ 1,583,900**

The Authority operates fare-free service on the BLUE and WHITE LOOPS and the RED and GREEN LINKs through a purchase-of-service contract with Penn State University, which includes separate amounts for CENTRE LINE fare free service, budgeted under the "Purchase of Service" line item above, and LOOP/LINK service.

The FY 2005/2006 estimate is higher-than-planned with negotiated contract provisions, which reduced CENTRE LINE revenue, as noted above, and increased LOOP/LINK revenue.

The FY 2006/2007 budget includes projected contract amounts for the University's purchase-of-service revenue, for additional service hours requested in addition to contracted service, for a small amount of special purchase-of-service revenue on the LOOP, as well as revenue from the sale of monthly Park and Ride subscriptions which allow users to park in Lot 44.

**Other Operating Income**

**CHARTER SERVICE**

**\$ 0**

Federal regulations restrict operation of charter service by federally-funded public transit authorities to incidental service which private-for-profit operators cannot or do not wish to provide. There are very limited exceptions for service to non-profit organizations. No charter service revenue is anticipated for the coming year.

**ADVERTISING**

**\$ 24,800**

This line item budgets income from the sale of inside advertising spaces on revenue vehicles through CATA's contract with a local advertising firm. The FY 2005/2006 estimate reflects lower-than-anticipated sales of these spaces; the FY 2006/2007 budget is set at the same amount.

**INVESTMENT EARNINGS**

**\$ 17,000**

Anticipated interest earnings on short term investment of available cash balances during the fiscal year are budgeted here. The actual amount received depends on daily interest rates and average daily cash balances, both of which are highly variable and difficult to forecast. FY 2005/2006 estimated and FY 2006/2007 budgeted revenues reflect assumptions for those components for both periods.

**VEHICLE LEASE AND RENTAL**

**\$ 0**

With the FY 1999/2000 restructuring of the agreement between CATA and Penn State University for LOOP service, buses are no longer leased to the University; CATA operates all LOOP vehicles.

**MISCELLANEOUS TRANSPORTATION REVENUE**

**\$ 100**

**MISCELLANEOUS NON-TRANSPORTATION REVENUE**

**\$ 2,000**

These line items reflect revenue from sources not properly included on any other line item. Total miscellaneous revenues are divided into transportation and non-transportation categories to conform to NTD reporting requirements. Routine dispositions of property which is no longer serviceable and other miscellaneous revenue items, such as income from the sale of CNG fuel to the general public through CATA's cooperative agreement with the neighboring Uni-Mart Center, are included each year. The increased estimate for FY 2005/2006 includes additional revenue from disposition of several small buses during the current year, while the FY 2006/2007 budget includes only routine items.

### **Special Reimbursement Funding**

#### **SENIOR CITIZEN FREE TRANSIT \$ 45,500**

This line item budgets special grant revenue from Commonwealth lottery receipts to reimburse CATA for free service during off-peak hours to senior citizens riding under the state's "free transit" program. Both FY 2005/2006 estimated and FY 2006/2007 budgeted revenues are based on projected ridership and state reimbursement equal to the average cash fare per trip for each eligible passenger.

#### **SENIOR CITIZEN PARATRANSIT \$ 178,000**

Shared-ride senior citizen paratransit service, known as CENTRE RIDE, is a lottery-funded companion to the "free transit" program noted above. In FY 2005/2006, CENTRE RIDE service was once again operated for the Authority by Handy Delivery, Inc., under a subcontract; the budget anticipates renewal of that contract for the coming year.

The state grant establishes a general public fare structure; those over the age of 65 pay 15% of that fare (currently \$1.50 per trip). The Authority receives lottery funds to cover the remaining 85% (currently \$8.50 per trip). The total per-trip revenue (fares plus grant reimbursement) covers most of the per-passenger payment to Handy Delivery for CENTRE RIDE service for senior citizens.

Although overall CENTRE RIDE ridership is increasing, the senior citizen component has been fairly stable over the last several years; the FY 2006/2007 budget assumes only a small increase in ridership.

#### **TRANSPORTATION PLANNING GRANTS \$0**

In FY 1999/2000, CATA and the Centre Region Planning Agency (CRPA) agreed to utilize these funds to hire a transportation planner, and funding formerly included in CATA's budget for staff hours on planning tasks was retained by the CRPA instead. Both the FY 2005/2006 estimate and FY 2006/2007 budget assume no reimbursement in either fiscal period.

#### **DEMONSTRATION GRANTS \$0**

The Authority first received special one-time demonstration grants, providing between 90% and 100% of the costs associated with approved activities, in May 1997, and has been awarded several such grants since then. However, no such grants were available during FY 2005/2006 or are anticipated during FY 2006/2007.

#### **WELFARE TO WORK GRANTS \$0**

In FY 1997/1998, Centre County received state funding to develop programs for assisting welfare recipients in returning to the work force; funds were used to support additional X-Route trips between Bellefonte and State College. No such grants were available during FY 2005/2006 or are anticipated during FY 2006/2007.

**RIDESHARE SUPPORT****\$32,875**

Since FY 1999/2000, the Authority's agreement with Penn State for LOOP service has included a separate provision for University support of a regional rideshare program, expanding on the Mountaintop program conducted under a previous state demonstration grant. The FY 2005/2006 estimate and FY 2006/2007 budget both reflect anticipated revenues under the Penn State agreement.

**Operating Assistance Grants****FEDERAL OPERATING ASSISTANCE****\$ 2,050,420**

Because any federal operating assistance which remains at the end of the year may be carried forward for use in subsequent years, it is the "balancing" item which finances any deficit remaining after state and local operating assistance has been applied. The amount carried forward at the end of the year provide the Authority with a small contingency which may be used in the event revenues and expenses vary greatly from the budgeted amounts. As detailed below, significantly increased federal operating assistance and additional state funding proposed for FY 2005/5006 and FY 2006/2007 should allow the Authority to program a more sufficient contingency amount than has been possible in previous years.

CATA's adjusted federal operating assistance apportionment for FY 2005/2006 is \$1,857,398, compared to \$1,063,514 in FY 2004/2005, an increase of almost \$800,000. This additional operating assistance was made available under the new Small Transit Intensive Communities (STIC) initiative, which provides additional operating assistance to properties such as CATA which are highly productive in relation to fleet and population size. For FY 2006/2007, the Authority projects total available funding in the amount of \$2,355,182 (estimated annual apportionment of \$1,852,952, equal to the current year's base apportionment, plus \$502,230 estimated remainder at the end of FY 2005/2006). Of this total, \$2,050,420 is budgeted for FY 2006/2007 operating assistance, leaving \$304,762 at the end of the budget year.

For the current year, estimated total operating subsidy of \$3,560,944 is only \$84,000 higher than the budgeted amount of \$3,476,004. Within the subsidy category, however, federal operating assistance will be used in lieu of new state funding to a large degree, as shown, to permit set-aside of some of that state funding for capital bus maintenance projects.

As in the past, the Authority will closely monitor revenues, expenses and funding levels over the coming months to assure that adequate carryover funds are available to finance unforeseen expenditures or revenue shortfalls for the budget year and beyond.

**STATE OPERATING ASSISTANCE****\$ 937,722**

State operating assistance is derived from general fund revenues of the Commonwealth. Specific allocations are included in the Governor's annual state budget proposal and subsequently enacted by the General Assembly. Over the last decade, state funding (including Act 26 and supplemental funding, detailed below) has grown to become the single largest source of operating assistance of the Authority's three government partners (local, state, federal).

The FY 2006/2007 budget is based on estimates from the Bureau of Public Transportation for general fund and supplemental grant funding; over the years, these estimates have been quite accurate in predicting final grant amounts for the upcoming budget year.

**ACT 26 FOR ASSET MAINTENANCE****\$ 283,712**

Act 26 funding derives from the Public Transportation Assistance Fund (PTAF), Pennsylvania's first-ever source of dedicated funding for local public transportation. Under this 1991 legislation, CATA receives

capital improvement funding, a portion of which may be used for maintenance of capital assets under the operating budget. This “asset maintenance limit” is established each year at either 50% of estimated annual Act 26 revenue or 50% of the original 1991 Act 26 revenue projections, whichever is greater. The FY 2005/2006 estimate reflects the current grant budget, while the FY 2006/2007 budget is based on current PENNDOT projections of total PTAF receipts for the fiscal period.

**ACT 3 STATE SUPPLEMENTAL FUNDING**

**\$ 539,739**

In FY 1997/1998, Pennsylvania’s mass transit agencies received supplemental Act 3 funding as part of a newly-enacted increase in gasoline taxes. A small portion of Act 3 funding is restricted to asset maintenance expenditures, while the balance may be used for general operating subsidy or capital projects. As in previous years, all Act 3 funding is budgeted for operating assistance.

The FY 2005/2006 projection reflects the current grant budget, while the FY 2006/2007 budget is based on PENNDOT’s grant estimates.

**NEW STATE FUNDING**

**\$ 448,372**

In the spring of 2005, with the state’s two largest transit systems on the verge of massive service cuts and fare increases, Governor Rendell unveiled a plan to divert federal bridge and highway funds to public transportation. Described as a temporary solution that will be in place only until the General Assembly and the Administration can agree on a permanent funding solution, these funds are to be made available to CATA and other systems around the state on an as-needed basis to maintain current service levels.

Last fall, as the plan evolved, CATA was allocated \$786,203 for FY 2005/06 and \$448,372 for FY 2006/2007, with all of the funding designated solely for maintenance expenditures. At the same time, the Authority began to analyze bus refurbishment as a way to maintain its fleet in the absence of new capital monies to purchase new buses. With increased federal operating assistance, as noted above, it was decided to set aside most of the FY 2005/2006 allocation for this project, using the remaining \$125,000 to support routine maintenance costs in the operating budget. For FY 2006/2007, however, the full allocation of \$448,372 has been budgeted for operating subsidy in order to preserve a small amount of federal operating assistance as a contingency.

However, the release of this funding is not at all certain. As the budget is being prepared, PennDOT is reviewing the financial status of each transit authority in the Commonwealth, and there is a possibility that the anticipated funding may be reduced or even withdrawn. This has created a difficult situation, but with no clear outcome at this time, the budget has been prepared under the assumption that the funds will be forthcoming with little or no reduction from the previously-allocated amounts.

**LOCAL SHARES**

**\$ 399,805**

The total local share requested from member municipalities, Bellefonte Borough, Spring Township, and for the first time, Benner Township, plus a contribution from Penn State in support of transit service, represents an increase of 5% (before Benner Township is included in the calculation) over the amount requested and approved for FY 2005/2006.

The formula for allocating total local funding uses ridership, mileage by municipality, revenue and expense data, estimated for the budget year in order to incorporate new service to be implemented. As noted previously, while this provides a better “match” between revenues, expenditures, and proposed service for the budget year, estimates of ridership by route and by fare category for the coming year may be imprecise, especially for new or expanded service where no previous ridership data exists on which to base such estimates. The allocation formula is fully detailed in the LOCAL SHARE section of the budget.

## **Expenditure Detail**

### **Common Expenditures**

Each of the three expenditure categories (maintenance, transportation, and administration) includes line item expenses for wages and benefits that are common to each and based on like assumptions. These expenditures are detailed below to eliminate duplication in the remainder of the narrative.

#### **EMPLOYEE WAGES AND SALARIES**

Drivers' wages are based on the number of hours required to operate scheduled bus service throughout the year, plus estimates for overtime, paid leave usage, and other items.

For both drivers and maintenance employees, the budget reflects wages established under the current collective bargaining agreement, which expires on February 28, 2008. One additional mechanic is included in the FY 2006/2007 budget.

Staff salaries are budgeted in accordance with the compensation plan previously adopted by the Authority, and last updated at the beginning of FY 2003/2004. The budget includes 2 additional staff employees, a Safety and Training position in the Transportation Department, as recommended by the state-mandated Management Performance Review done several years ago, and a second position in the Human Resources office, which currently serves over 100 employees with only 1 staff member.

Wages for CATA's two supervisory maintenance staff are shown under Maintenance Expenditures. The Director of Transportation, an Operations Manager, five Operations Supervisors and a Safety and Training Officer are included under Transportation Expenditures. The Administrative budget includes salaries for CATA's General Manager, Director of Administration, Bookkeeper, Service Development Manager, Marketing Manager, Human Resources Manager, Human Resources Specialist, Executive Assistant/Rideshare Coordinator, Customer Service Assistant, Bookkeeping Assistant, Receptionist, one half-time Office Assistant and a half-time fare counting position.

Wage line items also include estimates for longevity pay and drivers' uniform allowances as negotiated under the Authority's labor contract, optional vacation leave buybacks and incentives to reduce medical coverage, and a transfer of wages to paratransit line items for maintenance and administrative staff time associated with CATA's CENTRE RIDE program.

#### **EMPLOYEE BENEFITS**

Benefits for drivers are based on anticipated workforce requirements during the budget year, while benefits for maintenance personnel and for non-represented staff reflect the positions noted above. In all cases, benefits are based on the following assumptions:

FICA: The employer share of FICA is budgeted at 7.65% of wages.

Worker's Compensation: The budget reflects the state-mandated rates currently in effect for each job classification through the pooled insurance program (SAFTI) organized by the Pennsylvania Public Transportation Association (PPTA) several years ago.

Workers' compensation costs impact primarily on benefit expenses for hourly employees, whose premium rate, before modification for loss experience and other items, is budgeted at 9.73% of wages, compared to 0.3622% for staff, but final rates will not be established until later in the year, and therefore are subject to

change. Both FY 2005/2006 estimated and FY 2006/2007 budgeted workers' compensation costs for each fringe benefit line item also include an annual fee for program administration, audit costs and other related expenses. Because the rate for drivers and mechanics is much higher than that for staff employees, proration of the total cost impacts represented employees' benefits most heavily.

Retirement Program: The budget reflects the 401(a) retirement program (with 4% employee / 8% employer contributions) established on January 1, 1999, replacing the IRA plan in effect prior to that time. Because most of CATA's employees have attained sufficient longevity (one year for represented employees and six months for non-represented employees) to participate in this mandatory plan, retirement plan costs are not expected to increase significantly during the budget year.

Life and Disability Insurance: The budget is based on current premiums for this coverage, plus estimates for increases associated with wage adjustments (coverage is based on a percent of earnings) and monthly premium charges.

Health and Medical Coverage: Several months ago, in anticipation of steep increases in Geisinger's medical insurance premiums at the March 1 renewal date, the Authority joined with other local municipal entities to research what was necessary to form a health insurance cooperative. When Geisinger proposed a 29% increase in current premiums, compared to a budgeted increase of 20%, the decision was made to join the Centre Region Insurance Cooperative, which will provide coverage through Blue Cross, effective April 1, 2006, at rates which represent an average increase of 3.5% over Geisinger's pre-renewal premiums, and significant decrease over what Geisinger had proposed. Changes in monthly employee insurance co-pays, negotiated as part of the collective bargaining agreement, as well as an incentive plan under which employees who can obtain other coverage for themselves or their dependents are paid a monthly amount to reduce coverage through CATA, also serve to reduce estimated and budgeted insurance costs. The FY 2006/2007 budget assumes an across-the-board 18% increase for health insurance at the next renewal on January 1, 2007. Dental and vision coverage, which are provided by Delta Dental and Vision Benefits of America respectively, are budgeted at a 5% increase at the February 1, 2007 renewal date.

Unemployment Compensation: Unemployment compensation is normally budgeted only for drivers (who are traditionally affected by seasonal reductions in bus service); the line item for drivers' benefits estimates expenditures for claims in FY 2006/2007, based on actual costs during the prior two years and the projected number of seasonal layoffs during the budget year.

### **Maintenance Expenditures**

**SUPERVISORY WAGES - MAINTENANCE** **\$ 104,045**  
**SUPERVISORY BENEFITS - MAINTENANCE** **\$ 36,000**

Wages and benefits for CATA's Maintenance Manager and Maintenance Supervisor are included in these line items. FY 2005/2006 estimated and FY 2006/2007 budgeted amounts are based on the general assumptions above.

**MAINTENANCE WAGES** **\$ 571,000**

This line item budgets wages for hourly employees charged with repair and maintenance of vehicles, and includes expenses for overtime requirements, holiday pay, and an adjustment for wages transferred to the paratransit line item. The FY 2005/2006 estimate is above-budget with the addition of 2 maintenance persons mid-way through the year; the FY 2006/2007 budget is based on wage rates established under the current labor contract between CATA and AFSCME Local 1203-B, and reflects both the full-year impact of the added maintenance positions plus an additional mechanic to be hired at the beginning of the upcoming budget year.

**MAINTENANCE BENEFITS** **\$ 273,100**

Benefits for hourly maintenance employees are budgeted per the general assumptions above; the FY 2005/2006 estimate and FY 2006/2007 budget are increased with the additional positions noted above.

**REVENUE VEHICLE MAINTENANCE** **\$ 265,000**

Despite the use of available capital grants to purchase the most expensive parts, maintenance costs continue to increase as the bus fleet ages. Both the FY 2005/2006 estimate and FY 2006/2007 budget are based on projected expenditures and estimates for the annual year-end inventory adjustment.

**SERVICE VEHICLE MAINTENANCE** **\$ 4,000**

Estimated expenditures for FY 2005/2006 for repair and maintenance of service vehicles are above budget with unanticipated transmission repairs during the current year. With the acquisition of newer vehicles to replace the oldest equipment in the service vehicle fleet, major repairs should be minimal, as reflected in the decreased budget for FY 2006/2007.

**RADIO MAINTENANCE** **\$ 6,300**

This line item budgets the monthly cost for a service contract on CATA's mobile radios, base station encoder and charger, monthly radio tower rental, and an estimate for necessary repair/maintenance work not covered by the service contract. Although no increase in the maintenance contract rate is anticipated, the FY 2006/2006 budget includes the purchase of replacement equipment and a small amount of work outside of that which is covered by the contract.

**BUILDING AND EQUIPMENT MAINTENANCE** **\$ 84,000**

This line item budgets costs to maintain CATA's facility and equipment, including costs for janitorial service, routine supplies, floor mat rental, small tool purchases, repairs to building systems and CNG compressors, etc. Estimated expenses, based on actual costs for the first 7 months of the current year, include higher-than-anticipated costs for cleaning the Authority's new downtown transit center and office, which opened in October 2005, and for repair and servicing of the Authority's CNG fueling station. The FY 2006/2007 budget is based on estimates for required repairs and services during the upcoming year.

**UNIFORM AND ACCESSORIES** **\$ 16,500**

Costs for rental/cleaning of maintenance employee uniforms, plus shoe and tool allowances provided under the labor contract, are included. Both the FY 2005/2006 estimate and FY 2006/2007 budgeted amounts reflect additional uniforms and shoe/tool allowances for the additional employees noted above, as well as increased amounts for those allowances under the current labor contract.

**CONTRACT MAINTENANCE** **\$ 5,600**

This line item budgets costs for contracted services to remove waste oil and paint residue, maintenance agreements on time clocks and building fire alarm/sprinkler systems, and monthly contractual fees for monthly monitoring of the security system which was installed at the Authority's Cato Park facility during the current year. The FY 2006/2007 budget assumes modest increases in the individual components, which make up the total line item.

**UTILITIES** **\$ 120,000**

Costs are budgeted for gas (heat), sewer, water, trash removal and electricity. Because the major components of this line item, electricity and natural gas, are very sensitive to weather conditions, it is difficult to establish a consistent pattern. The FY 2005/2006 estimate, based on actual expenses for the first 7 months of the year, is above budget primarily with higher-than-planned unit costs for natural gas, as well as increases in trash and sewer rates, while the FY 2006/2007 budget projects estimated rates and quantities for the coming year.

**PARATRANSIT VEHICLE MAINTENANCE****\$ 14,000**

This line item covers repair and routine maintenance of CATA's lift-equipped small buses used in the CENTRE RIDE program. Expenditures for parts, and mechanics' wages and benefits for work on these vehicles are included. The FY 2006/2007 budget is increased slightly to reflect higher wage and benefit costs and additional parts for maintenance as the vehicles age.

**TRAINING****\$ 5,500**

Development of in-house expertise in repair and rebuilding of vehicle components is a cost-effective approach to vehicle maintenance. This line item covers estimated costs for training of supervisory and hourly maintenance personnel in the coming year. Specific seminars and training expenditures will be determined during the year, following evaluation of training needs, effectiveness of available training opportunities, and availability of specialty training for major component repairs. The FY 2005/2006 estimate and the 2006/2007 budget both reflect projected expenses for these activities.

**MISCELLANEOUS****\$ 8,200**

The "Miscellaneous" line item within the Maintenance function is used to classify maintenance-related items which, under NTD reporting, cannot be included in any other Maintenance Expense line item. Both the FY 2005/2006 estimate and FY 2006/2007 budget reflect anticipated expenditures for such items.

**Transportation Expenditures****SUPERVISORY SALARIES****\$ 390,500****SUPERVISORY BENEFITS****\$ 126,400**

Wages and benefits for staff positions in the Transportation Department are budgeted here, as noted in the general information section, and include one new position, a Safety and Training Officer, as noted above.

**DRIVERS' LABOR****\$ 2,756,100**

This line item represents the Authority's single largest operating expenditure. The budget includes 136,705 pay hours for all scheduled transit service, incidental charters, special shuttles, and driver training. An additional 33,691 hours are included for paid leave time of all types, holiday pay, overtime hours, and a small contingency amount; leave usage amounts are budgeted based on previous years' historical experience. The budget also includes annual longevity payments and uniform allowances, paid to each driver as wages, as well as March 2007 wage increases per the current collective bargaining agreement.

**DRIVERS' BENEFITS****\$ 1,411,600**

Benefits for drivers, including employer contributions to the 401(a) retirement plan, are budgeted in this line item as noted in the general information section. Because most of CATA's employees are drivers, and because driver wage expense exceeds \$2,700,000, even small increases in per-person benefits (primarily medical insurance) and percentage-based benefits (FICA, Workers' Compensation, 401a contributions) have a major impact on this line item. The FY 2006/2007 budget is higher than the current year estimate primarily as a result of a higher wage budget and estimated increases for medical insurance and short-term disability premiums.

**PARATRANSIT****\$ 396,000**

This line item budgets costs for service currently operated by Handy Delivery, CATA's sub-contractor for CENTRE RIDE service, and for tires, lubricants and anti-freeze (fuel is provided by the subcontractor) for CATA's paratransit vans, as well as expenses associated with the subcontractor's participation in the federally-required drug and alcohol program. Small ridership increases, as well as an estimate of per-

passenger rates which will be paid to the subcontractor in the coming year, are included in the FY 2006/2007 budget.

**TIRES - REVENUE VEHICLES** **\$ 48,600**  
**TIRES - SERVICE VEHICLES** **\$ 1,100**

The line item for revenue vehicle tires is based on estimated total fleet miles and per-mile rates under the Authority's agreement to lease fleet vehicle tires, plus an amount for replacement of damaged tires, as provided for in the lease agreement. The FY 2006/2007 budget reflects the five-year fixed rate now in effect for the entire 5 year lease period, plus a small increase to account for new service miles planned for the budget year.

Estimated and budgeted service vehicle tire expenditures are based on projected tire requirements.

**FUEL AND LUBRICANTS - REVENUE VEHICLES** **\$ 763,000**  
**FUEL AND LUBRICANTS - SERVICE VEHICLES** **\$ 15,000**

Revenue vehicle fuel represents one of the Authority's major operating expenses after wage and benefit costs. Since July 1, 1998, the Authority has purchased natural gas, which, when compressed, fuels the entire bus fleet, under a fixed price contract. This allows the Authority to purchase gas for up to 12 months when market prices are advantageous, while providing the flexibility to purchase fuel for shorter periods when prices are considered too high for long-term commitments.

Unit costs for CNG increased dramatically during FY 2005/2006, rising to historically unprecedented levels. Although CNG prices have fallen considerably since February, and CNG has now been purchased through the end of June 2006, estimated expenditures for the current fiscal period are 33% higher than planned.

The FY 2006/2007 budget for revenue vehicles is based on estimated unit costs and usage for CNG, lubricants and anti-freeze in the coming year and includes a small increase in usage to account for new service miles planned for the budget year.

FY 2006/2007 budgeted expenditures for service vehicle fuel and lubricants are based on projected increases in unit costs for gasoline, diesel fuel (for the Authority's tow truck and other maintenance vehicles), anti-freeze, transmission fluid and lubricants for vehicles used for staff travel and for transporting drivers between shift changes. Projected expenditures are increased over the current year estimate in anticipation of higher unit costs during the budget year.

**SAFETY AND TRAINING** **\$ 26,000**

The budget includes costs for staff and driver training, safety awareness programs and materials, National Safety Council mailings and brochures, workshop fees and related travel, and the federally-required drug/alcohol program. Both the FY 2006/2006 estimate and the FY 2006/2007 budget includes costs for a professional consultant's seminar, specific to transit bus employees, during annual driver training in August.

**INSURANCE** **\$ 179,000**

Costs for liability and physical damage insurance on CATA's buses and service vehicles under SAFTI, the pooled insurance program for small Pennsylvania transit properties formed in FY 1994/1995, are budgeted here. The line item includes SAFTI's administrative and premium costs, plus estimates for claims payments below policy deductibles, audit expenses, credits from insurance recoveries, etc. Although the increase budgeted for the current year did not materialize, as evidenced by the current year estimate, a 20% increase has been budgeted for FY 2006/2007, again based on estimates from the pool administrator.

**VEHICLE LEASE** **\$ 0**

No expense for leasing of buses is anticipated during the budget year.

**SHELTERS AND SIGNS** **\$ 5,000**

This line item budgets routine replacement and repair of CATA's bus shelters and bus stop signs. Both estimated and budgeted amounts reflect projected expenditures for each year.

**UNIFORMS** **\$ 4,200**

Since March 1, 1999, this line item has only included costs to outfit newly-hired bus drivers; current drivers now receive annual payments (included as wages) for cleaning and replacement of uniform apparel. Both the FY 2005/2006 estimate and FY 2005/2006 budget project costs for new hires brought on board to fill any vacancies which may occur or to increase the number of drivers as needed to meet service requirements.

**MISCELLANEOUS** **\$ 5,700**

The "Miscellaneous" line item within the Transportation function is used to classify transportation-related items which, under NTD reporting, cannot be included in any other Transportation Expense line item. The FY 2005/2006 estimate and FY 2006/2007 budget reflect projected expenditures for such expenses as NTD-specified supplies, the "guaranteed ride home" program under the RideShare program, and additional items.

**Administrative Expenses**

**ADMINISTRATIVE SALARIES** **\$ 516,500**

**ADMINISTRATIVE BENEFITS** **\$ 166,200**

Salaries and benefits for the Authority's administrative staff positions, as detailed in the general information section, are budgeted here in accordance with the Authority's compensation plan. The current year estimate is above budget primarily as a result of the mid-year conversion of the receptionist position from part-time to full time. FY 2006/2007 expenditures reflect both the full-year impact of the full-time receptionist and the additional Human Resources position noted above.

**INTERN WAGES** **\$ 0**

**INTERN BENEFITS** **\$ 0**

No intern wages or benefits were budgeted for FY 2005/2006, nor are any included in the FY 2006/2007 budget.

**TEMPORARY HELP** **\$ 1,500**

This line item budgets expenditures for the use of temporary agency personnel to conduct specific activities or to fill unanticipated staff vacancies, which cannot be covered with current employees. The FY 2005/2006 estimate and FY 2006/2007 budget reflect the use of temporary help to assist downtown office staff with pass sales during the first few weeks of fall semester, allowing other staff to continue with routine tasks during that extremely busy period; the budget for the upcoming year also includes expenditures for temporary help to assist with the extremely-popular Holiday Lights Tours operated by the Authority in December.

**INSURANCE** **\$ 36,000**

This line item includes costs for general and property liability, public officials' liability and bonding under SAFTI, the pooled insurance program for small Pennsylvania transit properties formed in FY 1994/1995, associated administrative and audit fees, underground storage tank (UST) coverage through the Commonwealth of Pennsylvania's mandatory program and an estimate for claims payments below policy deductibles. Although the increase budgeted for the current year did not materialize, as evidenced by the

current year estimate, a small increase has been budgeted for FY 2006/2007, again based on estimates from the pool administrator.

**PASS SALES AND SUPPLIES** **\$ 9,800**

Costs are budgeted for the purchase of tokens and supplies associated with the sale of passes (printer ribbons, blank plastic cards, film, pass printing, etc.) The FY 2005/2006 estimate and FY 2006/2007 budget are based on projected costs for these items during each fiscal period.

**PROFESSIONAL SERVICES** **\$ 118,000**

This line item includes costs for legal ads, year-end auditing, legal services, retirement plan administration, arbitration fees, reimbursement to the Centre Region Planning Agency for transit planning time, fees for administration of a Section 125 plan, which allows pre-tax treatment (and savings) of employee health insurance co-pays, and contracts for other professional services. The FY 2005/2006 estimate is lower-than-planned due to delays in joining the municipal Regional Technology Consortium (RTC).

The FY 2006/2007 budget includes expenditures for audits, legal services, CRPA reimbursement, full year of technology support through the RTC, and others as noted above. Additionally, an amount is budgeted, for the first time, to contribute towards retaining a lobbyist, along with several other transit properties in the Commonwealth, to represent the interests of CATA in state funding allocations.

**ADVERTISING** **\$ 25,000**

**MARKETING SUPPORT** **\$ 18,400**

These line items, taken together, budget expenses for the Authority's comprehensive marketing program. The program was expanded considerably in FY 1998/1999, at the behest of both CATA's Board and local elected officials, to build ridership and increase public awareness of the importance and benefits of public transit. Since that time, the budget has supported a much greater advertising program, including dissemination of service announcements and public information, target marketing, the Authority's Internet homepage, and direct mail campaigns. A second companion line item for marketing support budgets expenses for additional promotional activities, items and marketing materials

The FY 2006/2007 budget for these expenditures reflect plans to expand and enhance the Authority's advertising and marketing activities during the coming year.

**PRINTING** **\$ 3,000**

This line item includes costs for printing of internal forms (letterhead stationery and envelopes, comment cards, etc.), external reports, bidding documents, the annual budget, etc. The FY 2006/2007 budget for this small, but highly variable, line item has been increased to include costs for printing an annual report during the upcoming year.

**SCHEDULE PRINTING AND DESIGN** **\$ 25,600**

This line item includes costs to design and print Ride Guides as well as individual route and special service brochures for distribution on buses and numerous outlets throughout the Centre Region. The current year estimate is higher-than-planned as a result of unanticipated increases in the cost of printing and distributing the Ride Guide (via a contract with the Centre Daily Times). The FY 2006/2007 budget assumes continuation of this contract and is increased slightly over the current year estimate to cover any change in unit costs or required quantities for Ride Guides and schedule brochures.

**TELEPHONE****\$ 18,000**

Costs for monthly local and long distance telephone service, a telephone answering service to provide after-hours route and schedule information, high speed internet access and e-mail accounts, and a maintenance agreement on CATA's phone system are budgeted here. The FY 2006/2007 budget is increased to cover the cost of cellular phone service for several staff members and possible increases in monthly phone charges and maintenance contract costs.

**OFFICE SUPPLIES AND SERVICES****\$ 21,000**

Costs are included for postage, routine purchases of office supplies and maintenance agreements on office equipment. The FY 2006/2007 budget is increased slightly over the current year estimate.

**DUES AND SUBSCRIPTIONS****\$ 21,400**

Membership dues are paid to the American Public Transit Association (APTA) and the Pennsylvania Public Transportation Association (PPTA). Both professional organizations are instrumental in furthering transit legislation and providing technical assistance, data resources and opportunities for professional development for staff. Dues are also paid to the Chamber of Business and Industry of Centre County. Subscriptions to trade journals, professional development publications, the CDT and the Collegian, as well as the purchase of miscellaneous monographs and instructional materials, are also included. Both the estimate and budget reflect a \$2,500 fee for federally-mandated participation in Pennsylvania's Unified Certification Program, which establishes a central database for minority business certification.

**TRAVEL AND MEETINGS****\$ 18,000**

APTA, PPTA, PENNDOT and the Federal Transit Administration (FTA) all sponsor regional training sessions, annual conferences and workshops crucial to staff development and training. The FY 2005/2006 estimate and FY 2006/2007 budget reflect projected costs for these activities, including expenditures associated with the General Manager's participation as chair of APTA's Small Operations Steering Committee, which is heavily involved in securing funding for small systems such as CATA.

**INTEREST****\$ 0**

As in prior years, the Authority has used short-term transfers of funds from its accumulated PTAF capital balance (described above under the "Act 26 for Asset Maintenance" line item information in the "Operating Assistance Grants" section of the budget) to advance funds during periods when cash is low, and this procedure is expected to suffice during the upcoming year. For the current year, however, delays in receipt of federal operating assistance (these funds have not been made available as of the end of March 2006) may require the Authority to access its line of credit, as reflected in the FY 2005/2006 estimate.

**MISCELLANEOUS****\$ 5,200**

This line item is used for extraordinary, unanticipated and/or other expenses that cannot be properly charged to any other line item. Monthly bank service and credit card fees, costs for employee recognition activities, items associated with continuing development of a regional ridesharing program (offset by Penn State's rideshare support revenue) and other items of a miscellaneous nature are included. The FY 2006/2007 budget is decreased slightly from the current year estimate, following completion of several one-time activities.

**PARATRANSIT****\$ 17,500**

The budget includes costs for staff time, printing of CENTRE RIDE information brochures and coupons, marketing, postage, and other items for administration and contract management of CATA's CENTRE RIDE program. The FY 2006/2007 budget reflects the use of lower-paid staff for these activities, following retirement of the long-time employee who had formerly performed most of the required tasks.

## SECTION VII

### FY 2006/2007 CAPITAL BUDGET

#### Introduction

Listed below are those capital projects for which FY 2006/2007 capital funds are programmed, and for which local share is requested. (Please note that local shares for other projects that are carried forward from the prior year have already been received.) Also shown is the allocation of local shares for capital, based on the percentages calculated for each municipality and Penn State by the modified Miller Formula, as shown earlier in the Budget Summary and Local Shares section of this DRAFT Budget.

#### Capital Projects Requiring Local Match

Project	Total	Federal	State	Local
<u>Vehicles</u>				
Bus Refurbishment - Supplemental	\$500,000	\$400,000	\$83,333	\$16,667
Service Vehicles	\$85,000		\$82,167	\$2,833
Vanpool Vans	\$100,000		\$96,667	\$3,333
<u>Facilities/Equipment</u>				
Replace CNG Compressors - Supplemental	\$250,000		\$241,667	\$8,333
<u>Equipment</u>				
Advanced Public Transp. Systems – Phase II	\$1,000,000	\$800,000	\$166,667	\$33,333
<u>Associated Capital Maintenance</u>				
Major Bus Parts	\$100,000		\$96,667	\$3,333
Transfer from Capital Reserve Account				(\$7,833)
<b>Total Capital Expenditures</b>	<b>\$2,035,000</b>	<b>\$1,200,000</b>	<b>\$767,168</b>	<b>\$60,000</b>

## Capital Local Share Allocation

<u>Municipality/University</u>	
State College Borough	\$12,285
Ferguson Township	\$10,836
Patton Township	\$8,700
College Township	\$7,534
Harris Township	\$3,102
Bellefonte Borough	\$2,211
Spring Township	\$2,140
Benner Township	\$326
Penn State University	\$12,866
<b>Total Local Shares for Capital</b>	<b>\$60,000</b>

## Capital Budget Narrative

Over the past several years CATA has made great strides in updating its fleet and facilities. However, in addition to those procurements that have already been accomplished, there are a number of active projects that are being carried forward from the current year. The following paragraphs describe those major capital procurements that are expected to see some level of activity over the coming year. Any funding for which local share is requested in the current year is **bold and underlined**.

### **Vehicles**

#### **Bus Refurbishment**

We plan to combine the funds received via a federal “earmark” in FY 2002/2003 with a portion of the funds “flexed” to CATA by the Governor last year to rehabilitate our sixteen (16) 1996 Orion buses. By refurbishing these buses we will extend their life expectancy by another 6-8 years.

Funding sources:

Bus Capital “Earmark” (Section 5309)

**FHWA “Flex” Funds - \$500,000 (Expected)**

### **Service Vehicles**

In the coming year we anticipate replacing the oldest vehicles that we use to ferry Bus Drivers around town with low-mileage used sedans. We will also replace our ten-year-old supervisory vehicle and our oldest Maintenance truck

Funding source:

**State Public Transit Assistance Funds (Act 26) - \$85,000**

### **Vanpool Vans**

If CATA should receive Congestion Management / Air Quality (CMAQ) funding to support the start-up costs associated with a vanpool program, we will use Act 26 funds to purchase four vans. CATA may also integrate the current Penn State vanpool program into this community-wide effort.

Funding source:

**State Public Transit Assistance Funds (Act 26) - \$100,000**

### **Paratransit Van**

CATA owns four diesel paratransit vans that we provide to Handy Delivery for use in the Centre Ride program. One of these vans was purchased in 1999 and is past due for replacement. We have already received an FTA Section 5310 grant for this replacement vehicle.

Funding source:

Federal Discretionary Transit Funds (Section 5310)

### **Facilities/Equipment**

#### **CNG Compressor Upgrade/Replacement**

CATA's CNG compressors have been in daily use for over ten years and they are reaching the end of their useful life. We plan to use State Act 26 funds to supplement the Congressional "earmark" CATA received two years ago to design and install replacement compressors.

Funding sources:

Federal Bus Capital "Earmark" (Section 5309)

**State Public Transit Assistance Funds (Act 26) - \$250,000**

#### **Cato Park Facilities Upgrades**

Now that CATA's Cato Park facility is 15 years old, we are spending more and more to replace equipment that has worn out and make modifications to accommodate current operations. Examples include the rehabilitation of our stormwater retention basins, paving replacement in the bus circulation area, etc.

Funding source:

State Public Transit Assistance Funds (Act 26)

#### **Shelters and Other Stop Improvements**

Each year CATA budgets funds for bus stop enhancements around the community. This year we have programmed funds for concrete pads and shelters, as well as a campaign to replace and upgrade all of our bus stop signs, system-wide (except on the Penn State campus).

Funding source:

State Public Transit Assistance Funds (Act 26)

#### **Curtin Road Transit Center**

In FY 2005/2006 CATA received a Congressional “earmark” to assist Penn State with the construction of a transit facility behind Pattee Library on campus. We will request state funding for most of the non-federal match, but the local share will be provided by the University.

Funding source:

Federal Bus Capital “Earmark” (Section 5309)

## **Equipment**

### **Advanced Public Transportation Systems**

Using primarily Congressional “earmark” funding, CATA is investing in such emerging technologies as automatic vehicle location, automatic passenger counters, real-time bus systems monitoring, etc. We have retained Avail Technologies, Inc. of Ferguson Township to serve as our Systems Integrator.

Funding sources:

Federal Bus Capital “Earmark” (Section 5309)

**Federal Bus Capital “Earmark” (Section 5309) – \$1,000,000 (Requested)**

### **Transit Signal Priority System**

Over the past four years we have been working with PENNDOT and the three affected municipalities to develop a Transit Signal Priority project in the North Atherton Street corridor. If PENNDOT funding is finally forthcoming, we should be able to install the hardware in FY 2006/2007.

Funding sources:

PENNDOT Research and Development

State Capital Bond Funds

### **Office, Shop and Maintenance Equipment**

This year, and each succeeding year, we are gradually replacing the used furniture we bought from the Borough in 2003 to outfit our expanded building. We’ll also do normal replacement of PC’s and other office system components, as well as the ongoing acquisition of tools and equipment for the Shop.

Funding source:

State Public Transit Assistance Funds (Act 26)

## **Associated Capital Maintenance**

### **Major Bus Parts**

As CATA’s fleet ages, we are undertaking increasingly expensive repairs to the buses. Under state regulations, bus parts (and other fixed equipment) costing in excess of \$300 can be considered capital items, so we are using State Act 26 capital funds to support these expenditures wherever possible.

Funding source:

State Public Transit Assistance Funds (Act 26)

## SECTION VIII

### LONG TERM OUTLOOK

#### CATA Strategic Plan

The essence of public transportation lies in the ability to effectively plan for the future while providing necessary services in the present. Strategic planning provides a vision and platform for this achievement. Over the last four years CATA has worked closely with the Centre County Metropolitan Planning Organization (CCMPO) to update the County's Long Range Transportation Plan (LRTP). Part of this update is the creation of a Public Transportation Element and a new CATA Strategic Plan. This new Plan succeeds the Centre Area Public Transportation Plan which was adopted in 1998, and whose elements have largely been accomplished.

While the creation of the LRTP is still ongoing, in January 2005 the CATA Board of Directors formally adopted this new Strategic Plan. The Plan is an ambitious program that is intended to provide direction for CATA over the next five to ten years. The plan encompasses seventeen functional areas with recommendations for growth and sustainability. Each area is described briefly below:

#### Network Structure

At the core of public transportation is the fixed route network. CATA currently operates a radial network that focuses on downtown State College and the Penn State campus. CATA's network consists of 14 routes that operate year around throughout the community, three routes that operate only during the Fall and Spring Semesters at Penn State and four campus circulator routes that provide service within the core of campus and downtown business area. The strategic vision is to remain consistent with the operation of all routes focusing on downtown State College and Penn State, with the opportunity to create transfer points at key locations elsewhere in the community, such the Colonnade and Nittany Mall.

#### Service Levels

In public transportation, convenience to the rider is directly related to the frequency of the service. The Strategic Plan groups all CATA routes into several categories based on service frequency. The strategic vision is to allocate the necessary resources to provide the desired level of service for each route within the appropriate category. Routes designated as *Core - High Use Corridors* should provide service between 15 and 30 minute frequencies for the majority of the day, while areas referred to as *Core - Other Areas* should provide service at 30 - 60 minute frequencies. Finally, areas referred to as *Neighborhood* or *Fringe Corridors* should provide service with two AM, one mid-day and two PM trips.

## **Service Coverage**

The Centre Region is a growing community where commercial and residential developments are being sited further and further away from the traditional downtown. As the community grows, so must CATA in order to achieve its mission. Service Coverage addresses the need to expand service to the periphery of the community. The strategic vision is to extend Centre Line service to the Gray's Woods community, University Park Airport and the Milesburg area. CATA must also address the need for transit service to connect other areas of Centre County, especially Penns Valley and the Moshannon Valley.

## **Campus/CBD Bus Routing**

CATA maintains an effective working relationship with Penn State for the operation of transit service on campus. CATA and the University have worked together over the years to create transit accommodations throughout campus which include bus pull-offs and shelters. These amenities are necessary to ensure safe and convenient transit service for all passengers. The strategic vision is to continue to support transit investments on campus and to educate Penn State officials concerning the importance of appropriate accommodations. Also, CATA must continue to advocate for a bus route structure on campus that will ensure a one-seat trip for as many passengers as possible.

## **Regional Commuter Bus**

When resources permit new or expanded transit service, consideration must be given to the need for some level of service to corridors traditionally outside of the CATA service area. The strategic vision is to evaluate the population trends and travel patterns of commuters from the Centre Hall / Millheim area (Penns Valley) and the Philipsburg area (Moshannon Valley) as candidates for such service. If regional commuter bus service were to be provided, a likely service level would include two AM, one midday and two PM trips to correspond with the conventional work day.

## **Demand Responsive Service**

Demand response service, or paratransit, is a form of public transportation commonly associated with seniors and persons with disabilities, but it can also work in conjunction with regular fixed route bus service. Its use as a "feeder" allows a reservation-based service to pick up individuals and transport them to a fixed route bus stop to complete their trip. The advantages include allowing for service to be provided on an as-needed basis and to save resources associated with a permanent extension of fixed route transit. The strategic vision is to assess the feasibility of such a program in the Bellefonte area and potentially within and around Philipsburg.

## **Regional Mobility Management**

Public transportation can take many forms. Fixed route service, demand responsive feeder service and carpool matching service can all be considered public transportation. As the community grows

and CATA’s “family of services” expands, there is a strategic need to create a mobility management plan to provide oversight for all levels of public transportation. The strategic vision is to develop a plan for park and ride lots and commuter services throughout the region, and coordinate ridesharing efforts with Penn State to include a general public vanpool program.

### **ADA Paratransit**

This strategic issue focuses on the federally mandated program of complementary paratransit service for individuals who live within the CATA fixed route service area but are unable to use the service due to cognitive or mobility impairments. The strategic vision is for CATA to work on innovative policies and procedures to encourage those who are eligible for paratransit under the Americans with Disabilities Act (ADA) to begin using the fixed route service. This can be accomplished many ways – by travel training, fare incentives and better coordination of fixed route services.

### **Research Initiatives**

CATA is fortunate to serve a major university, and have access to the unique research and development programs of the Pennsylvania Transportation Institute (PTI) and the Altoona Bus Testing Facility. These organizations provide the opportunity for coordinated research projects and demonstrations of innovative forms of public transportation. Currently CATA is in the process of developing a Hydrogen Bus initiative with Penn State. The strategic vision is to identify topics for research and development, such as the fuel cell and CNG-powered hybrids, and to pursue cooperative projects.

### **Transit Infrastructure**

An essential element of public transportation is the maintenance of capital assets. CATA relies on a fleet of over 50 vehicles, a major operating and administrative base, a sophisticated CNG fueling station and a passenger facility in downtown State College, all of which must be maintained and periodically replaced, renewed or upgraded. The strategic vision for CATA’s infrastructure is to maintain a capital improvement program and continue to work with the CCMPO to administer funds via the Transportation Improvement Program (TIP).

### **Intelligent Transportation Systems**

The use of technology can provide for increased efficiency of service and enhanced allocation of resources for public transportation. Technology can take many forms - from vehicle location systems to traffic signal coordination to on-board vehicle surveillance. The strategic vision is for CATA to implement a “Smart Bus” program to include automatic vehicle location technology, and to continue lobbying state and federal lawmakers for additional funds to make CATA’s program a showcase for the deployment of the latest in Advanced Public Transportation Systems (APTS) technology.

## **Fare Structure**

It is important that public transportation be supported by passenger fares, or by entities who contribute so that their constituents can ride without having to pay each time they board. CATA has historically created and maintained innovative funding agreements with businesses and other organizations within the Centre Region. The strategic vision is to continue and enhance this innovative approach by negotiating with Penn State for a “U-Pass” program for all students, faculty and staff. In addition, CATA should consider the institution of one-day or multiple-day passes.

## **Public Transportation Organization**

There are two independent organizations in Centre County that provide public transportation services: CATA and the Centre County Office of Transportation (CCOT). With two separate providers, the potential arises for various levels of coordination to minimize duplication of service. The strategic vision is for CATA to engage the County in discussions concerning the consolidation of various aspects of operation. To start, coordinated scheduling or marketing campaigns should be studied to determine how both agencies can work better together.

## **Management Performance Review**

As required under the Commonwealth of Pennsylvania’s Act of 3 of 1997, CATA is required to undertake a Management Performance Review (MPR) every seven years. The MPR conducted in 2003 identified a number of deficiencies, most of which were directly related to inadequate staffing levels. Although CATA has already addressed some of these needs, nonetheless there are several additional positions that CATA should consider, including an Assistant General Manager and Manager of Technology. The strategic vision is to prioritize the staffing recommendations of the MPR and develop a plan for implementing the remaining outstanding issues.

## **Succession Planning**

The future success of the public transportation industry in general, and of CATA in particular, lies in the ability of each agency to develop its personnel so that they can effectively lead their respective organizations into the future. The strategic vision is to identify individuals with leadership potential and foster their growth so they can assume larger roles in the management of CATA. The degree to which these activities can be pursued will be dependent on the availability of funding.

## **Funding**

The recommendations of this Strategic Plan represent an ambitious program for the delivery of public transportation services both now and in the future. CATA must progressively work with member municipalities and both state and federal lawmakers regarding the need for continued and increased investment in transit. As funding becomes available, the strategic vision is for CATA to improve service levels and service extensions to the growing community and internally have the staff and other resources to maintain a progressive public transportation organization.

## **Operating Budget - Five-year Projections**

### **Operating Revenue, Expense and Deficit**

Annually, as part of preparing the Budget, CATA updates its long-term financial projections. Since so much is unknown about the future of state transit assistance funding, we have not attempted to provide multiple scenarios as we have sometimes done in the past.

However, since CATA has seen a significant increase in its apportionment of federal formula funding as a result of SAFETEA-LU, and looking ahead the General Assembly and Administration will almost certainly find some type of solution to the ongoing state transit funding crisis, for the first time in at least five years these projections assume some program growth. For consistency we have used the same numbers that we prepared for the Pennsylvania Public Transportation Association to use to document the need for additional state support. These projections include what we believe are necessary service enhancements over the coming years, as our community grows and transit needs multiply.

Our projections are based on several assumptions:

- Operating expenses will grow by 5.0% each year.
- Operating revenue is expected to grow by 3.0% each year.
- Federal funding is programmed to remain at current levels.
- Traditional state funding (General Fund, Act 26, Act 3) is projected to continue at the same dollar amount as in FY 2006/2007.
- New state funding is projected to increase by 3% each year over the annualized amount estimated for FY 2006/2007.
- Local share funding is programmed to grow at 5.0% annually.

The following table shows that the amount of new state funding needed over the coming years is significant. Fortunately, there is hope. The broad recognition that Pennsylvania's transit systems, large and small, need additional funding suggests that the Legislature will eventually act. However, the current tensions in Harrisburg – between the big cities and the more rural areas, the Democrats and the Republicans, and the General Assembly and the Administration – may mean that a permanent solution may be some time off.

**PROJECTION OF OPERATING REVENUE, EXPENSE AND DEFICIT**

	2004/2005 actual	2005/2006 estimated	2006/2007 budgeted	2007/2008 projected	2008/2009 projected	2009/2010 projected	2010/2011 projected
Total Operating Revenue	\$3,690,850	\$3,895,770	\$4,002,775	\$4,122,858	\$4,246,544	\$4,373,940	\$4,505,159
Total Operating Expense	\$7,082,150	\$7,835,100	\$8,662,545	\$9,095,672	\$9,550,456	\$10,027,979	\$10,529,378
Operating Deficit	(\$3,391,300)	(\$3,939,330)	(\$4,659,770)	(\$4,972,814)	(\$5,303,912)	(\$5,654,038)	(\$6,024,219)
Required Operating Assistance	\$3,391,300	\$3,939,330	\$4,659,770	\$4,972,814	\$5,303,912	\$5,654,038	\$6,024,219
Federal Funding:							
Annual Apportionment	\$1,063,514	\$1,857,398	\$1,852,952	\$1,852,952	\$1,852,952	\$1,852,952	\$1,852,952
Carryover From Prior Year	\$485,858	\$335,610	\$502,230	\$304,762	\$289,515	\$0	\$0
Transfer To/From Capital Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Federal Funding Available	\$1,549,372	\$2,193,008	\$2,355,182	\$2,157,714	\$2,142,467	\$1,852,952	\$1,852,952
Federal Funding (Justified)	\$1,213,762	\$1,690,778	\$2,050,420	\$1,868,199	\$2,142,467	\$1,852,952	\$1,852,952
State Funding:							
Operating Assistance	\$967,043	\$922,716	\$937,722	\$937,722	\$937,722	\$937,722	\$937,722
PTAF Asset Maintenance	\$310,837	\$281,180	\$283,712	\$283,712	\$283,712	\$283,712	\$283,712
Act 3	\$541,195	\$541,270	\$539,739	\$539,739	\$539,739	\$539,739	\$539,739
New State Funding	\$0	\$125,000	\$448,372	\$923,646	\$951,356	\$979,896	\$1,009,293
<b>Subtotal</b>	<b>\$1,819,075</b>	<b>\$1,870,166</b>	<b>\$2,209,545</b>	<b>\$2,684,819</b>	<b>\$2,712,529</b>	<b>\$2,741,069</b>	<b>\$2,770,466</b>
Local	\$358,463	\$378,386	\$399,805	\$419,795	\$440,785	\$462,824	\$485,965
<b>TOTAL FEDERAL, STATE, LOCAL</b>	<b>\$3,391,300</b>	<b>\$3,939,330</b>	<b>\$4,659,770</b>	<b>\$4,972,814</b>	<b>\$5,295,780</b>	<b>\$5,056,846</b>	<b>\$5,109,384</b>
Additional Operating Assistance Requirement	\$0	\$0	\$0	\$0	\$8,132	\$597,193	\$914,835
Federal Operating Assistance Carried Forward	\$335,610	\$502,230	\$304,762	\$289,515	\$0	\$0	\$0

Notes:

1. Assumes no increases in federal apportionment above FY 2006/2007 budgeted amount
2. Assumes no increase in state operating assistance, PTAF and Act 3 funding above FY 2006/2007 budgeted amounts
3. Assumes FY 2006/2007 revenues and expenditures per DRAFT Budget
4. Assumes new state funding per DRAFT budget in FY 2005/2006 and FY 2006/2007; 3.0% increase over the annualized FY 2006/2007 amount each year thereafter
5. Future years' revenue at 3.0 % increase per year
6. Future years' expenditures at 5.0% increase per year
7. Future local share at 5% increase per year

## Capital Improvement Program

Again this year, the DRAFT Budget includes a Capital Improvement Program (CIP), CATA's five-year projection of future capital investments. The CIP identifies all major capital activities, including both those that will be funded through dedicated state and federal funds, and therefore have a high probability of accomplishment, and those which are subject to discretionary funding, and therefore may or may not be implemented.

The CIP is presented on the table on the following page. Those projects for which local share funding has already been received, or will not be required, are shown in **bold** type. Those projects for which local share funding is requested in FY 2006/2007 are shown in **bold underlined**. Projects that will be implemented only upon the receipt of discretionary funding are shown in *italics*.

The projects shown for the first year of CIP were described earlier in SECTION VII – FY 2006/2007 CAPITAL BUDGET of this document.

## Capital Reserve Account

### Capital Revenues and Expenditures

The page following the Capital Improvement Program details CATA's five-year projections of capital revenues and expenditures associated with the CIP. Included are all of the projects shown on the CIP, whether they are expected to be supported by State capital funds, or whether they will be funded by a Congressional earmark or other discretionary source.

A portion of the Authority's annual state Public Transportation Assistance Fund (PTAF) formula funding is restricted to capital projects. Because most of CATA's past capital needs have been met through formula and earmarked federal grants, over the years we have accrued funds in our PTAF capital account. At the beginning of FY 2006/2007 the PTAF account will total approximately \$530,000, of which \$125,000 has already been committed to selected capital projects.

## CAPITAL IMPROVEMENT PROGRAM

	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
<u>Vehicles</u>					
Bus Refurbishment #1	<b>\$1,980,000</b>				
Bus Refurbishment #2 (16+8)	<b><u>\$500,000</u></b>		<i>\$1,250,000</i>		
Service Vehicles (4+3)	<b><u>\$85,000</u></b>			<i>\$35,000</i>	
Paratransit Vans (1+3+1)	<b>\$80,000</b>	<i>\$250,000</i>			<i>\$90,000</i>
Vanpool Vans (4+4)	<b><u>\$100,000</u></b>		<i>\$100,000</i>		
CNG-powered Transit Buses (10+2)				<i>\$3,600,000</i>	<i>\$170,000</i>
<u>Facilities/Equipment</u>					
CNG Compressor Replacement - #1	<b>\$1,000,000</b>				
CNG Compressor Replacement - #2	<b><u>\$250,000</u></b>				
Cato Park Facility Upgrades	<b>\$30,000</b>				
Shelters and Other Stop Improvements	<b>\$100,000</b>	<i>\$35,000</i>	<i>\$35,000</i>	<i>\$35,000</i>	<i>\$35,000</i>
Curtin Rd. Transit Center		<b>\$625,000</b>			
Bus Storage Expansion. - A/E		<i>\$250,000</i>			
Bus Storage Expansion - Const.			<i>\$1,000,000</i>		
Bus Washer Replacement		<i>\$150,000</i>			
<u>Equipment</u>					
Advanced Public Transp. Systems - #1	<b>\$800,000</b>				
Advanced Public Transp. Systems - #2	<b><u>\$1,000,000</u></b>		<i>\$500,000</i>		
Transit Signal Priority System	<b><u>\$250,000</u></b>				
Office, Shop and Maint. Equipment	<b>\$100,000</b>		<i>\$50,000</i>		<i>\$50,000</i>
Major Bus Parts	<b><u>\$100,000</u></b>	<i>\$100,000</i>		<i>\$100,000</i>	
<u>Park and Ride Lots</u>		<i>\$500,000</i>			<i>\$500,000</i>
<u>Total - All Projects</u>	\$6,375,000	\$1,910,000	\$2,935,000	\$3,770,000	\$845,000
<u>Basis for Local Share Request</u>	\$2,035,000	\$1,285,000	\$2,935,000	\$3,770,000	\$845,000

Notes: Local share is already in place or not required for projects where funding is shown in **bold**.  
 Local share (3-1/3%) is requested in FY 2006/2007 for projects shown in **bold underlined**.  
 Projects where funding is shown in *italics* will be undertaken only upon receipt of discretionary funds.

## PROJECTION OF CAPITAL REVENUES AND EXPENSES

All projects listed on Capital Improvement Program, including earmarks or special funding for those projects where applicable, are shown

	2006/2007 budgeted	2007/2008 projected	2008/2009 projected	2009/2010 projected	2010/2011 projected
Total Capital Funding Available (excluding local share)	\$6,669,668	\$1,846,333	\$2,837,167	\$3,644,334	\$816,834
Federal Formula Capital Grants	\$0	\$0	\$0	\$0	\$0
Federal Flex Funding (via PENNDOT program)	\$500,000	\$0	\$0	\$0	
Approved Federal Bus and Bus Facility Earmarks	\$0	\$500,000	\$0	\$0	\$0
Prospective Federal Bus and Bus Facility Earmarks	\$0	\$600,000	\$1,800,000	\$2,880,000	\$536,000
Federal Elderly and Handicapped Grants	\$0	\$200,000	\$0	\$0	\$72,000
Federal ITS Special Funding	\$1,000,000	\$0	\$400,000	\$0	\$0
State Bond Funds to match Federal Grants	\$312,500	\$270,833	\$458,333	\$600,000	\$126,667
State PTAF Capital Grants	\$517,168	\$275,500	\$178,834	\$164,334	\$82,167
State Bond Capital Grants	\$0	\$0	\$0	\$0	\$0
State Demonstration Grants	\$0	\$0	\$0	\$0	\$0
Carryover Projects From Prior Year	\$4,340,000	\$0	\$0	\$0	\$0
<b>Total Capital Project Expense</b>	<b>\$6,375,000</b>	<b>\$1,910,000</b>	<b>\$2,935,000</b>	<b>\$3,770,000</b>	<b>\$845,000</b>
(From Capital Improvement Program)					
Local Share Required	\$67,833	\$42,833	\$97,833	\$125,667	\$28,167
Contribution To/From Capital Reserve Account	(\$7,833)	\$17,167	(\$27,833)	(\$55,667)	\$41,833
Local Share Requested	\$60,000	\$60,000	\$70,000	\$70,000	\$70,000
Capital Reserve Account: Previous Balance	\$62,366	\$54,533	\$71,700	\$43,867	(\$11,800)
Capital Reserve Account: Current Year	(\$7,833)	\$17,167	(\$27,833)	(\$55,667)	\$41,833
Capital Reserve Account: Ending Balance	\$54,533	\$71,700	\$43,867	(\$11,800)	\$30,033

\* In FY 2009/2010, additional local share beyond the amount required to maintain an annual contribution of \$70,000 will be needed.

### **Future Local Share Requests**

The uncertainty of federal earmarks and other special funding makes establishing a capital reserve account somewhat challenging. However, for the purpose of planning ahead, we have projected a “best case” scenario, which assumes that CATA will receive all of the earmarks and other special funding shown in the Capital Improvement Program. The results are shown below:

#### **CAPITAL RESERVE ACCOUNT - FIVE-YEAR PROJECTIONS**

FISCAL YEAR	CAPITAL BUDGET	LOCAL SHARE REQUIRED	LOCAL SHARE REQUESTED	DIFFERENCE	ENDING BALANCE
2005/2006					\$62,366
2006/2007	\$2,035,000	\$67,833	\$60,000	(\$7,833)	\$54,533
2007/2008	\$1,285,000	\$42,833	\$60,000	\$17,167	\$71,700
2008/2009	\$2,935,000	\$97,833	\$70,000	(\$27,833)	\$43,867
2009/2010	\$3,770,000	\$125,667	\$70,000	(\$55,667)	(\$11,800)
2010/2011	\$845,000	\$28,167	\$70,000	\$41,833	\$30,033

Please note that if CATA were to receive all of the earmarks and other special funding that the CIP anticipates, in FY 2009/2010, when CATA expects to replace the CNG-powered buses that were purchased new in the late 1990's, the local funding partners would collectively need to make a contribution to capital of over \$125,000. However, the chances of CATA receiving funding for all of the projects listed in the CIP is very remote, so four years from now it is unlikely that a contribution that large will be needed. Nonetheless, looking ahead we foresee the need to increase the municipalities' collective commitment to CATA's capital program from \$60,000 per year, which has been in effect for five years, to \$70,000, as shown above.