

CAPITAL DISTRICT TRANSPORTATION AUTHORITY

Operating & Capital Plan For Fiscal Year 2014



CDTA iride™

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



FY2014 OPERATING AND CAPITAL PLAN

(Fiscal Year - April 1, 2013 through March 31, 2014)

CDTA Board of Directors

Denise A. Figueroa (Chairwoman)
Represents Albany County

Joseph M. Spairana, Jr. (Vice-Chairperson)
Represents Rensselaer County

Arthur F. Young, Jr. (Treasurer)
Represents Albany County

Norman L. Miller (Secretary)
Represents Schenectady County

Lisa Ballout
Represents Saratoga County

Georgeanna N. Lussier
Represents Saratoga County

Thomas M. Owens
Represents Albany County

David M. Stackrow
Represents Rensselaer County

Mark G. Gerling
Represents Labor

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April 1, 2013

To: Board of Directors, Customers, Employees and Community Members

From: Carm Basile, Chief Executive Officer

I am pleased to present our Budget and Operating Plan for FY2014. The budget supports the vision our Board of Directors has established for CDTA. It embodies innovative management practices, including plans to develop more transit services throughout the Capital Region. It recognizes the financial challenges faced throughout New York State. In spite of these challenges, we are focused on building a foundation for expansion to meet customer demand for more service.

We are proud to once again submit a balanced budget for FY2014. Our goal of matching spending to revenue along with appropriated state and federal assistance serves us well. The spending plan of \$76.1 million assumes no fare increase or major service changes. A balanced budget comes about because of a commitment to a strategic business focus by our Board of Directors and attention to detail by our employees.

The past year saw increased ridership and revenue for the CDTA. We created new business opportunities and strategically aligned headcounts with expenses. Ridership and revenue gains came from new universal access agreements (bulk purchases) and the strengthening of our core services. BusPlus continues to be a key factor, increasing ridership on Route 5 to nearly 4 million trips. This success has us looking to expand Bus Rapid Transit service to the River Corridor (Route 32 between Albany and Troy) and the Washington/Western corridor (between Albany, Harriman Campus, UAlbany and Crossgates Mall). Our goal is to develop a 40-mile Bus Rapid Transit network.

We continued to improve our route network by redesigning our Northway Xpress commuter service. Fare zones were consolidated, rates were reduced and a new monthly pass was introduced, which led to a nearly 15% ridership increase. We also completed the Albany County Route Restructuring with the rollout of Phase Two in November 2012. The changes affected more than a dozen routes operating throughout the North and West portions of Albany. We have now restructured services across our route network as outlined in our Transit Development Plan.

Our capital plans include the fleet replacement program, which has positive impacts on our operating departments. While the plan is fully funded for FY2014, we will extend vehicle life cycle expectations beyond 12 years. With improvements in the quality of buses and in the abilities of our workforce, we can now look at a longer life cycle. We continue discussions with banks about financing and they are offering attractive rates and terms, which is another factor in the execution of our vehicle purchasing plans.

We may also consider the development of a fund to begin work on the River Corridor BRT project mentioned earlier. This will allow us to capitalize on the popularity of BusPlus and develop a plan to move forward quickly. This will build community support and seed the field of possibilities for new service concepts.



We continue our innovative work with business partners, particularly with the expansion of our universal access program that allows the bulk purchase of fares for area universities and businesses. More than 25% of our ridership now comes from these arrangements, and we expect to see additional growth during FY2014.

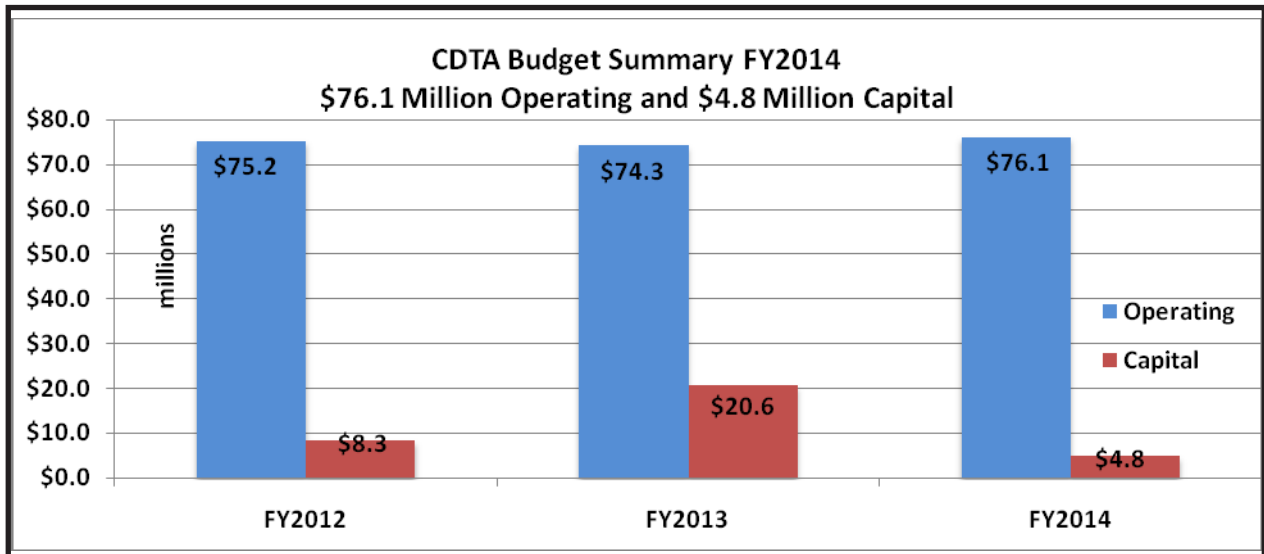
We have improved our service network, made it easy to understand and use, and positioned ourselves effectively in the community. Our Board of Directors provides forward thinking management focused on improving transit services throughout the Capital Region. It recognizes the financial challenges we face, and provides a service platform to meet the demand for more mobility choices in our communities. None of this could be accomplished without a dedicated team of employees, and the support of customers that rely on our service to get them to work, to school and to shop.

We urge anyone who has questions about CDTA or any aspect of our business to contact us, spend time with us, or visit our facilities.

Thanks for riding.

A handwritten signature in black ink that reads "Adam Bando".

Budget in Brief



The Authority's activities are distributed across two broad categories: Operating and Capital. The Fiscal Year 2014 Operating Budget is balanced, with revenue and expenses totaling \$76,074,546. Projected Capital expenditures total \$4,829,000.

The budget includes revenue from customer fares and contracts, mortgage recording tax, federal assistance, state funding for operations along with a number of smaller revenue sources. The expense categories include wages and benefits, maintenance, fuel, parts and supplies.

Capital budget revenue includes federal and state grant funds, interest earnings on reserve balances, and transfers from the operating fund. Capital expenses include the purchase of vehicles, design and construction of facilities, acquisition of information and communication systems, and maintenance equipment.

We are increasing our operating budget by \$1.7 million (2.3%) from last year. Since FY2009, our operating budget has grown by less than 5%. This occurred while we provided wage increases, addressed rapidly rising costs for health care and have handled dramatic increases in fuel costs. To offset our revenue situation and keep service levels stable, we reduced expenses in areas such as Materials, Professional Services, Utilities, and Fuel. We have taken proactive approaches like locking in fuel costs for 12-months when market prices are favorable and have invested in efficient lighting programs to save utility costs.

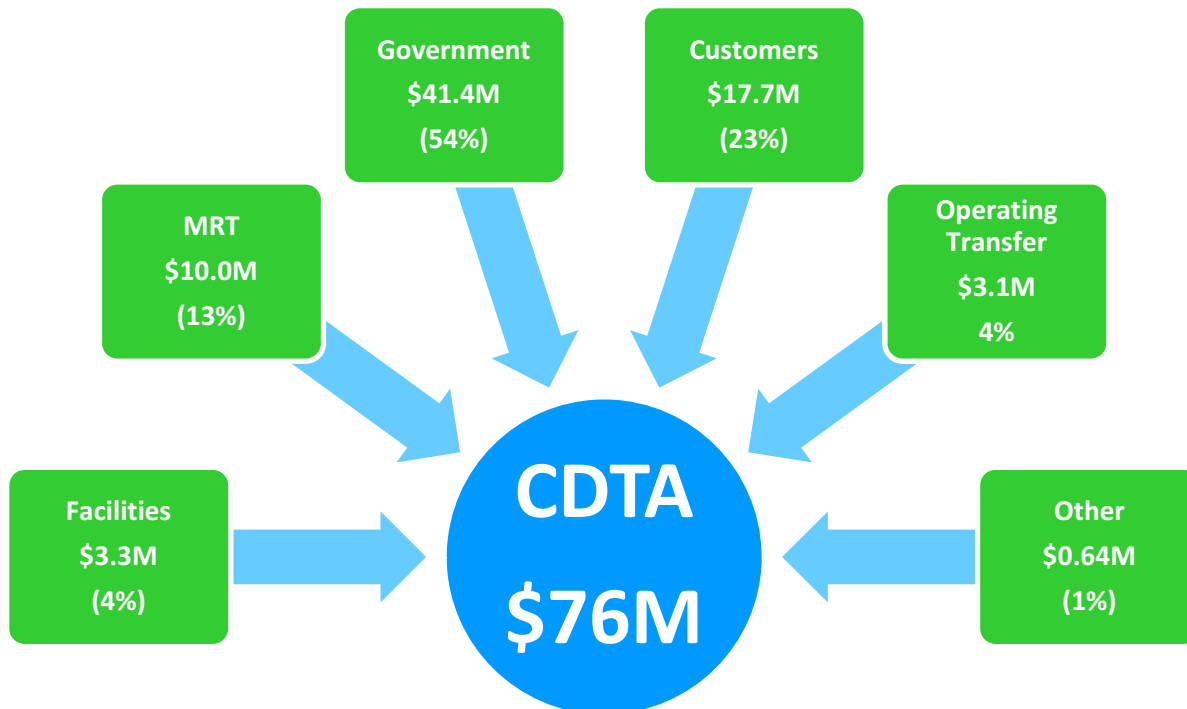
Government sources such as State Operating Assistance or Federal funding have not had significant growth since FY2009 (much like the economy). We have been successful in negotiating contracts with major employers and educational institutions to increase customer revenue. This has helped increase expense recovery from operations and increase ridership throughout the system.

Revenue Summary

	Budget FY 2013	FY2013 Year-End Estimate	Estimated Budget FY 2014	Budget to Budget Increase	% Change
State Assistance	\$31,603,800	\$31,603,800	\$31,603,800	\$0	0.0%
Customer Revenue	\$16,680,598	\$17,177,889	\$17,650,000	\$969,402	5.8%
Mortgage Recording Tax	\$8,500,000	\$12,000,000	\$10,000,000	\$1,500,000	17.6%
Federal Assistance	\$10,014,477	\$10,014,477	\$7,865,883	(\$2,148,594)	-21.5%
Facilities Revenue	\$2,953,576	\$2,838,379	\$3,315,000	\$361,424	12.2%
County Assistance	\$1,917,000	\$1,917,000	\$1,917,000	\$0	0.0%
Transfer From Operating Account	\$2,082,863	\$0	\$3,082,863	\$1,000,000	48.0%
Other	\$640,000	\$0	\$640,000	\$0	0.0%
	\$74,392,314	\$75,551,545	\$76,074,546	\$1,682,232	2.3%

Revenue Overview

Mortgage Recording Tax bounced back from recent declines. We are forecasting receipts to reach \$10 million in 2014. The success of growing contractual partnerships with employers and universities creates revenue streams that we can budget each year. The recently approved rate increase at the Rensselaer Rail Station Parking Facility will offset maintenance expenses in all of our facilities.



Revenue Detail

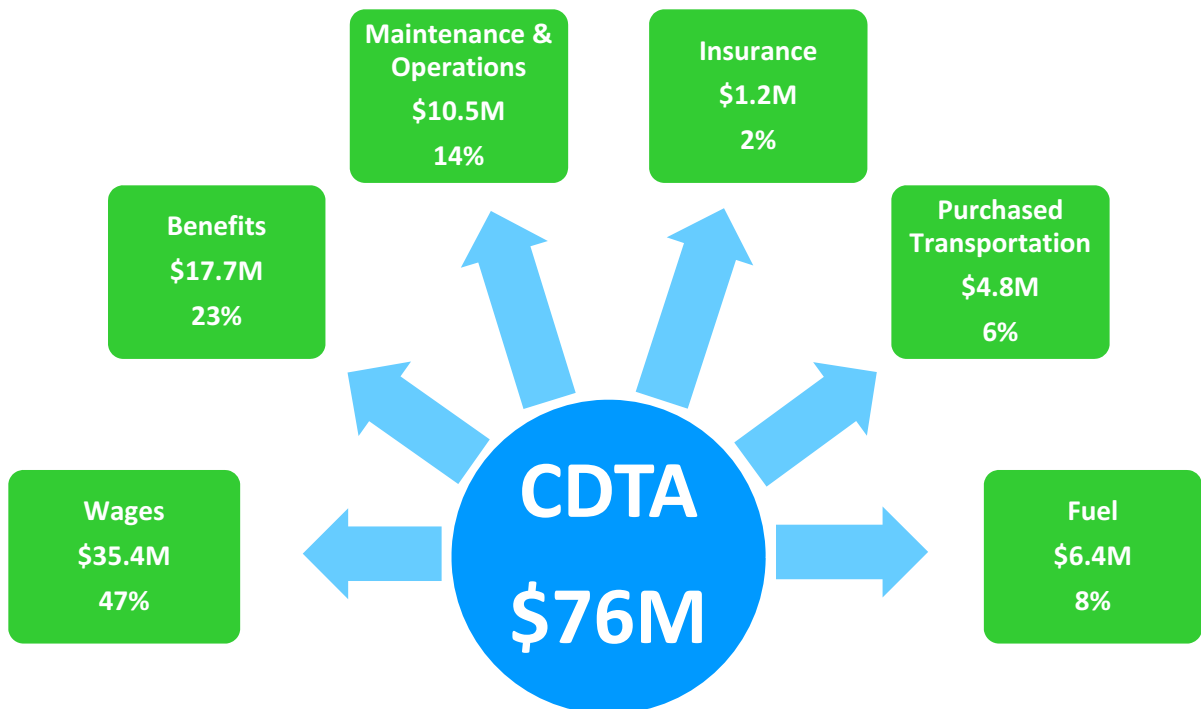
	Budget FY 2013	Budget to Budget Increase	Estimated Budget FY 2014	% Change
Mortgage Tax	\$8,500,000	\$ 1,500,000	\$ 10,000,000	17.6%
Interest Income - Operating	\$40,000	\$ -	\$ 40,000	0.0%
Customer Revenue - Route	\$14,720,000	\$ 280,000	\$ 15,000,000	1.9%
Advertising - Transit	\$600,000	\$ -	\$ 600,000	0.0%
Transit Contracts	\$1,635,800	\$ 614,200	\$ 2,250,000	37.5%
Access Transit Contracts	\$324,798	\$ 75,202	\$ 400,000	23.2%
Rensselaer Rail Station Income	\$2,821,326	\$ 353,674	\$ 3,175,000	12.5%
Saratoga Springs Train Station	\$55,900	\$ 4,100	\$ 60,000	7.3%
85 Watervliet Ave	\$76,350	\$ 3,650	\$ 80,000	4.8%
Federal Maintenance	\$8,915,977	\$ (2,148,594)	\$ 6,767,383	-24.1%
Federal Management Support	\$60,000	\$ -	\$ 60,000	0.0%
State Operating Assistance	\$31,203,800	\$ -	\$ 31,203,800	0.0%
Northway Commuter Service - STOA	\$400,000	\$ -	\$ 400,000	0.0%
County Assistance	\$1,917,000	\$ -	\$ 1,917,000	0.0%
Travel Demand Management	\$472,500		\$ 472,500	0.0%
Jobs Access Grants	\$201,000		\$ 201,000	0.0%
Other Grants	\$365,000		\$ 365,000	0.0%
Sub-Total Operations and Assistance	\$72,309,451	\$ 3,765,095	\$ 76,074,546	5.2%
Transfer from Operating Account	\$2,082,863	\$ 1,000,000	\$ 3,082,863	48.0%
Total Revenue	\$74,392,314	\$1,682,232	\$76,074,546	2.3%

Expense Summary

	Budget FY 2013	FY2013 Year-End Estimate	Budget to Budget Increase	Estimated Budget FY 2014	% Change
Wages	\$34,656,705	\$35,182,468	\$753,791	\$35,410,496	2.2%
Benefits	\$16,916,253	\$16,680,845	\$775,821	\$17,692,074	4.6%
Maintenance & Operations	\$11,210,052	\$9,936,264	(\$680,020)	\$10,530,032	-6.1%
Insurance	\$1,287,200	\$1,348,509	(\$107,600)	\$1,179,600	-8.4%
Purchased Transportation	\$3,582,344	\$4,487,332	\$1,280,000	\$4,862,344	35.7%
Fuel	\$6,739,760	\$6,279,184	(\$339,760)	\$6,400,000	-5.0%
	\$74,392,314	\$73,914,601	\$1,682,232	\$76,074,546	2.3%

Expense Overview

We contained expenses by cutting back non-personnel lines to offset increases in employee-related costs. This has allowed us to maintain consistent service levels with limited expense growth. We streamlined the workforce through attrition (not layoffs), which mitigated growth in wages and benefits. We will continue to find ways to save money outside the wage line, but think we are about as close to as low as we can go. We may even see market-driven expenses like materials, parts, and fuel begin to increase.



Expenses Overall

	Estimated Budget FY 2013	Budget to Budget Increase	Estimated Budget FY 2014	% Change
Wages	\$34,656,705	\$ 753,791	\$ 35,410,496	2.2%
FICA	\$2,613,971	\$ 41,816	\$ 2,655,787	1.6%
Health Benefits	\$8,719,965	\$ 530,035	\$ 9,250,000	6.1%
Workers' Comp	\$1,910,000	\$ -	\$ 1,910,000	0.0%
Other Benefits	\$3,672,317	\$ 203,970	\$ 3,876,287	5.6%
Professional Services	\$1,938,792	\$ (110,620)	\$ 1,828,172	-5.7%
Materials and Supplies	\$1,422,160	\$ (233,900)	\$ 1,188,260	-16.4%
Miscellaneous	\$433,500	\$ (85,500)	\$ 348,000	-19.7%
Maintenance Services	\$2,443,516	\$ -	\$ 2,443,516	0.0%
Purchased Transportation	\$3,582,344	\$ 1,280,000	\$ 4,862,344	35.7%
Utilities	\$1,250,000	\$ (250,000)	\$ 1,000,000	-20.0%
Fuel	\$6,739,760	\$ (339,760)	\$ 6,400,000	-5.0%
Parts Tires Oil	\$3,722,084	\$ -	\$ 3,722,084	0.0%
General Insurance	\$787,200	\$ (107,600)	\$ 679,600	-13.7%
Claims	\$500,000	\$ -	\$ 500,000	0.0%
Total Expenses	\$74,392,314	\$ 1,682,232	\$ 76,074,546	2.3%

Expense Detail

Transportation Budget

	Budget 2013	Budget to Budget Increase	Estimated Budget 2014	Percent Change
Wages	\$21,970,318	\$756,242	\$22,726,560	3.4%
Professional Services	\$109,000	(\$10,000)	\$99,000	-9.2%
Materials & Supplies	\$28,500	(\$18,500)	\$10,000	-64.9%
Miscellaneous	\$8,500	\$15,000	\$23,500	176.5%
Maintenance Services	\$20,000	\$0	\$20,000	0.0%
Purchased Transportation	\$3,553,246	\$880,000	\$4,433,246	24.8%
Fuel	\$6,589,760	(\$339,760)	\$6,250,000	-5.2%
Total Transportation	\$32,279,324	\$1,282,982	\$33,562,306	4.0%

Maintenance Budget

	Budget 2013	Budget to Budget Increase	Proposed Budget 2014	Percent Change
Wages	\$6,859,038	\$19,235	\$6,878,273	0.3%
Professional Services	\$20,000	(\$20,000)	\$0	-100.0%
Materials and Supplies	\$695,990	(\$115,000)	\$580,990	-16.5%
Miscellaneous	\$100	\$0	\$100	0.0%
Maintenance Services	\$474,368	(\$55,000)	\$419,368	-11.6%
Fuel	\$150,000	\$0	\$150,000	0.0%
Parts, Tires, Oil	\$3,722,084	\$0	\$3,722,084	0.0%
Total Maintenance	\$11,921,580	(\$170,765)	\$11,750,815	-1.4%

Expense Detail Continued

Facilities Budget

	Budget 2013	Budget to Budget Increase	Proposed Budget 2014	Percent Change
Wages	\$844,956	(\$38,251)	\$806,705	-4.5%
Professional Services	\$484,900	\$42,000	\$526,900	8.7%
Materials & Supplies	\$279,620	(\$65,400)	\$214,220	-23.4%
Miscellaneous	\$9,300	(\$500)	\$8,800	-5.4%
Maintenance Services	\$1,106,300	(\$69,007)	\$1,037,293	-6.2%
Purchased Transportation	\$4,300	\$0	\$4,300	0.0%
Utilities	\$1,227,000	(\$227,000)	\$1,000,000	-18.5%
Insurance	\$25,200	\$2,400	\$27,600	9.5%
Total Facilities	\$3,981,576	(\$355,758)	\$3,625,818	-8.9%

Administration and Support Budget

	Budget 2013	Budget to Budget Increase	Proposed Budget 2014	Percent Change
Wages	\$4,572,688	(\$12,900)	\$4,559,788	-0.3%
Benefits	\$16,916,253	\$775,821	\$17,692,074	4.6%
Professional Services	\$1,157,892	(\$50,620)	\$1,107,272	-4.4%
Materials and Supplies	\$409,050	(\$35,000)	\$374,050	-8.6%
Miscellaneous	\$409,600	(\$100,000)	\$309,600	-24.4%
Maintenance Services	\$842,848	\$124,007	\$966,855	14.7%
Purchased Transportation	\$24,798	\$400,000	\$424,798	1613.0%
Utilities	\$23,000	(\$23,000)	\$0	-100.0%
Insurance	\$762,000	(\$110,000)	\$652,000	-14.4%
Total	\$25,118,129	\$968,308	\$26,086,437	3.9%

Expense Detail Continued

Executive/Legal/Board Budget

	Budget 2013	Budget to Budget Increase	Proposed Budget 2014	Percent Change
Wages	\$409,704	\$29,466	\$439,170	7.2%
Professional Services	\$167,000	(\$72,000)	\$95,000	-43.1%
Materials & Supplies	\$9,000	\$0	\$9,000	0.0%
Miscellaneous	\$6,000	\$0	\$6,000	0.0%
Claims	\$500,000	\$0	\$500,000	0.0%
Total	\$1,091,704	(\$42,534)	\$1,049,170	-3.9%



**Capital District Transportation Authority
Balance Sheet
March 31, 2013 & 2012**

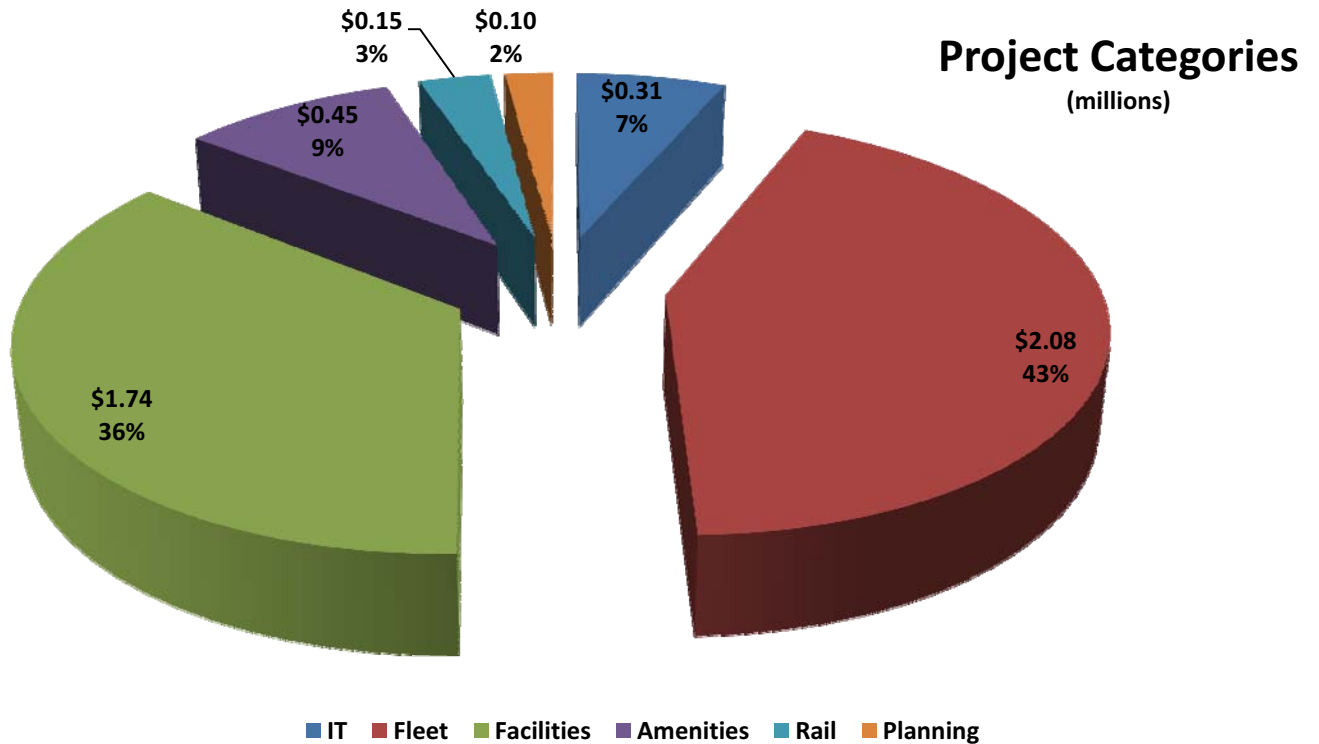
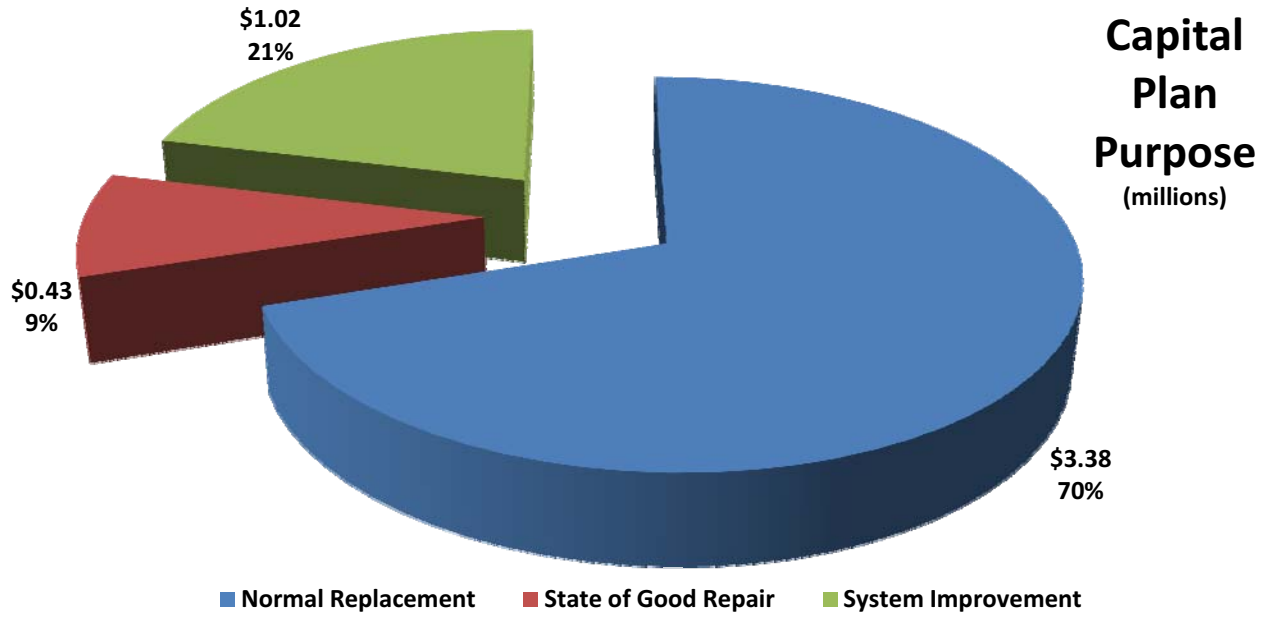
ASSETS	<u>2013</u>	<u>2012</u>
Cash	\$5,741,877	\$5,803,747
Restricted Investments:		
Risk Management Fund	\$5,813,941	\$5,634,108
Operating Fund	\$6,210,794	\$2,993,902
Capital Projects & Local Match Fund	\$1,568,165	\$1,355,975
Vehicle Replacement Fund	\$2,455,457	\$2,930,249
Workers' Compensation Fund	\$8,135,776	\$7,857,428
RRS	\$262,112	\$262,004
Restricted Investment	\$7,987,610	\$0
Receivables	\$3,918,618	\$4,048,594
Net Grant Activity	\$11,109	\$6,370,864
Advances to CDTC	\$723,573	\$639,876
Due From CDTS #1	\$985,734	\$742,048
Materials, Parts & Supplies	\$2,648,229	\$2,147,093
Prepaid Expenses	\$922,194	\$986,401
Net Property & Equipment	\$102,423,456	\$109,227,828
TOTAL ASSETS	<u>\$149,808,645</u>	<u>\$151,000,118</u>
LIABILITIES AND EQUITY		
Liabilities:		
Accounts Payable	\$2,773,060	\$3,201,968
Notes Payable	\$0	\$0
Accrued Expenses	\$2,686,022	\$2,583,537
Due to Federal Transit Administration	\$0	\$0
Due to CDTA - RRS/SRS/Access	\$0	\$0
Capital Lease Agreement	\$8,000,000	\$0
Deferred Revenue	\$738,930	\$782,250
Provision for Claims & Settlements	\$9,082,047	\$8,661,814
Post Employment Benefit	\$22,531,650	\$17,780,888
Total Liabilities	\$45,811,710	\$33,010,457
Equity:		
Contributed Capital	\$108,241,227	\$108,241,227
Fund Balances:		
Board Designated	\$24,825,719	\$20,764,297
Operating	(\$29,070,011)	(\$11,015,863)
Total Equity	\$103,996,935	\$117,989,661
TOTAL LIABILITIES AND EQUITY	<u>\$149,808,645</u>	<u>\$151,000,118</u>

Fiscal Year 2014 Capital Plan

Capital Plan - \$4,829,000

Capital initiatives start as a study, design, or concept. Subsequent phases of projects are funded in the capital plan. We fund projects that improve safety, or replace inefficient assets that are past their useful life. Funding the fleet replacement program is a continuous need that is difficult to address more than one year at a time. The goal is to avoid having operating expenses swell due to stretching the useful life of an asset too far, leading to a more significant backlog of capital replacement needs. Innovative financing arrangements continue to be a valuable part of the fleet plan.

Project Name	FY 2014
Portable Lifts	\$ 750,000
Parallelogram Lift	\$ 210,000
Hardware Replacements	\$ 98,000
Software Replacements	\$ 93,000
Fleet Financing FY2014	\$ 825,000
Fleet Financing FY2012	\$ 930,000
Street Amenities (Shelter Program)	\$ 150,000
Non-Revenue Vehicles	\$ 200,000
Routine Facilities Maintenance	\$ 125,000
Preliminary Engineering	\$ 200,000
Routine RRS Maintenance	\$ 100,000
DEF Fueling Station	\$ 150,000
DPF Cleaning	\$ 100,000
Disaster Recovery Planning	\$ 70,000
Mobile Data Communications System	\$ 53,000
BRT - River Corridor	\$ 100,000
RRS Security	\$ 50,000
Parking Lot Renovations at SSTS	\$ 200,000
Bus Camera Retro-fit	\$ 125,000
iRide Branding	\$ 300,000
Total	\$ 4,829,000



Five Year Capital Plan Snapshot

Five Year Capital Plan FY2014 - FY2018						
Project Name	FY 2014	FY 2015	FY2016	FY2017	FY2018	Total
Portable Lifts	\$750,000	\$0	\$0	\$0	\$0	\$750,000
Parallelogram Lift	\$210,000	\$0	\$0	\$0	\$0	\$210,000
Replace Garage Unit Heaters	\$0	\$200,000	\$200,000	\$0	\$0	\$400,000
Routine Facilities Maintenance	\$125,000	\$0	\$0	\$0	\$0	\$125,000
Preliminary Engineering	\$200,000	\$100,000	\$100,000	\$100,000	\$100,000	\$600,000
DEF Feuling Station	\$150,000	\$0	\$0	\$0	\$0	\$150,000
DPF Cleaning	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Maintenance Department Renovations	\$0	\$450,000	\$0	\$0	\$0	\$450,000
Downtown Albany Intermodal	\$0	\$0	\$0	\$35,000,000	\$0	\$35,000,000
Parking Lot Renovations at SSTS	\$200,000	\$0	\$0	\$0	\$0	\$200,000
Hardware Replacements	\$98,000	\$100,000	\$100,000	\$100,000	\$100,000	\$498,000
Software Replacements	\$93,000	\$50,000	\$50,000	\$50,000	\$50,000	\$293,000
Disaster Recovery Planning	\$70,000	\$100,000	\$100,000	\$100,000	\$100,000	\$470,000
Mobile Data Communications System	\$53,000	\$75,000	\$75,000	\$75,000	\$75,000	\$353,000
BRT -River Corridor	\$0	\$2,500,000	\$2,500,000	\$2,500,000	\$0	\$7,500,000
BRT - River Corridor	\$100,000	\$0	\$0	\$0	\$0	\$100,000
BRT - Washington - Western	\$0	\$0	\$65,000,000	\$0	\$0	\$65,000,000
Travel Demand Management	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$3,000,000
Corridor Management Initiative	\$0	\$200,000	\$200,000	\$200,000	\$0	\$600,000
Park and Ride Lots	\$0	\$220,000	\$220,000	\$220,000	\$0	\$660,000
RRS Security	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Routine RRS Maintenance	\$100,000	\$0	\$0	\$0	\$0	\$100,000
RRS - Top Deck Recoating	\$0	\$0	\$950,000	\$0	\$0	\$950,000
Bus Replacement Program		\$9,750,000	\$10,000,000	\$10,500,000	\$11,000,000	\$41,250,000
Fleet Financing FY2014	\$825,000	\$825,000	\$825,000	\$825,000	\$825,000	\$4,125,000
Fleet Financing FY2012	\$930,000	\$930,000	\$930,000	\$930,000	\$930,000	\$4,650,000
Bus Camera Retro-fit	\$125,000	\$0	\$0	\$0	\$0	\$125,000
Street Amenities (Shelter Program)	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
iRide Branding	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$1,500,000
Non-Revenue Vehicles	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Total	\$4,829,000	\$17,200,000	\$82,950,000	\$52,300,000	\$13,880,000	\$171,159,000

Agency Summary

Enabling Legislation

The Capital District Transportation Authority was formed by the New York State legislature in 1970. CDTA is a public benefit corporation with a legislated purpose "to provide for the continuance, further development and improvement of transportation and other services related thereto within the Capital District Transportation District by railroad, omnibus, marine and air." The Authority governing board is composed of 10 members, appointed by the Governor and confirmed by the Senate. The Board consists of 3 members from Albany County, and 2 members each from the other counties in the District. A tenth member is non-voting and represents labor.

Company History

The Authority was created when private transit firms were near bankruptcy in the late 1960s. The Authority purchased the assets of the firms or assumed their services, including the United Traction Company, the Schenectady Transit System, the Troy Fifth Avenue Bus Company, the Albany-Brookview-Castleton Bus Company, Mountainview Bus Company, and the L. C. Smith Bus Company.

During its first 15 years, the Authority embarked on a large vehicle replacement program, introduced a regional fare structure, and developed a consolidated management system with uniform operating practices. This transformed the independently-operated transit companies into a consolidated organization, providing coordinated services to customers. The CDTA logo became a recognizable company icon, synonymous with transportation services. This allowed CDTA to expand its mission towards serving as a regional mobility provider.

Evidence of an expanded CDTA role was clear in September 2002, when the Rensselaer Rail Station (RRS) opened. The RRS consisted of several projects, including an 80,000 square foot station, a 600-car parking garage, and the new Herrick Street Bridge. The project stimulated Amtrak rail travel at the station. The station, which celebrated its 10th Anniversary this past year, serves as a key transportation gateway to the Capital Region and landmark in the City of Rensselaer.

CDTA expanded bus operations in 2003 by assuming responsibility for commuter service along the I-87 corridor. The service was re-branded as Northway Xpress and promoted to Saratoga County residents and downtown Albany employers. NX marketing made it recognizable to the residents of the region for its coach style seating, complimentary internet service and other amenities. The service was redesigned in October 2012 to consolidate fare zones, and introduce discounted monthly passes.

A second CDTA train station opened in March 2004 in Saratoga Springs. Site utilities were upgraded, parking facilities were enlarged, and access to the building was improved. Greyhound has ticket space at the station and it is a regular stop on their route network. In 2012, the station saw the addition of the popular Saratoga and North Creek Railway, which offers themed travel along with recreational trips to area ski resorts.

BusPlus, the first Bus Rapid Transit service in Upstate New York, began operation on Route 5 in April 2011 to widespread customer acceptance. BusPlus is a limited stop service that operates on the 17-mile stretch of Route 5 between downtown Schenectady and downtown Albany. BusPlus has a distinctive branding scheme that signifies premium service including bus lane segments, new stations, real time information and complimentary Wi-Fi. Boardings on Route 5 have increased to nearly 4 million and we are planning for additional BRT lines on high volume corridors (River & Washington/Western).

Agency Summary Continued

Corporate Organization

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

Organization of Departments

Roughly 640 people work at CDTA. Employees work in one of six departments, which are split into functional areas with appropriate management structure. The majority of the employees are unionized, with their work activities and structure governed by a collective bargaining agreement between CDTA and the Amalgamated Transit Union (ATU). The remaining employees make up our management staff, which supervises day-to-day activities of the organization.

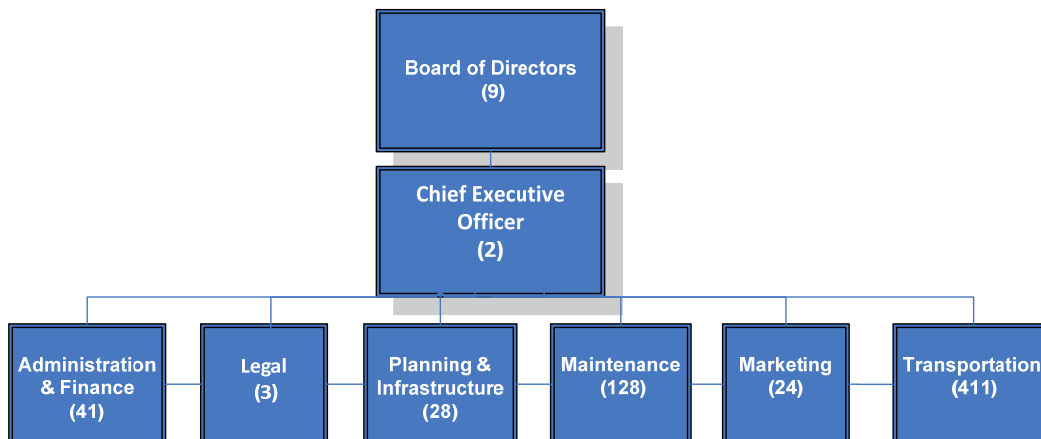
Board of Directors

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

Executive Office

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

The Chief Executive Officer leads a Senior Staff team to carry out the duties of the Authority. The focus of the Chief Executive Officer is to build ridership throughout the CDTA system, to develop revenue programs, service and facilities that customers want and need, and to encourage the development of Human Resources (employees), while insuring financial accountability and stewardship of the system.



CDTA Fiscal Year 2014 Work Plan

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

CDTA fulfills its mission through deployment of regular route, commuter, express and bus rapid transit services. CDTA operates in a 2,300 square mile portion of New York's Capital Region, with a population of 850,000 residents. More than 50% of the population lives within ¼ mile of bus service. The Authority took in more than \$16 million in customer revenue last year with the value of its capital assets listed at more than \$121 million.

Our total fleet includes more than 300 vehicles. CDTA operates more than 60 routes with a total of nearly 10 million miles travelled annually. Our vehicles are on the road for nearly 750,000 hours each year and use over 2 million gallons of fuel.

CDTA has more than 3,000 bus stops across the Capital Region. Our system also features 250 passenger shelters, 24 Park & Ride Lots and more than 1,500 parking spaces. CDTA employs sustainable options to grow the system through environmentally-responsible options including vanpool and rideshare coordination. Bicycle boardings are one of the fast growing segments of our business, surpassing 70,000 during FY2013.

Our paratransit program continues to grow and our system is working to keep up. STAR, our paratransit service, provided more than 250,000 trips last year and we expect consistent growth in the coming months. We coordinate an arrangement for purchased transportation to mitigate costs but cannot keep pace with the growth of paratransit needs moving forward. As Baby Boomers age, this will be a critical area for us to address.

We have developed a progressive work force and the impact of a recent contract extension with the ATU should not be overlooked. Our innovative arrangement ties wage increases to funding sources and provides flexibility regarding contracted services. Year one of the agreement will include a 3% wage increase during challenging financial times; if the company does well, our employees share in the rewards.

Our customer service unit has been working to respond to questions and complaints in a quicker fashion and it shows. We respond to customers in 10 business days or less 90% of the time. Our customer service center is open seven days a week and website comments continue to rise as nearly half our web interactions come via mobile devices.

We are making it easier for customers to use fare media. Pre-paid boardings now comprise 50% of ridership and in January 2013, the Authority moved to the exclusive use of rolling passes that begin at the customer's first swipe. That program eliminated calendar passes and will pave the way for the introduction of stored value smartcards and mobile ticketing by 2015.

DEPARTMENT OVERVIEWS

Finance & Administration Department

The Finance & Administration Department is responsible for the financial operation of the organization, procurement of goods and services, and human resource management. The department prepares, monitors and recommends budgeting strategies; implements financial policies and accounting practices; procurement policies and procedures; grant administration; human resource practices including labor relations and collective bargaining. The department is the liaison between funding partners and financial institutions along with our most important asset – our employees.

Legal Department

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

Planning & Infrastructure

The Planning & Infrastructure Department is responsible for strategic planning (direction for CDTA services based on changing development and travel patterns); service planning (route network development that effectively uses CDTA's limited resources); and scheduling (developing individual route schedules and organizing driver work to allow for service implementation). The Department is also responsible for operational and strategic aspects of Information Technology, including Intelligent Transportation Systems (ITS), back office systems, network infrastructure, data and information management, performance measurement, and project management. Finally, the department oversees maintenance of all CDTA buildings and properties. This includes office structures, storage and maintenance facilities, train stations, parking facilities, bus stops, and shelters. The Department assists in the development of the Authority's capital investment plan to meet future operating goals.

Maintenance Department

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

DEPARTMENT OVERVIEWS CONTINUED

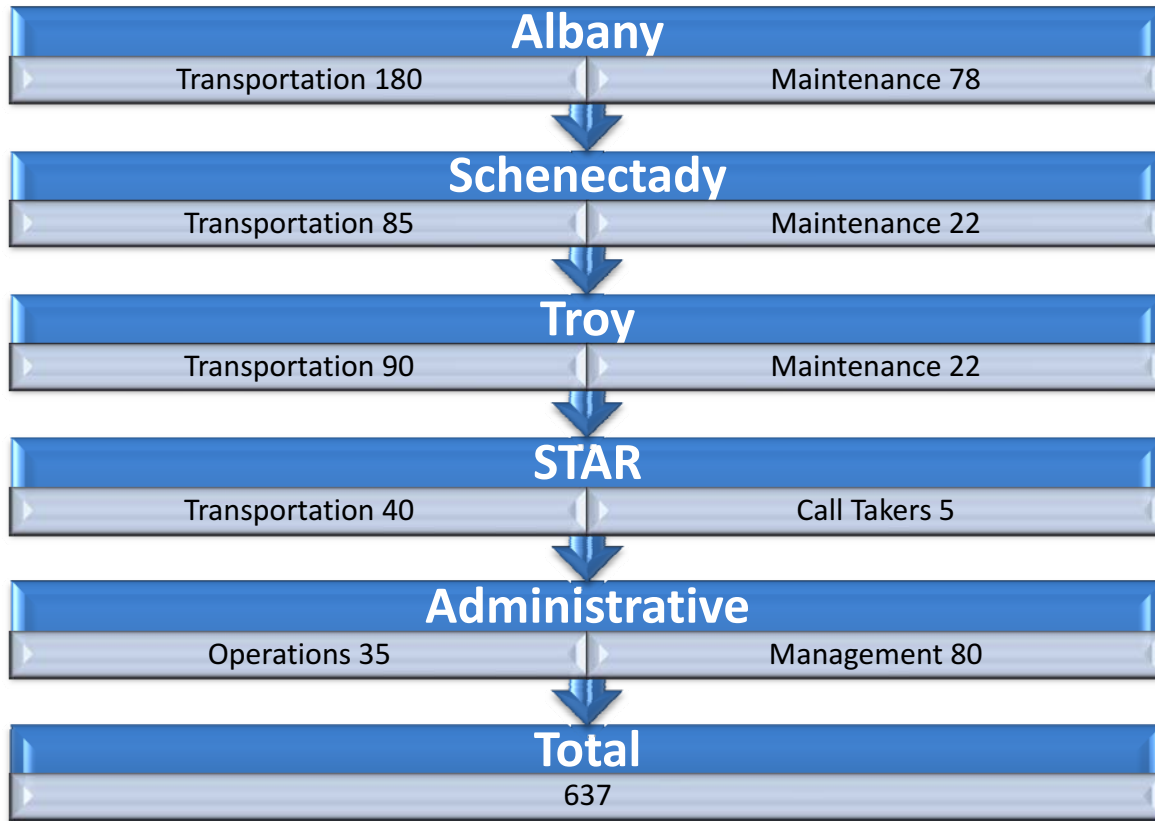
Marketing Department

The Marketing Department coordinates strategic thinking regarding business partnerships, sales opportunities and community stewardship. The department looks to grow ridership and revenues through improved perception of the Authority in the business, communications and service communities. The department has three employees; Director, a Marketing & Communications Manager, and a Manager of Graphic Services. The department oversees customer information, coordinates public outreach, while handling operation of our Customer Service Center, the Sales Unit and business development opportunities.

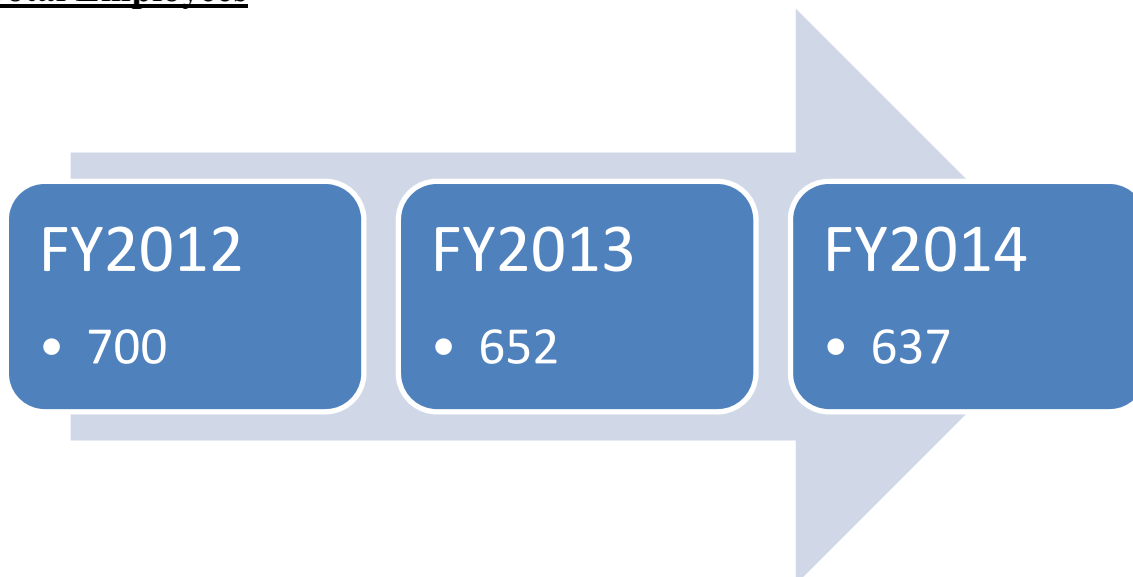
Transportation Department

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

Capital District Transportation Authority Employee Headcount



Total Employees



Public Benefit Subsidiary Corporations

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

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

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

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

Physical Plant Locations

Albany Division (110 Watervliet Avenue, Albany) - The Albany Facility was constructed in 1968 with a floor surface area of 161,600 square feet. Garage additions were completed in 1974 and 1989, and office additions were completed in 1980 and 1990. This facility is our administrative headquarters and our primary bus maintenance facility. There are approximately 155 buses assigned to the Albany Division requiring some outside parking to accommodate capacity.

Schenectady Division (2401 Maxon Road Extension, Schenectady) - The Schenectady Facility was constructed in 1974, with a floor surface area of 30,000 square feet. A garage addition was completed in 1987 that increased the total floor surface area to 45,000 square feet. This facility serves as our operating base for Schenectady and Saratoga Counties and houses approximately 50 buses.

Troy Division (40 Hoosick Street, Troy) - The Troy Bus Facility was constructed in 1980, with a floor surface area of approximately 60,000 square feet. This facility serves as our operating base for Rensselaer County and houses approximately 60 buses.

Rensselaer Rail Station (525 East Street, Rensselaer) - The Rensselaer Rail Station, which celebrated its 10th Anniversary in September 2012, is the 9th busiest station in the country, serving more than 800,000 people each year. The multi-level facility features retail, commercial and meeting space, as well as ticketing, customer comfort and travel features. The station is an 80,000 square foot building, with 67,000 square feet of floor space.

Saratoga Springs Train Station (26 Station Lane, Saratoga Springs) - The Saratoga Springs station opened in March 2004. It serves approximately 23,000 passengers each year, primarily for travel to New York City. The station also serves the Empire Corridor with the Adirondack route, which travels to and from Canada, and the Ethan Allen route, which travels to and from Vermont. It is approximately 8,000 square feet and includes rotating art exhibits, a café and retail space. The station recently saw the addition of the Saratoga and North Creek Railway, which offers recreational trips to area destinations.

85 Watervliet Avenue – CDTA purchased and operates the building close to our Albany Facility. The acquisition allowed for department locations to be consolidated and improve training activities for the Authority. The Facilities Department moved into this location, during FY2012. The building, which also serves as CDTA’s main sales outlet, is also home to the Sales Unit and Marketing Department.

Park-&-Ride Lots – There are about 2,000 available parking spaces in 24 Park & Ride Lots located with access to transportation services. There are a variety of ownership and maintenance arrangements that benefit transit, customers, and the hosting business establishment. NYSDOT or municipalities sponsor most lots, with CDTA having ownership and maintenance responsibility for the remaining lots.

Shelters/Stops – There are approximately 225 bus shelters served by our transit services. We conduct an ongoing program to keep shelters and stops in a state of good repair while adding to customer amenities. Shelters are added according to locations with high customer use and where cooperative owners or adjacent businesses are willing to share in site preparation or ongoing maintenance of a shelter. There are over 3,500 bus stops in the CDTA system. CDTA has a customer information and amenities program to improve the function and safety of these bus stops.



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

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