



CATA System Performance Review

May 15, 2019

Performance Report

Centre Area Transportation Authority d.b.a., CATA

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PUBLIC TRANSPORTATION SERVICE SNAPSHOT

Agency	Centre Area Transportation Authority (d.b.a. CATA)			
Year Founded	1974			
Reporting Fiscal Year End (FYE)	2018			
Service Area (square miles)	89			
Service Area Population	104,360			
Annual Operating Statistics*	Fixed-Route	Paratransit (ADA + Shared Ride)	Public Vanpool	Total (Fixed-Route + Paratransit + Vanpool)
Vehicles in Maximum Service (VOMS)	62	10	38	110
Operating Cost	\$15,964,771	\$997,902	\$509,643	\$17,472,316
Operating Revenues	\$7,452,125	\$354,825	\$332,874	\$8,139,824
Operating Subsidies	\$8,512,646	\$643,077	\$176,769	\$9,332,492
Total (Actual) Vehicle Miles	1,979,143	302,705	853,041	3,134,889
Revenue Miles of Service (RVM)	1,752,372	N/A	851,785	N/A
Total Vehicle Hours	158,713	20,099	19,529	198,341
Revenue Vehicle Hours (RVH)	151,156	N/A	19,529	N/A
Total Passenger Trips	6,504,972	32,725	164,480	6,702,177
Senior Passenger (Lottery) Trips	54,131	15,620	-	69,751
Act 44 Performance Statistics				
Passengers / RVH	43.03	N/A	8.42	N/A
Operating Cost / RVH	\$105.62	N/A	\$26.10	N/A
Operating Revenue / RVH	\$49.30	N/A	\$17.05	N/A
Operating Cost / Passenger	\$2.45	\$30.49	\$3.10	\$2.61
Other Performance Statistics				
Operating Revenue / Operating Cost	46.68%	35.56%	65.32%	46.59%
Operating Cost / Total Vehicle Hours	\$100.59	\$49.65	\$26.10	\$88.09
Operating Cost / Total Vehicle Miles	\$8.07	\$3.30	\$0.60	\$5.57
Total Passengers / Total Vehicle Hours	40.99	1.63	8.42	33.79
Operating Cost / RVM	\$9.11	N/A	\$0.60	N/A
RVM / Total Vehicle Miles	88.54%	N/A	99.85%	N/A
RVH / Total Vehicle Hours	95.24%	N/A	100.00%	N/A
Operating Subsidy / Passenger Trip	\$1.31	\$19.65	\$1.07	\$1.39

*Source: dotGrants 2018 reporting

EXECUTIVE SUMMARY

Act 44 of 2007 addressed the dire financial needs of local public transportation organizations across the Commonwealth by increasing state funding for public transportation operations by about 50%, from \$535 million annually to \$800 million in the first year of the legislation. Public transportation organizations which had been on the verge of major service cuts and/or significant fare increases could maintain existing service and fares and, with a predictable and growing source of operating assistance, plan service changes.

At the same time Act 44 ushered in critical requirements for accountability, performance improvement, and maximum return on investment, it established a framework for PennDOT to work with local public transportation organizations to:

- Assess efficiency and effectiveness of service, financial stability, and general management/business practices
- Agree to five-year targets for Act 44 mandated performance criteria
- Develop an action plan for improvement and to achieve performance targets
- Provide technical assistance to implement the plan at the request of the transportation organization
- Reassess each organization on a five-year cycle

The reassessment at the end of each five-year cycle is to evaluate:

- Whether the organization achieved its performance targets set in the previous review; and
- The sufficiency and effectiveness of actions taken by the organization to improve performance and management practices in its efforts to meet performance targets.

Act 44 regulations address PennDOT actions regarding performance reviews, failure to achieve performance targets and to determine if a financial penalty should be assessed if performance targets are not met in §427.12. Performance Reviews:

“(E) The application of funding adjustment will be as follows:

1. Operating fund reductions in Section 1513(G) of the Act (relating to operating program) may be implemented for grantees subject to this section that are not satisfying the minimum performance standards, considering all other provisions of Section 1513. A funding reduction may be assessed in cases when a local transportation organization fails to report progress of, or fails to implement the agreed-upon strategic action plan, or both.”

PennDOT conducted the initial review of Centre Area Transportation Authority (d.b.a. CATA) in April 2013. Based on that review, PennDOT established five-year performance targets and agreed to CATA’s action plan to meet those targets. In October 2018, PennDOT conducted the five-year reassessment of CATA to determine if CATA successfully met its targets and what actions were taken to improve the agency’s performance and management practices to maximize the return on investment of Commonwealth funding. This report summarizes PennDOT’s findings.

IMPORTANT CHANGES SINCE THE 2013 PERFORMANCE REVIEW

PennDOT conducted the initial review of Centre Area Transportation Authority (d.b.a. CATA) in April 2013. Since the previous report was finalized in 2013, the following changes and other factors impacted operations, finance and statistical reporting at CATA, as well as performance metrics:

1. **Ridership loss** – CATA is an urban system with service-oriented around the needs of the community and students in State College, PA. Ridership was increasing since the 2013 review. However, CATA’s fixed-route ridership started to decline in 2015. Total ridership dropped by approximately 860,000 trips between 2015 (7.3 million riders) and 2018 (6.5 million riders).

CATA attributes ridership and service reliability declines from multi-year construction on Atherton Street (the main thoroughfare through downtown State College) and fewer passengers on late-night service.

Transportation network companies (TNC) such as Uber arrived in 2015 and Lyft in 2016. CATA believes these companies adversely impact late-night ridership. Additionally, the low cost of fuel provides less of an incentive for choice riders to use transit. Although CATA is experiencing ridership loss, CATA still maintains one of the highest rates of passengers per hour in the Commonwealth at 43.03 riders per revenue vehicle hour in 2018.

2. **State of good repair** – CATA experienced a 6.3% average annual increase in operating costs between 2013 (\$11.7 million) and 2018 (\$15.9 million). These costs are partially related to maintaining a state of good repair of existing assets (i.e., fleet), the replacement of outdated facilities (i.e., new agency headquarters, including maintenance garage, adjacent bus storage facility and parking garage), and a change in how CATA’s CNG fueling station is maintained. CATA believes 2018 established a new baseline for fixed-route operating costs based on the following cost drivers:

- a. **Aging fleet** – CATA has an aging fleet with a median vehicle age of 10 years as of 2018. An assessment of dotGrants reported information indicates maintenance costs from labor and parts increased on average by 8.2% over five years from 2013 to 2018. As vehicles reach their useful life and are replaced (CATA’s fleet plan indicates bus replacement begins in FYE 2019), maintenance costs are expected to decline.
- b. **New and expanded facilities** – Since the 2013 review, CATA underwent a large capital project to address the state of good repair for the agency’s administration and maintenance facility. Beginning in 2014, CATA demolished the former facility and constructed a new administration and maintenance facility that brought operations and dispatch together in one building and expanded bus storage for up to 96 buses. Construction of the new facility was complete in Spring 2018 with the bus storage building to be completed in the Spring of 2019. CATA likely will incur higher utility costs from the expanded facilities.
- c. **Maintenance of CNG facility** – Since 1995 CATA has operated a fleet of CNG fueled vehicles. Between 1995 and 2017, CATA owned the fueling station and maintained the station with its maintenance staff. In 2017, CATA joined PennDOT’s statewide Public Private Partnership (P3) CNG project. As part of the P3 project, CATA is no longer responsible for maintaining the fueling station. Maintenance of the station is covered as part of the project, but CATA pays a maintenance charge that is included in the cost of the fuel. CATA’s fuel costs appear to be more expensive as part of the P3 project since CATA did not previously account for the cost to maintain the

fueling station as part of its fuel costs. Since CATA is no longer responsible for maintenance of the station, maintenance staff can be redirected to other maintenance activities.

2013 PERFORMANCE REVIEW DETERMINATIONS AND FINDINGS

The 2013 performance review compared CATA to a group of peer agencies based on the four performance criteria required by Act 44. CATA was found to be “In Compliance” for all eight performance criteria.

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

*Note: The National Transit Database (NTD) information most current at the time of the peer review is the basis of the single-year, and five-year trend, peer comparisons.

The 2013 performance review reported that CATA was “In Compliance” for all eight criteria. CATA performed better in passenger and revenue-based criteria than the peer group, but worse for operating cost-based criteria. The following performance targets were established with CATA:

- Increase passengers per revenue vehicle hour by at least 0.5% per year on average
- Increase operating revenue per revenue vehicle hour by at least 0.5% per year on average
- Contain operating cost per revenue vehicle hour increases 3.0% or less per year on average
- Contain operating cost per passenger increases 2.5% or less per year on average

CATA developed an action plan to address opportunities for improvement identified in the 2013 performance review. Among the major steps CATA took to improve its performance were:

1. **Implementation of a strategic plan** – In 2015 CATA published a 10-year strategic plan that called on five (5) focus areas: address growth prudently, advance technologically, succession planning, build reserves, and enhance the use of metrics. CATA is working with the Board to accomplish the goals put forth in the strategic plan.
2. **Measuring the effectiveness of marketing** – In 2009, CATA rebranded itself. With rebranding came a new marketing plan that focuses on meeting established goals and objectives. The previous Action Plan directed CATA to implement strategies for measuring the effectiveness of marketing. CATA now includes strategies for measuring marketing performance including monitoring website and social media traction, integrating customer satisfaction survey (CSS) results into service planning, and evaluating ridership increases on targeted routes.

3. **Developed an IT strategic plan** – In 2018, CATA developed an IT strategic plan to guide future investments in technology. Additionally, CATA implemented a computerized system that tracks all parts and the maintenance work order process.

As a result of the initial performance review, the following performance targets were established in consultation with CATA. These performance targets were developed using the most accurate Act 44 performance variables available at that time.

Performance Criteria	2018 Target	2018 Actual	Met Target
Passengers / Revenue Vehicle Hour	57.91	43.03	No
Operating Cost / Revenue Vehicle Hour	\$106.26	\$105.62	Yes
Operating Revenue / Revenue Vehicle Hour	\$48.94	\$49.30	Yes
Operating Cost / Passenger	\$1.84	\$2.45	No

CATA met two out of four performance targets. CATA missed both passengers per revenue vehicle hour and operating cost per passenger due, in part, to an increase in non-university (i.e., community) service.

CATA works with housing developers and adjusts its routes to provide service when new student housing is built, and revenue reimbursement contracts are negotiated. In recent years, student housing complexes were developed at the periphery of State College. In 2014, CATA added service to three of these new housing complexes. Although this service initially boosted ridership and revenue, the increase in revenue vehicle hours reduced average ridership productivity (i.e., passenger boardings per revenue hour and operating cost per passenger) and adversely impacted CATA's ability to meet its targets. CATA added service to five new housing complexes between 2014 and 2017 and expects to provide service to another development in 2019. CATA responds to community needs by adapting to local development patterns and adjusting service as the population of State College grows, and residential locations change. The effect between 2014 and 2018 was a reduction in productivity.

CATA managed to contain operating costs per revenue vehicle hour and exceed revenue goals. Although CATA secures revenue agreements to offset costs for service expansions to new housing development, average passenger boardings per revenue hour are lower for new service than for those routes already serving the Penn State campus. Based on the efforts of 2013-2018 and completion of major work items from the 2013 Action Plan, PennDOT concludes that CATA demonstrated a good faith effort to achieve its 2018 performance targets while concurrently adapting to new land development patterns in its service area.

2018 PERFORMANCE REVIEW DETERMINATIONS AND FINDINGS

The 2018 performance review compared CATA with a group of peer agencies based on the four performance criteria outlined by law. CATA was found to be “In Compliance” for seven performance criteria and “At Risk” for one.

Performance Criteria	FYE	Determination	Rank (of 14)	Relation to Peer Average	Value	Peer Average
Passengers / Revenue Hour	2016	In Compliance	4	Better	44.16	34.95
	Trend	At Risk	13	Worse	-5.70%	-1.48%
Operating Cost / Revenue Hour	2016	In Compliance	8	Better	\$83.96	\$89.08
	Trend	In Compliance	1	Better	-1.13%	1.56%
Operating Revenue / Revenue Hour	2016	In Compliance	3	Better	\$48.74	\$34.41
	Trend	In Compliance	11	Worse	1.55%	4.08%
Operating Cost / Passenger	2016	In Compliance	3	Better	\$1.90	\$2.78
	Trend	In Compliance	12	Worse	4.85%	3.14%

*Note: The National Transit Database (NTD) information most current at the time of the peer review is the basis of the single-year, and five-year trend, peer comparisons. Therefore, these factors differ from those presented on the Agency Profile page, which uses FYE 2018 data.

In the 2013 performance review, CATA was found to be “In Compliance” for all determinations. The 2018 review found CATA to be “At Risk” for the passengers per revenue hour determination for the five-year trend. CATA’s ridership has declined over the five-year trend period by 5.70% per year on average. Comparatively, CATA’s peer agency ridership has declined over the same period by 1.48% per year on average.

The 2018 performance review examined additional steps, beyond those specified in the 2013 action plan, that CATA has taken to improve performance. The most notable action is the adopted succession plan that established formal department cross-training. The 2018 performance review also identified actions that CATA can take to improve overall agency performance including:

1. Develop service and performance standards by time, type of service, and route to assess individual route performance.
2. Incorporate Act 44 performance metrics as part of the evaluation process when assessing service adjustments to understand how proposed service expansions would impact Act 44 performance targets.
3. Implement cost control measures to ensure future operating costs per revenue hour, and per passenger, remain within Act 44 performance targets.

Additional opportunities for improvement were also identified during the 2018 performance review. The complete list of opportunities for improvement will serve as the basis of CATA’s Board-approved action plan.

2023 PERFORMANCE TARGETS

As required by Act 44, PennDOT and CATA management have agreed to performance targets for FYE 2023 identified in the table below. CATA should work to achieve these targets over the next five years to ensure continued eligibility for full Section 1513 funding. Performance targets are designed to be aggressive, yet achievable.

Performance Criteria	Fiscal Year End (FYE)			Target Annual Increase
	2017 Actual	2018 Actual	2023 Target	
Passengers / Revenue Vehicle Hour	46.17	43.03	43.03	0.0%
Operating Cost / Revenue Vehicle Hour	\$101.98	\$105.62	\$122.44	3.0%
Operating Revenue / Revenue Vehicle Hour	\$49.98	\$49.30	\$51.82	1.0%
Operating Cost / Passenger	\$2.21	\$2.45	\$2.85	3.0%

For the passenger / revenue vehicle hour target, a 0% annual increase is assigned. The 0% annual increase is seen as aggressive, yet achievable considering the decline of public transportation ridership in Pennsylvania and across the country over the last several years. Although Act 89 requires agencies to maintain a fare policy that matches fares to the rate of inflation, a 1.0% operating revenue / revenue vehicle hour target is assigned and reflects the longstanding partnerships and adjustments to service contract rates CATA secured since the 2013 performance review.

FINANCIAL REVIEW

CATA currently has a balanced operating budget. Operating cash reserves have increased since 2014. Noteworthy elements of CATA's financial condition are:

- CATA has \$468,843 in local carryover funds dedicated to capital projects and \$8,467,208 in carryover state funds in FYE 2018
- Combined carryover subsidies amount to 52.7% of total operational funding
- CATA received its full local match as required by Act 44
- Accounts payable and receivable amounts are negligible
- CATA is using \$3.6 million out of \$6.2 million in available credit to cover cash flow for construction-related capital expenses as of FYE 2018

Management should continue taking appropriate actions to manage costs, achieve farebox recovery goals, and to maintain cash reserves to preserve CATA's overall financial health.

NEXT STEPS

CATA management and Board will develop an Action Plan in response to the complete list of "Opportunities for Improvement" identified in the performance review report. Some actions will be quickly implementable while others may take several discrete steps to achieve over the next five years. CATA's management must report to the Board and PennDOT quarterly on progress towards accomplishing the Action Plan and meeting its performance targets.

INTRODUCTION

PURPOSE

Act 44 of 2007 addressed the dire financial needs of local public transportation organizations across the Commonwealth by increasing state funding for public transportation operations by about 50%, from \$535 million annually to \$800 million in the first year of the legislation. Public transportation organizations, which had been on the verge of major service cuts and/or significant fare increases, could maintain existing service and fares and, with a predictable and growing source of operating assistance, plan service changes.

At the same time Act 44 ushered in critical requirements for accountability, performance improvement, and maximum return on investment, it established a framework for PennDOT to work with local public transportation organizations to:

- Assess efficiency and effectiveness of service, financial stability, and general management/business practices
- Agree to five-year targets for Act 44 mandated performance criteria
- Develop an action plan for improvement and to achieve performance targets
- Provide technical assistance to implement the plan at the request of the transportation organization
- Reassess each organization on a five-year cycle

The reassessment at the end of each five-year cycle is to evaluate:

- Whether the organization met the agreed-upon performance targets
- The sufficiency and effectiveness of actions taken by the organization to improve performance and management practices in its efforts to meet performance targets

Act 44 regulations address PennDOT actions regarding performance reviews, failure to achieve performance targets and to determine if a financial penalty should be assessed if performance targets are not met in §427.12. Performance Reviews:

“(E) The application of funding adjustment will be as follows:

1. Operating fund reductions in Section 1513(G) of the Act (relating to operating program) may be implemented for grantees subject to this section that are not satisfying the minimum performance standards, considering all other provisions of Section 1513. A funding reduction may be assessed in cases when a local transportation organization fails to report progress of, or fails to implement the agreed-upon strategic action plan, or both.”

PennDOT conducted the initial review of the Centre Area Transportation Authority (d.b.a. CATA,) in April 2013. PennDOT established five-year performance targets based on that review and agreed to CATA’s action plan to meet those targets. PennDOT conducted the five-year reassessment of CATA in October 2018 to determine if CATA successfully met its targets and to discuss what actions were taken to improve the agency’s performance and management practices to maximize the return on investment of Commonwealth funding. This report summarizes PennDOT’s findings.

AGENCY DESCRIPTION

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

CATA is governed by a five-member Board of Directors comprised of appointed members from each of the founding member municipalities. Under CATA's governance structure, all business is conducted by the full Board. There are no committees.

Exhibit 1 presents fixed-route bus statistics for CATA derived from PennDOT Legacy Reports (dotGrants).¹ Fixed-route bus service includes two groups of routes: Community Service (formerly Centre Line) and the Campus Service bus systems. Community Service consists of 24 different community bus routes that provide service between Downtown State College, the Penn State Campus, the Borough of Bellefonte, the Village of Pleasant Gap, suburban shopping centers, apartment complexes, residential areas, governmental offices, and many other points of interest. The Campus Service consists of four routes (LOOP and LINK) that provide fare-free campus/downtown circulator and cross-campus shuttle service. CATA maintains one of the highest rates of ridership per revenue vehicle hour in Pennsylvania. High ridership is the result of CATA's successful relationship with the Pennsylvania State University (PSU) and high ridership Campus LOOP and Campus LINK routes.

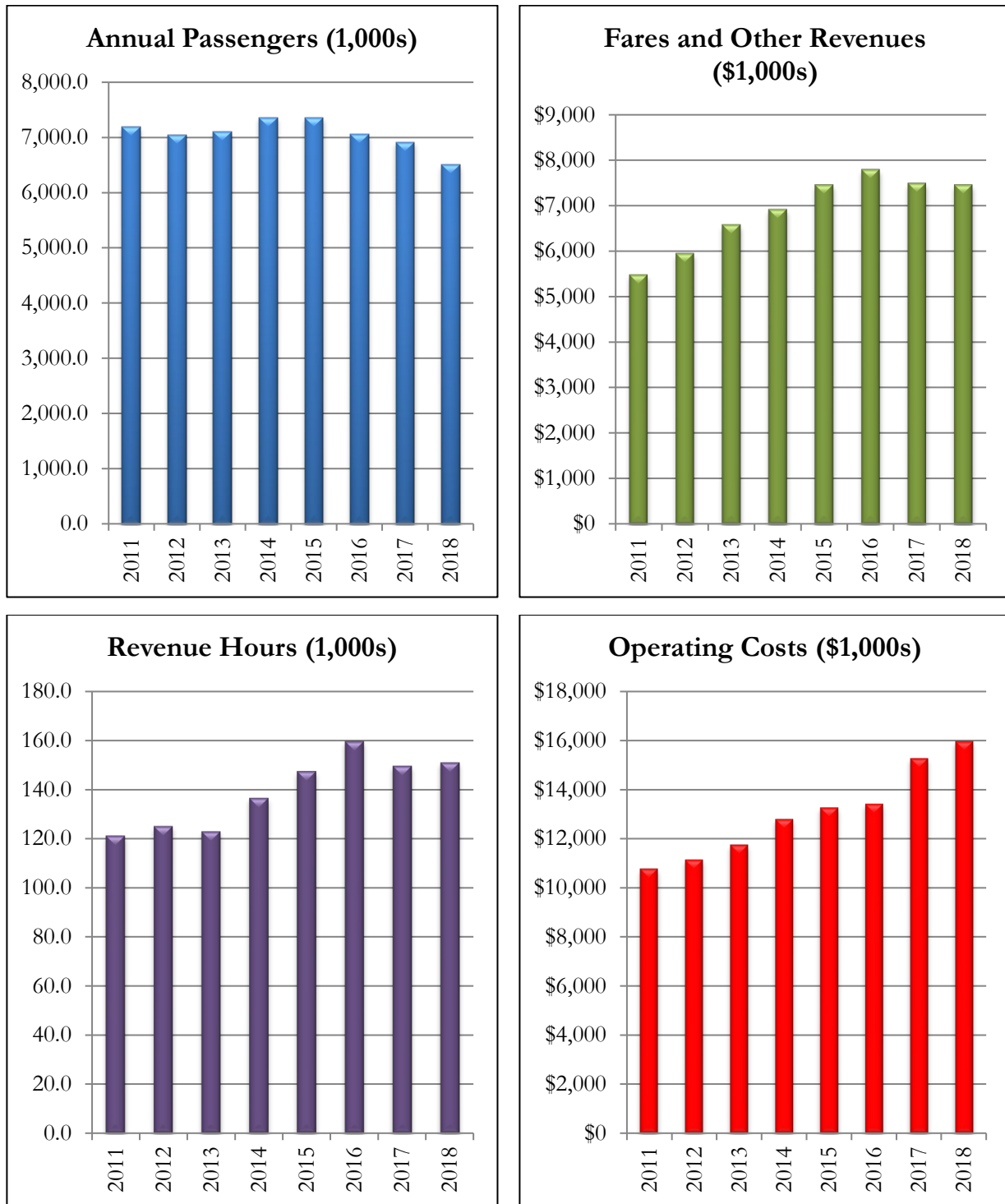
In recent years, CATA experienced a decline in fixed-route ridership, though ridership remains high compared to other Pennsylvania urban systems. CATA attributes ridership declines service reliability impacts of construction. Multi-year construction on Atherton Street and construction around PSU caused CATA to close and relocate bus stops to maintain schedule adherence.

In addition to fixed-route bus service, CATA provides paratransit and commuter services. The paratransit program, CATARIDE provides Shared Ride and ADA complementary paratransit. Additionally, CATA maintains a carpool and vanpool program with over 35 vanpool groups of 7-15 individuals and 66 active carpools. The commuter service program, CATACOMMUTE, assists long-distance commuters in finding a shared ride with someone who travels at the same time and to a relatively similar destination. The Emergency Ride Home (ERH) program provides a ride home for individuals in rideshare arrangement as needed. The Park & Ride program provides commuter parking for downtown employees on the east side of Penn State campus, with fare-free bus service to the downtown area.

As an Act 89 improvement project, CATA used capital funds to construct a new administrative and maintenance garage facility completed in late 2018. This includes an adjacent bus storage facility and parking garage. CATA operates a fleet of CNG vehicles for fixed-route service. The CNG facility was constructed in 2017 as part of PennDOT's statewide CNG P3 initiative.

¹ Adjustments to reconcile NTD data with dotGrants reported values can be found in **Appendix A: Data Adjustments**.

Exhibit 1: CATA Fixed-Route Service Annual Performance Trends (2011-2018)



Source: NTD and PennDOT Legacy Reporting System (dotGrants)

PERFORMANCE REVIEW PROCESS

In October 2018, PennDOT initiated an Act 44-mandated performance review for CATA. The following outlines the review process:

1. Initial notification of performance review selection and transmission of document request:
 - a. Review available data and request additional information.
 - b. Peer selection: CATA and PennDOT agree to a set of peer agencies to use for comparative analysis.
2. Review of Act 44 variables including current performance, targets from the previous performance review, and action plan implementation.
3. Perform Act 44 performance criteria analysis.
4. Conduct on-site review, interviews, and supplementary data collection/reconciliation.
5. Evaluate performance, financial management and operations.
6. Report results and determine agency compliance with performance requirements.
7. Finalize performance review report.
8. Develop, implement and monitor a five-year action plan.

These steps in the performance review process help document CATA's unique challenges, changes that have occurred since the previous performance review, the accuracy and reliability of reported data, implemented action plan strategies, additional opportunities for improvement, and realistic goals for the next performance review.

2013 ACT 44 PERFORMANCE ASSESSMENT

PRIOR REVIEW DETERMINATIONS AND FINDINGS

The 2013 performance review assessed CATA against a group of peer agencies based on the four performance criteria required by Act 44. CATA was found to be “In Compliance” for all eight performance criteria (**Exhibit 2**).

Exhibit 2: Previous Performance Review Act 44 Comparison Summary

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

*Note: The National Transit Database (NTD) information most current at the time of the peer review is the basis of the single-year, and five-year trend, peer comparisons.

ACTION PLAN AND PERFORMANCE TARGETS

Using the four criteria, CATA’s fixed-route service was analyzed for FYE 2011 and over a five-year trend period from FYE 2006 to FYE 2011. CATA was “In Compliance” for all eight. The following performance targets were established with CATA:

- Increase passengers per revenue vehicle hour by at least 0.5% per year on average
- Increase operating revenue per revenue vehicle hour by at least 0.5% per year on average
- Contain operating cost per revenue vehicle hour increases 3.0% or less per year on average
- Contain operating cost per passenger increases 2.5% or less per year on average

CATA developed an action plan to address opportunities for improvement identified in the 2013 performance review. Among the major steps CATA took to improve its performance were:

1. **Implementation of a strategic plan** – In 2015 CATA published a 10-year strategic plan that called on five (5) focus areas: address growth prudently, advance technologically, succession planning, build reserves, and enhance the use of metrics. CATA is working with the Board to accomplish the goals put forth in the strategic plan.
2. **Measuring the effectiveness of marketing** –CATA rebranded itself in 2009. With rebranding came a new marketing plan that focuses on meeting established goals and objectives. The previous Action Plan directed CATA to implement strategies for measuring the effectiveness of marketing. CATA now includes strategies for measuring marketing performance including monitoring website and social media traction, integrating customer satisfaction survey (CSS) results into service planning, and evaluating ridership increases on targeted routes.

3. **Developed an IT strategic plan** – In 2018, CATA developed an IT strategic plan to guide future investments in technology. Additionally, CATA implemented a computerized system that tracks all parts and the maintenance work order process.

The complete list of CATA’s previous Action Plan items and CATA’s progress in addressing previously identified opportunities for improvement is provided in **Appendix B: 2013 Performance Review Action Plan Assessment**. As shown in **Exhibit 3**, CATA met two of the four performance targets established during the 2013 performance review.

Exhibit 3: 2018 Performance Targets

Performance Criteria	2018 Target	2018 Actual	Met Target
Passengers / Revenue Vehicle Hour	57.91	43.03	No
Operating Cost / Revenue Vehicle Hour	\$106.26	\$105.62	Yes
Operating Revenue / Revenue Vehicle Hour	\$48.94	\$49.30	Yes
Operating Cost / Passenger	\$1.84	\$2.45	No

CATA reported progress to PennDOT on the implementation of the 2013 Action Plan. However, the following changes and other factors impacted CATA’s ability to meet its 2017 targets:

1. **Ridership loss** – CATA is an urban system with service oriented around the needs of the community and students in State College, PA. Ridership increased between the 2013 review and 2015. However, CATA’s fixed-route ridership started to decline in 2015. Total ridership dropped by approximately 860,000 trips between 2015 (7.3 million riders) and 2018 (6.5 million riders).

CATA attributes ridership declines to service disruptions resulting from multi-year construction on Atherton Street, the main thoroughfare through downtown State College, and fewer passengers on late-night service.

Transportation network companies (TNC) such as Uber arrived in 2015 and Lyft in 2016. CATA attributes late-night ridership losses to Uber and Lyft. Additionally, the low cost of fuel provides less of an incentive for choice riders to use transit. Although CATA is experiencing ridership loss, CATA still maintains one of the highest rates of passengers per hour in the Commonwealth at 43.03 riders per revenue vehicle hour in 2018.

2. **State of good repair** – CATA experienced a 6.3% average annual increase in operating costs between 2013 (\$11.7 million) and 2018 (\$15.9 million). These costs increases are partially related to maintaining a state of good repair of existing assets (i.e., fleet), the replacement of outdated facilities (i.e., new agency headquarters, including maintenance garage, adjacent bus storage facility and parking garage), and a change in how CATA’s CNG fueling station is maintained. CATA believes 2018 established a new baseline for fixed-route operating costs based on the following cost drivers:
 - a. **Aging fleet** – CATA has an aging fleet with a median vehicle age of 10 years as of 2018. An assessment of dotGrants reported information indicates maintenance costs from labor and parts increased on average by 8.2% over five years from 2013 to 2018. As vehicles reach their useful life and are replaced (CATA’s fleet plan indicates bus replacement begins in FYE 2019), maintenance costs are expected to decline.

- b. **New and expanded facilities** – Since the 2013 review, CATA underwent a large capital project to address the state of good repair for the agency’s administration and maintenance facility. Beginning in 2014, CATA demolished the former facility and erected a new administration and maintenance facility that brought operations and dispatch together in one building and expanded bus storage for up to 96 buses. Construction of the new facility was completed in Spring 2018 with the bus storage building to be complete in Spring of 2019. CATA will likely incur higher utility costs from the expanded facilities.
- c. **Maintenance of CNG facility** – Since 1995 CATA has operated a fleet of CNG fueled vehicles. Between 1995 and 2017, CATA owned the fueling station and maintained the station with its maintenance staff. In 2017, CATA joined PennDOT’s statewide Public Private Partnership (P3) CNG project. As part of the P3 project, CATA is no longer responsible for maintaining the fueling station. Maintenance of the station is covered as part of the project, but CATA pays a maintenance charge that is included in the cost of the fuel. CATA’s fuel costs appear to be more expensive as part of the P3 project since CATA did not previously account for the cost to maintain the fueling station as part of its fuel costs. Since CATA is no longer responsible for maintenance of the station, maintenance staff can be redirected to other maintenance activities.

ASSESSMENT

CATA met two out of four performance targets. CATA missed both passengers per revenue vehicle hour and operating cost per passenger due, in part, to an increase in non-university (i.e., community) service.

CATA works with housing developers and adjusts its routes to provide service when new student housing is built, and revenue reimbursement contracts are negotiated. In recent years, student housing complexes were developed at the periphery of State College. In 2014, CATA added service to three of these new housing complexes. Although this service initially boosted ridership and revenue, the increase in revenue vehicle hours reduced average ridership productivity (i.e., passenger boardings per revenue hour and operating cost per passenger) and adversely impacted CATA’s ability to meet its targets. CATA added service to five new housing complexes between 2014 and 2017 and expects to provide service to another development in 2019. CATA responds to community needs by adapting to local development patterns and adjusting service as the population of State College grows, and residential locations change. The effect between 2014 and 2018 was a reduction in productivity.

CATA managed to contain operating costs per revenue vehicle hour and exceed revenue goals. Although CATA secures revenue agreements to offset costs for service expansions to new housing development, average passenger boardings per revenue hour are lower for new service than for those routes already serving the Penn State campus. Based on the efforts of 2013-2018 and completion of major work items from the 2013 Action Plan, PennDOT concludes that CATA demonstrated a good faith effort to achieve its 2018 performance targets while concurrently adapting to new land development patterns in its service area.

2018 ACT 44 PERFORMANCE ASSESSMENT

The 2018 performance review compared CATA to a group of peer agencies based on the four performance criteria required by Act 44.

PEER AGENCY COMPARISONS

Peer agencies were identified through a collaborative process between PennDOT and CATA management using criteria defined in Act 44 and data from the most recently available National Transit Database (NTD), FYE 2016. The systems identified for peer comparisons include:

1. Champaign-Urbana Mass Transit District (Urbana, IL)
2. Greater Lafayette Public Transportation Corporation (Lafayette, IN)
3. Ames Transit Agency dba CyRide (Ames, IA)
4. Tompkins Consolidated Area Transit (Ithaca, NY)
5. Gainesville Regional Transit System (Gainesville, FL)
6. Chapel Hill Transit (Chapel Hill, NC)
7. Blacksburg Transit (Blacksburg, VA)
8. Lexington Transit Authority (Lexington, KY)
9. StarTran (Lincoln, NE)
10. Bloomington Public Transportation Corporation (Bloomington, IN)
11. City Transit Management Company (Lubbock, TX)
12. Greensboro Transit Authority (Greensboro, NC)
13. Lane Transit District (Eugene, OR)

Results of the current CATA analysis and peer comparison are presented in **Exhibit 4**. CATA was found to be “In Compliance” for seven measures and “At Risk” for one. The detailed data used to develop the peer comparison summary is presented in **Appendix C: Peer Comparisons**.

Exhibit 4: Current Performance Review Act 44 Peer Comparison Summary

Performance Criteria	FYE	Determination	Rank (of 14)	Relation to Peer Average	Value*	Peer Average
Passengers / Revenue Hour	2016	In Compliance	4	Better	44.16	34.95
	Trend	At Risk	13	Worse	-5.70%	-1.48%
Operating Cost / Revenue Hour	2016	In Compliance	8	Better	\$83.96	\$89.08
	Trend	In Compliance	1	Better	-1.13%	1.56%
Operating Revenue / Revenue Hour	2016	In Compliance	3	Better	\$48.74	\$34.41
	Trend	In Compliance	11	Worse	1.55%	4.08%
Operating Cost / Passenger	2016	In Compliance	3	Better	\$1.90	\$2.78
	Trend	In Compliance	12	Worse	4.85%	3.14%

*Note: The National Transit Database (NTD) information most current at the time of the peer review is the basis of the single-year, and five-year trend, peer comparisons.

ASSESSMENT

CATA is “At Risk” for passengers per revenue vehicle hour for the five-year trend period. CATA performed better than the peer average for the single-year FYE 2016 determination but performed worse than the peer group for the five-year trend period. CATA maintains one of the highest rates of passengers per revenue hour in Pennsylvania but is dependent upon student ridership at PSU. Any changes in student travel behavior will drastically impact CATA’s ridership.

2023 PERFORMANCE TARGETS

Act 44 requires that PennDOT and transit agencies establish five-year performance targets for each of the four Act 44 metrics for fixed-route service. Setting performance targets for these metrics and regularly reevaluating performance are intended to improve both the effectiveness and efficiency of service delivery. Act 89 requires agencies to maintain a fare policy to match fares to the rate of inflation, which ensures that revenue recovery keeps pace with anticipated increases in operating costs.

PennDOT uses the most recent audited and agency-verified values for passengers, operating costs and operating revenues as the baseline from which to develop the targets. Five-year targets are then established based on realistic and achievable expectations of improvement.

The 2018 performance review noted that CATA outperformed its peers on all four criteria for the single year (FYE 2016) analysis but was “At Risk” for the five-year trend period in passengers per revenue vehicle hour. CATA should continue to work toward achieving its FYE 2023 targets, especially targeting efforts to increase fixed-route ridership and contain operating costs.

The following performance targets were established in consultation with CATA:

- Increase passengers per revenue vehicle hour by at least 0.0% per year on average
- Contain operating cost per revenue vehicle hour increases to less than 3.0% per year on average
- Increase revenue per revenue vehicle hour by at least 1.0% per year on average so that the farebox recovery ratio remains constant or improves
- Contain operating cost per passenger trip increases to less than 3.0% per year on average

Future year targets are based on the most recently available fiscal year-end data (i.e., FYE 2018).² CATA should work to achieve these targets, shown in **Exhibit 5**, over the next five years to ensure continued eligibility for full Section 1513 funding.

Exhibit 5: FYE 2023 Act 44 Performance Targets

Performance Criteria	Fiscal Year End (FYE)			Target Annual Increase
	2017 Actual	2018 Actual	2023 Target	
Passengers / Revenue Vehicle Hour	46.17	43.03	43.03	0.0%
Operating Cost / Revenue Vehicle Hour	\$101.98	\$105.62	\$122.44	3.0%
Operating Revenue / Revenue Vehicle Hour	\$49.98	\$49.30	\$51.82	1.0%
Operating Cost / Passenger	\$2.21	\$2.45	\$2.85	3.0%

For the passenger / revenue vehicle hour target in **Exhibit 5**, a 0% annual increase is assigned. The 0% annual increase is seen as aggressive, yet achievable considering the decline of public transportation ridership in Pennsylvania and across the country over the last several years. Although Act 89 requires agencies to maintain a fare policy that matches fares to the rate of inflation, a 1.0% operating revenue / revenue vehicle hour target reflects the longstanding partnerships and adjustments to service contract rates CATA secured since the 2013 performance review.

² From FYE 2015 to FYE 2018, ridership dropped by approximately 860,000 trips between 2015 (7.3 million riders) and 2018 (6.5 million riders). CATA attributes the passenger decline to impacts on service reliability from multi-year construction on Atherton Street (the main thoroughfare through downtown State College), the closing of the University Club stop on College Avenue (impacting the Blue Loop and Green Link), and less passengers on late-night service.

FUNCTIONAL REVIEW

Functional reviews are used to determine the reasons behind performance results found in the Act 44 comparisons, to catalog best practices to share with other transit agencies, and to identify opportunities for improvement that should be addressed in the Action Plan (see **Appendix D: Action Plan Template**). Functional review findings are organized by a brief description of the Act 44 variables guiding the performance review: passengers, revenues, and operating costs.

The following sections summarize ways to deliver service more efficiently and effectively. It is important that service is both sensitive and responsive to the community's needs to achieve optimum service levels. The observations recorded during the review process are categorized as Best Practices or Elements to Address in the Action Plan. Best practices are those exceptional current practices that are beneficial and should be continued or expanded.

Elements to Address in the Action Plan are recommendations which have the potential to maximize productivity, to control operating costs, and to achieve optimum revenue levels which will enhance the system's future performance for one or more of the Act 44 fixed-route performance factors. For the convenience of CATA, Action Plan templates are included in **Appendix D: Action Plan Template** (see pg. 39). Some actions will be quickly implementable while others may take several discrete steps to achieve over a five-year period. The template provides a simple-to-follow order of key findings of this report that should be addressed in the Action Plan.

OPPORTUNITIES TO INCREASE FIXED-ROUTE RIDERSHIP

BEST PRACTICES

1. CATA worked with local planning partners through the Centre Region Council of Governments to include transit-friendly regulations for site development. These provisions in municipalities like College Township help transit amenities (e.g., bus pads and shelters) get built for nonresidential development, residential development, stadiums and arenas, and existing development when expansion plans trigger transit regulation thresholds.
2. CATA published Passenger Conduct Policies for fixed-route and paratransit service. The policy lists examples of potential violations and the process for customers to appeal a suspension. It outlines courteous behavior that customers are expected to exhibit and prohibited conduct that may warrant a warning or a suspension. This policy sets clear agency guidelines and expectations for customer behavior.
3. CATA engaged a professional marketing firm to help with targeted marketing efforts. With the help of the professional marketing firm, CATA was able to increase ridership on targeted routes (i.e., Route B and Route XB) by sending coupons and information via mail, developing a landing page on their website dedicated to the targeted routes, and promoting the routes via a local flyer. CATA experienced a noticeable increase in ridership from these efforts.
4. CATA recognizes that many of its users increasingly have smartphones and may be reached via social media. CATA uses a third party to produce social media content at a low cost and manage their online presence. This practice ensures frequent posts and a consistent online presence without having to dedicate staff time to social media activities.

ELEMENTS TO ADDRESS IN PART 1 OF THE ACTION PLAN (P.39)

1. CATA provides fixed-route service to PSU in State College, PA and surrounding municipalities in Centre County (i.e., Stormstown, Bellefonte, Pleasant Gap, and Pine Grove Mills). While CATA serves multiple municipalities, the bulk of the ridership comes from the PSU routes. CATA's relationship with PSU helps the agency maintain one of the highest rates of passengers per hour in Pennsylvania (i.e., 43.03 riders per revenue vehicle hour in FYE 2018). Between FYE 2015 and FYE 2018, CATA lost approximately 860,000 trips. Management attributes passenger decline to impacts on service reliability from multi-year construction on Atherton Street.

CATA monitors ridership, cost, and farebox recovery per four distinct types of service (i.e., Commuter Service, Community Service, Express Service, and Campus Service) and adjusts service as needed to maintain schedule adherence. However, modifications are in response to third-party events like street construction and new housing developments. Setting performance standards for each service type could flag potential issues like ridership declines when a route performs below a given target. CATA should **expand current ridership monitoring efforts** to include the following:

- a. **Establish performance and service standards by service type (i.e., Community Service and Campus Service), route type (e.g., campus circulator, downtown, other, etc.), time-of-day (i.e., peak, off-peak, late night, etc.), and time-of-year (i.e., peak and off-peak).** Examples of performance standards include passengers per revenue hour, farebox recovery, and on-time performance. Examples of service standards include minimum frequency by type of service, minimum and maximum load factors, etc. These types of standards can be used to inform service planning and transparently convey to the public the rationale for any suggested service changes.
 - b. **Assess bus stop locations and boardings by time-of-day** to identify opportunities to balance access to the system with on-time schedule performance needs.
2. A major, multi-year utility relocation project is occurring along North Atherton Street in State College that results in increased congestion. Closed lanes and construction along State College's main thoroughfare that has impacted service reliability adversely is expected to continue through 2019. CATA should **coordinate with the Borough of State College to communicate anticipated construction-related delays to its customer base.**
3. CATA has a 10-year strategic plan that was developed jointly between CATA, the Centre Regional Planning Agency (CRPA) and the Centre County Metropolitan Planning Organization (CCMPO). This document encompasses several elements commonly found in a Transit Development Plan (TDP) like current agency operations, service area characteristics, and growth projections. Most notably, the document includes strategic initiatives supported by actions, an implementation timeline, lead entities, and potential funding sources. CATA provides the Board with annual updates on strategic plan progress.

CATA should **continue to report progress on the strategic plan.** Ongoing initiatives identified in the strategic plan that, when completed, will help CATA meet its five-year performance targets include:

- a. Determine adequacy of the fleet to support capital plans and expansion initiatives;
- b. Determine adequacy of personnel to support operating plans;
- c. Determine cost-effective balance between university and community service (i.e., how to maximize return on investment when evaluating potential new service); and,
- d. Evaluate low-cost alternatives to providing service outside the densely urbanized area such as, first-last mile connections, commuter bus service, and park-and-ride lots.

CATA should **continue to schedule actions, report on progress, and document successes and failures in its efforts to achieve agency goals.**

4. CATA's mobile phone application (app) provides a platform for customers to send in complaints. CATA's app is managed by a third-party vendor who forwards complaints to customer service, but there is no verification process or procedure in place ensuring CATA receives all complaints from the app. CATA should **ensure that all complaints logged through the agency's mobile app are forwarded to the customer service department.**

OPPORTUNITIES TO INCREASE FIXED-ROUTE REVENUES

BEST PRACTICE

1. CATA successfully negotiates fare reimbursement contracts with companies that develop and manage off-campus student housing. CATA's success rate in obtaining fare contracts has led to many developers to view CATA access as an amenity when leasing space.

ELEMENTS TO ADDRESS IN PART 2 OF THE ACTION PLAN (P.39)

1. ADA demand response service is required when an eligible passenger desires to make a trip that has both ends within $\frac{3}{4}$ mile of fixed-route service operating concurrently. CATA verifies passenger eligibility, but not trip eligibility. By limiting ADA trips to only those that meet all ADA requirements (i.e., passenger and trip), CATA may be able to reduce the number of ADA trips it delivers. Since CATA reimburses its contractor on a per passenger trip basis, any reduction in ADA trips would reduce paratransit costs thereby making those funds available for fixed-route service. CATA should **consider limiting ADA service provision to only those trips that satisfy all (i.e., passenger and trip) ADA eligibility requirements.**

OPPORTUNITIES TO CONTROL OPERATING COSTS

BEST PRACTICE

1. CATA developed a maintenance tracking system that tracks parts from purchase order to work order. A large screen in the garage displays all maintenance requests and work orders are marked off once completed. This system streamlined maintenance efficiency through an integrated maintenance tracking and parts inventory database.

2. CATA has access to a Centre County Metropolitan Planning Organization (CCMPO) planner that assists in long-range planning for transportation needs and funding through the CCMPO Transportation Improvement Program (TIP) on behalf of CATA. The shared use of a transportation planner provides expertise for CATA and improves coordination between both agencies without CATA having to hire a full-time equivalent employee. CATA is looking into developing a similar partnership with Penn State University for shared use of a grant writer.

ELEMENTS TO ADDRESS IN PART 3 OF THE ACTION PLAN (P.40)

1. The Centre Region periphery of development is expanding further towards the regional growth boundary. At this time, CATA does not offer service that covers the entire growth boundary, but additional development may increase the demand for service at the periphery. Given that CATA's service centers around PSU and downtown State College, expanding service to the periphery would increase service cost and deadhead. As development expands outward, CATA should **incorporate Act 44 performance metrics as part of the evaluation process when assessing service adjustments and balance this data against community needs.** Additionally, CATA should **evaluate how potential service expansions would impact their five-year Act 44 performance metrics.**
2. CATA experienced a 6.3% average annual increase in operating costs between 2013 (\$11.7 million) and 2018 (\$15.9 million). The growth in operating costs is related to maintenance of an aging fleet, increased utilities from larger facilities (i.e., agency headquarters, maintenance garage, and bus storage facility), and payments for the new CNG compressor station's maintenance. CATA believes FYE 2018 set a new benchmark for annual operating costs. To contain future cost growth within the 3.0% annual performance target (established in this report), CATA should **evaluate current operating costs and implement cost control measures to ensure future operating costs satisfy Act 44 performance targets.**
3. CATA sponsors new drivers to obtain a CDL license. CATA should **develop driver incentives like a payback policy to reduce the risk of new driver turnover.** For example, if a driver leaves within the first year, they would have to reimburse CATA for the costs (i.e., training and fees) associated with obtaining a CDL license.

OTHER OPPORTUNITIES TO IMPROVE PERFORMANCE

BEST PRACTICES

1. Three out of five of the CATA Board members ride the bus and communicate with other passengers throughout their travels. This increases the transparency of the transit agency and lets the Board monitor rider perceptions.
2. CATA maintains a succession plan that allows each department to cross-train and develop standard operating procedures (SOPs) that document the responsibilities of each position. This helps ensure smooth operations in the event of unexpected absences.
3. The Board hosts "field trips" for township representatives to visit CATA and ride the bus. This helps build local support for CATA amongst the municipalities providing a local match.

ELEMENTS TO ADDRESS IN PART 4 OF THE ACTION PLAN (P.40)

1. CATA operates a fleet of CNG vehicles for fixed-route service. These vehicles require specialized safety training for handling CNG fuel system components during emergencies. CATA should **continue to schedule periodic training for all employees and local first responders on ways to safely interact with CNG vehicles and facilities.**

FINANCIAL REVIEW

This financial review presents a high-level snapshot and trend indicators to determine if additional follow up by PennDOT is warranted. The documents reviewed include audit reports, other financial reports, and budgets. The review assesses the financial status based on:

- High-Level Indicators of Financial Health
- Total Public Transportation Operational Expenditures and Funding
- Fixed-Route Funding
- Non-Fixed Route Funding
- Balance Sheet Findings

HIGH-LEVEL INDICATORS OF FINANCIAL HEALTH

As shown in **Exhibit 6**, CATA has 52.5% in total carryover subsidies to total annual operating cost. These reserves provide for liquidity in case of unexpected cost increases. In FYE 2018, CATA received their required local match to 1513 state operating subsidy.

CATA has no accounts payable and receivable amounts over 90 days. CATA maintains two lines of credit totaling \$6.2 million. CATA relies on available credit to cover short-term expenses for the construction of the new administrative facility and parking garage while awaiting capital grants. The current outstanding balance on the two lines of credit is approximately \$3.6 million as of FYE 2018.

TOTAL PUBLIC TRANSPORTATION OPERATIONAL EXPENDITURES AND FUNDING

CATA's operating budget increased from \$14.1 million in FYE 2014 to \$17.0 million in FYE 2018 (**Exhibit 7**). Approximately 93.9% of CATA's operational expenses are for fixed-route service. The remaining operational expenses (6.1%) are for ADA paratransit, shared ride, and vanpool service, as shown in **Exhibit 8**.

CATA's operating funds come from a variety of sources including state funds, federal funds, local funds, passenger fares, etc. CATA has used state, federal and local funds to finance both its fixed-route and paratransit operations (**Exhibit 9**). Combined, passenger fares and state funds are the largest shares of income for CATA, accounting for 71.7% of total operating income. Federal and local subsidies are the remaining funding sources, representing approximately 28.2% of total operating income (**Exhibit 10**).

Exhibit 6: High-Level Financial Indicators

FYE 2018 Indicator	Value	Assessment Criteria / Rationale	Source
Total Carryover Subsidies / Annual Operating Cost	52.7%	Combined target 25%+. This provides liquidity to account for unexpected cost increases or service changes without the need to incur interest fees from loans.	FYE 2018 Audit
Credit available/ Annual Payroll	47.0%	Only necessary if combined carryover subsidies are less than 25% of annual. This ensures that the agency maintains sufficient cash flow/liquidity to pay all current bills.	FYE 2018 Audit and PennDOT dotGrants
Actual Local Match / Required Match	100.0%	Target 100%+. Local match that exceeds required minimums gives a transit agency flexibility to change service, to accommodate unexpected cost changes and make capital investments.	PennDOT dotGrants 2018
Accounts Payable (AP) 90+ days	0.0%	Target should be 0% over 90 days. Larger values indicate cash flow concerns.	CATA reported value
Accounts Receivable (AR) 90+ days	0.0%	Target should be 0% over 90 days. Larger values can cause cash flow problems.	CATA reported value
Debt / Annual Operating Cost	6.5%	Target should be 0%. Low debt amounts reduce borrowing costs.	FYE 2018 Audit

Exhibit 7: Public Transportation Operating Expense by Service Type

Service Type (In Millions)	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018
Fixed Route	\$12.8	\$13.3	\$13.4	\$15.3	\$16.0
Paratransit	\$0.8	\$0.8	\$0.7	\$0.9	\$1.0
Vanpool	\$0.5	\$0.5	\$0.4	\$0.4	\$0.5
Total*	\$14.1	\$14.5	\$14.5	\$16.5	\$17.5

* May not add due to rounding.

Exhibit 8: Public Transportation Operating Expense Trends by Service Type

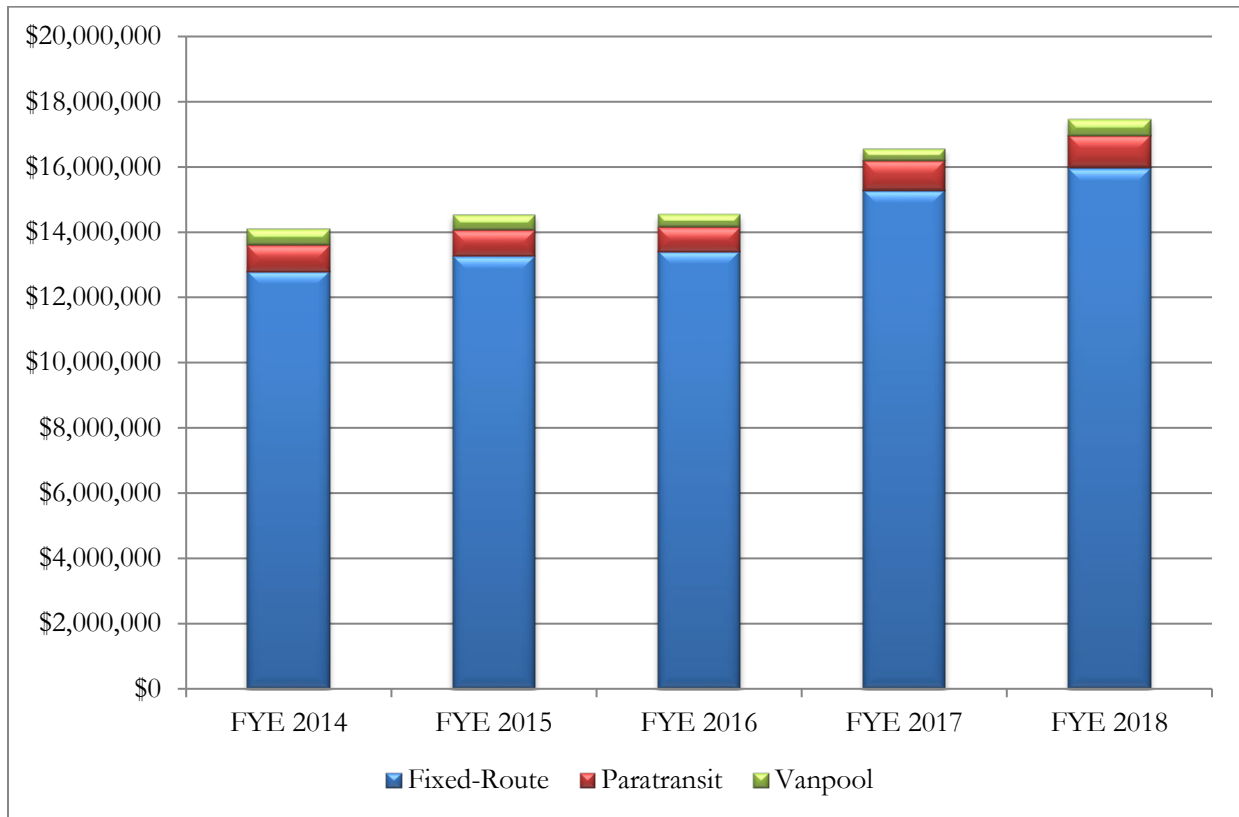
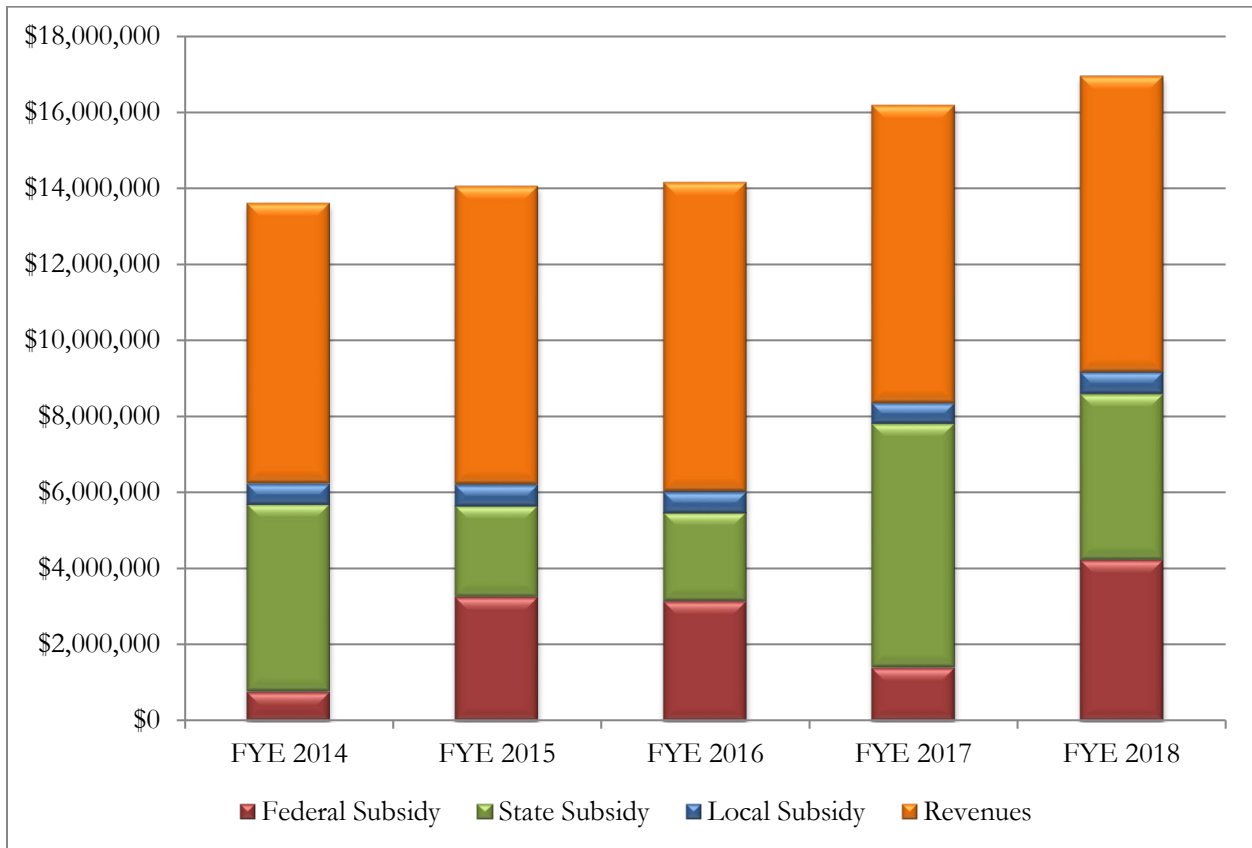


Exhibit 9: Percent of Total Public Transportation (Fixed-Route + Non-Fixed Route) Operating Budget by Funding Source

Funding Source	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018
Federal Subsidy	5.6%	23.1%	22.2%	8.6%	24.8%
State Subsidy	36.1%	17.1%	16.5%	39.5%	25.7%
Local Subsidy	4.1%	4.1%	4.0%	3.4%	3.4%
Revenues	54.1%	55.8%	57.4%	48.4%	46.0%

Exhibit 10: Total Public Transportation (Fixed-Route + Non-Fixed Route) Operating Budget by Funding Source



FIXED-ROUTE FUNDING

CATA's fixed-route funding comes from general revenues and government subsidies. Direct passenger fares represent between 27.3% and 35.7% of total operating funding (**Exhibit 11**). Based on the FYE 2014 to FYE 2018 dotGrants reporting, CATA operated using current year funding with \$8,467,208 in state funds being carried over in FYE 2018 and \$468,843 in local carryover funds dedicated to capital projects available.

Exhibit 11: Fixed-Route Funding

Funding Source	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018
Revenues					
Passenger Fares	\$4,183,553	\$4,733,804	\$4,773,771	\$4,578,942	\$4,361,985
Advertising	\$101,585	\$78,520	\$96,489	\$124,145	\$170,695
Charter	\$0	\$0	\$0	\$0	\$0
Route Guarantees	\$2,202,207	\$2,267,434	\$2,399,782	\$2,498,673	\$2,552,000
Other- (Interest)	\$221	\$199	\$160	\$0	\$138
Other- (CNG Tax Credit)	\$0	\$353,878	\$468,690	\$267,835	\$343,382
Other- (Miscellaneous)	\$0	\$16,925	\$47,744	\$16,059	\$23,925
Other- (Gain on Sale of Capital Assets)	\$0	\$0	\$0	\$0	\$0
Other- (Rideshare Support)	\$391,279	\$0	\$0	\$0	\$0
Other- (PSU Contribution to Vanpool)	\$36,099	\$0	\$0	\$0	\$0
Subtotal	\$6,914,944	\$7,450,760	\$7,786,636	\$7,485,654	\$7,452,125
Subsidies					
Federal Operating Grant	\$401,065	\$2,839,688	\$2,731,074	\$832,515	\$3,570,064
Act 44 (1513) State Prior	\$613,127	\$165,834	\$2,334,316	\$6,227,491	\$4,364,086
Act 44 (1513) State Current	\$4,304,677	\$2,234,669	\$0	\$173,936	\$0
Municipal Prior	\$0	\$0	\$0	\$0	\$0
Municipal Current	\$475,523	\$499,299	\$524,264	\$550,477	\$578,276
Special- (Federal)	\$0	\$0	\$0	\$0	\$0
Special- (State)	\$0	\$0	\$0	\$0	\$0
Special- (Local)	\$82,518	\$74,775	\$36,673	\$2,839	\$220
Subtotal	\$5,876,910	\$5,814,265	\$5,626,327	\$7,787,258	\$8,512,646
Total Funding	\$12,791,854	\$13,265,025	\$13,412,963	\$15,272,912	\$15,964,771
Passenger Fares/ Total Funding	32.7%	35.7%	35.6%	30.0%	27.3%

Source: PennDOT dotGrants Reporting System.

NON-FIXED ROUTE FUNDING

Non-fixed route funding accounts for 6.1% of CATA's public transportation operation and consists of ADA and vanpool service. CATA markets the non-fixed route service under CATA COMMUTE, which includes RideShare, Vanpool, and Emergency Ride Home programs.

Federal subsidies, as well as passenger fares, are used to finance paratransit operating costs (**Exhibit 12**). CATA's paratransit funding increased from \$820,640 in FYE 2014 to \$997,902 as of FYE 2018. Total paratransit passenger trips decreased from 36,491 in FYE 2014 to 32,725 in FYE 2018 (**Exhibit 13**).

Exhibit 12: Paratransit Funding by Source

Category	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018
Revenues					
Passenger Fares	\$132,678	\$114,638	\$94,283	\$96,023	\$93,063
Advertising	\$0	\$0	\$0	\$0	\$0
Lottery	\$321,377	\$281,503	\$244,579	\$257,295	\$261,762
PwD Reimbursement	\$0	\$0	\$0	\$0	\$0
PwD Passenger Fares	\$0	\$0	\$0	\$0	\$0
AAA	\$0	\$0	\$0	\$0	\$0
MH/MR	\$0	\$0	\$0	\$0	\$0
W2W	\$0	\$0	\$0	\$0	\$0
MATP	\$0	\$0	\$0	\$0	\$0
Other – (Miscellaneous)	\$0	\$0	\$100	\$90	\$0
Other – (Primary PSU Rideshare)	\$211	\$0	\$0	\$0	\$0
Subtotal	\$454,266	\$396,141	\$338,962	\$353,408	\$354,825
Subsidies					
Federal Operating Grant	\$366,374	\$404,235	\$408,696	\$566,039	\$643,077
Act 44 (1513) State Prior	\$0	\$0	\$0	\$0	\$0
Act 44 (1513) State Current	\$0	\$0	\$0	\$0	\$0
Municipal Prior	\$0	\$0	\$0	\$0	\$0
Municipal Current	\$0	\$0	\$0	\$0	\$0
Subtotal	\$366,374	\$404,235	\$408,696	\$566,039	\$643,077
Total Funding	\$820,640	\$800,376	\$747,658	\$919,447	\$997,902

Source: PennDOT dotGrants Reporting System.

Exhibit 13: Paratransit Operating Statistics

Operating Category	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018
Paratransit Operating Statistics					
Senior Trips	19,235	16,559	14,387	16,421	15,601
Total Paratransit Trips	36,491	32,539	31,379	34,508	32,725
Total Miles	341,398	303,863	288,881	311,025	302,705
Total Hours	20,443	18,222	18,033	20,398	20,099
VOMS	9	9	10	11	10

Source: PennDOT dotGrants Reporting System.

CATA's vanpool program has grown to over 35 vanpools since launching in 2007. Passenger fares in addition to federal subsidies are used to finance the vanpool program (**Exhibit 14**) as well. Passenger fares account between 64.1% and 98.0% of total vanpool funding from FYE 2014 to FYE 2018. Total vanpool passenger trips decreased from 207,194 in FYE 2014 to 164,480 in FYE 2018 (**Exhibit 15**). CATA revised its indirect cost allocation methodology in FYE 2018. This had the effects of increasing vanpool operating costs and reallocating federal operating grants to balance the vanpool program's budget.

Exhibit 14: Vanpool Funding by Source

Category	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018
Revenues					
Passenger Fares	\$387,865	\$424,176	\$379,728	\$323,503	\$326,674
Other – (Miscellaneous)	\$0	\$0	\$0	\$7,168	\$6,200
Other – (Primary PSU Rideshare)	\$0	\$32,110	\$0	\$0	\$0
Other – (Vanpool Revenue)	\$0	\$0	\$7,605	\$0	\$0
Subtotal	\$387,865	\$456,286	\$387,333	\$330,671	\$332,874
Subsidies					
Federal Operating Grant	\$89,623	\$12,156	\$68	\$25,827	\$176,769
Act 44 (1513) State Prior	\$0	\$0	\$0	\$0	\$0
Act 44 (1513) State Current	\$0	\$0	\$0	\$0	\$0
Municipal Prior	\$0	\$0	\$0	\$0	\$0
Municipal Current	\$0	\$0	\$0	\$0	\$0
Subtotal	\$89,623	\$12,156	\$68	\$25,827	\$176,769
Total Funding	\$477,488	\$468,442	\$387,401	\$356,498	\$509,643
Passenger Fares/ Total Funding	81.2%	90.6%	98.0%	90.7%	64.1%

Source: PennDOT dotGrants Reporting System.

Exhibit 15: Vanpool Operating Statistics

Operating Category	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018
Vanpool Operating Statistics					
Total Vanpool Trips	207,194	217,828	200,184	170,380	164,480
Total Miles	1,063,847	1,134,643	1,010,807	856,140	853,041
Total Hours	25,928	27,203	24,424	20,779	19,529
VOMS	44	45	43	42	38

Source: PennDOT dotGrants Reporting System.

BALANCE SHEET FINDINGS

Review of balance sheets shows that starting in FYE 2015, CATA began reporting most cash as restricted and maintained a small amount of petty cash on hand (**Exhibit 16** and **Exhibit 17**). Net current cash equivalent balance reported as of FYE 2018 was \$400 with an additional \$1,824,541 in restricted cash. Total available cash amounted to 11.1% of total operating expenses as of FYE 2018.

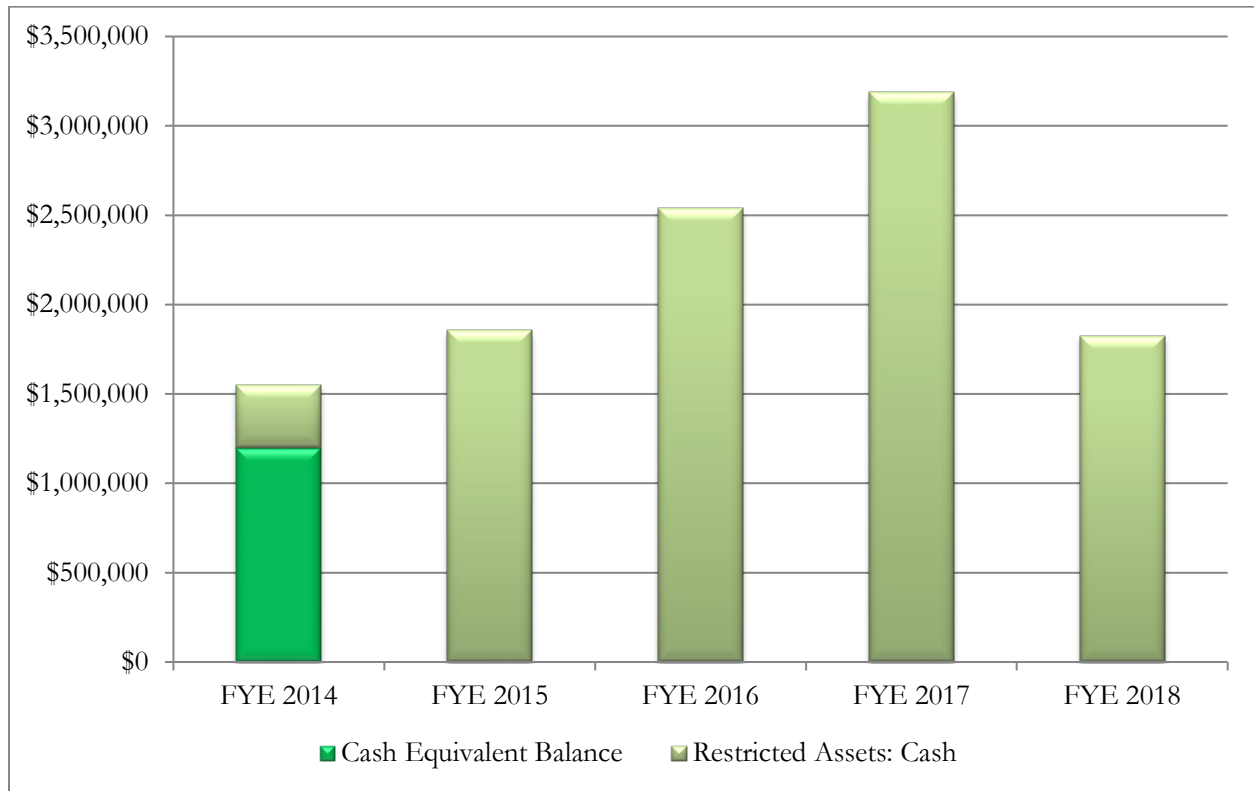
In FYE 2014, CATA initiated a large-scale capital project to construct a new administrative and maintenance garage facility, parking garage and bus storage facility. Accounts payable decreased from a high of \$3.9 million in FYE 2015 to \$679,836 in FYE 2018—attributable to pending capital grant receipts related to ongoing construction. CATA maintains a \$3 million line of credit and a \$3.2 million line of credit, with a current outstanding balance on the two lines of credit at approximately \$1 million. During FYE 2018 CATA relied upon available cash as well as credit to cover construction costs incurred until grant funding was received. The decrease in cash reserves is shown in **Exhibit 17**.

Exhibit 16: Balance Sheet Summary (FYE 2014 – FYE 2018)

Balance Sheet Report	FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018
Current Assets					
Cash Equivalent Balance	\$1,195,954	\$200	\$300	\$400	\$400
Investments	\$0	\$0	\$0	\$0	\$0
Grant Receivable (incl. capital)	\$2,817,066	\$6,065,001	\$7,059,338	\$4,656,641	\$12,311,909
Other Accounts Receivable	\$228,720	\$279,072	\$231,216	\$224,034	\$175,862
Restricted Assets: Cash	\$353,923	\$1,854,418	\$2,540,982	\$3,186,752	\$1,824,541
Inventory Value	\$486,224	\$502,333	\$571,635	\$570,184	\$600,819
Pre-paid Expenses	\$298,548	\$116,374	\$371,416	\$286,672	\$300,752
Current Liabilities					
Accounts Payable	\$3,406,517	\$3,972,593	\$2,846,931	\$962,105	\$679,836
Accrued Expenses	\$616,647	\$689,433	\$847,393	\$599,730	\$970,459
Deferred Revenue	\$1,306,371	\$4,104,472	\$7,029,663	\$7,311,948	\$9,844,088
Line of Credit	\$0	\$0	\$0	\$0	\$3,669,000
Total Operating Expense	\$13,612,494	\$14,065,401	\$14,160,621	\$16,192,359	\$16,962,673
(Cash Eqv. Bal. & Restricted Cash)/Total Operating Exp.	11.0%	12.8%	17.5%	19.3%	11.1%
Line of Credit/Annual Payroll	71.3%	38.4%	37.8%	49.4%	47.0%
Current Assets	\$5,380,435	\$8,817,398	\$10,774,887	\$8,924,683	\$15,214,283
Current Liabilities	\$5,329,535	\$8,766,498	\$10,723,987	\$8,873,783	\$15,163,383
Net Current Assets	\$50,900	\$50,900	\$50,900	\$50,900	\$50,900

Source: Annual Audit Reports and dotGrants

Exhibit 17: End-of-Year Cash Balance (FYE 2013 – FYE 2018)



ASSESSMENT

CATA currently has a balanced operating budget. Operating cash reserves have increased since 2014. Noteworthy elements of CATA’s financial condition are:

- CATA has \$468,843 in local carryover funds dedicated to future capital projects and \$8,467,208 in carryover state funds in FYE 2018
- Combined carryover subsidies amount to 52.7% of total operational funding
- CATA received its full local match as required by Act 44
- Accounts payable and receivable amounts are negligible
- CATA is using \$3.6 million out of \$6.2 million in available credit to cover construction-related capital expenses as of FYE 2018

Management should continue taking appropriate actions to manage costs, achieve farebox recovery goals, and to maintain cash reserves to preserve CATA’s overall financial health.

APPENDIX A: DATA ADJUSTMENTS

There are minor discrepancies between NTD reported data and dotGrants reported values for CATA. Management reports that NTD data, which is due in October, is completed prior to the certified audit. Data reported to dotGrants is fully vetted by CATA staff prior to PennDOT submission in December. CATA also attributes the discrepancies between NTD and dotGrants due to staffing changes at NTD. CATA stated that the agency's NTD analyst changes frequently and this results in varied interpretations of data reporting requirements, causing CATA to make slight adjustments in values reported. Listed below are a summary of data discrepancies and adjustments to NTD reported data to reconcile with dotGrants reported values.

Ridership	FYE 2012	FYE 2013	FYE 2014	FYE 2015	FYE 2016
NTD Reported Value	7,000,890	7,073,077	7,352,640	7,325,851	6,996,016
dotGrants Reported Value	7,037,600	7,107,393	7,363,391	7,364,642	7,055,328
Difference	36,710	34,316	10,751	38,791	59,312
Reconciled Value	7,037,600	7,107,393	7,363,391	7,364,642	7,055,328
Operating Costs					
NTD Reported Value	\$11,286,012	\$11,743,245	\$12,721,033	\$13,219,467	\$12,975,936
dotGrants Reported Value	\$11,141,948	\$11,760,529	\$12,791,854	\$13,265,025	\$13,412,963
Difference	\$(144,064)	\$17,284	\$70,821	\$45,558	\$437,027
Reconciled Value	\$11,141,948	\$11,760,529	\$12,791,854	\$13,265,025	\$13,412,963
Revenue					
NTD Reported Value	\$5,912,459	\$6,028,003	\$6,708,394	\$7,570,082	\$7,318,046
dotGrants Reported Value	\$5,946,651	\$6,579,917	\$6,914,944	\$7,450,760	\$7,786,636
Difference	\$34,192	\$551,914	\$206,550	\$(119,322)	\$468,590
Reconciled Value	\$5,946,651	\$6,579,917	\$6,914,944	\$7,450,760	\$7,786,636
Revenue Hours					
NTD Reported Value	125,207	123,298	136,638	146,577	159,763
dotGrants Reported Value	125,208	123,056	136,638	147,575	159,761
Difference	1	(242)	-	998	(2)
Reconciled Value	125,208	123,056	136,638	147,575	159,761

APPENDIX B: 2013 PERFORMANCE REVIEW ACTION PLAN ASSESSMENT

Last Updated December 31, 2017

Category	Suggested Action	Corrective Action	Observation
1. Ridership	Conduct Routine Customer Satisfaction Surveys and Non-Rider Surveys.	CATA conducts routine customer satisfaction surveys every three years on board its buses but has not yet incorporated non-rider surveys. The next set of surveys will be distributed in the Spring of 2014 in conjunction with CATA's Strategic Plan development. These will be complemented by non-rider surveys. From that point, similar rider and non-rider surveys will be budgeted for and conducted every three years.	Completed. Our second round of satisfaction index surveys are currently in process.
1. Ridership	Evaluate the potential benefits of establishing a Citizens Advisory Committee.	CATA believes that the mechanisms currently in place provide more than sufficient opportunities for community input. Nonetheless, the staff will survey peer transit systems to determine what mechanisms they use for collecting input. If other systems report that they have Citizen Advisory Committees that provide great value, and it appears that CATA would benefit from an additional layer of community input beyond what we currently have, we will ask the CATA Board to consider establishing a CAC on a provisional basis	Completed.
1. Ridership	Develop a plan to outfit buses with cameras and audio recording capabilities as part of a larger IT investment plan.	Since the PennDOT System Performance Audit, CATA has outfitted its 28 newest buses with an 8-camera array. The remaining 43 buses in the fleet are beyond their useful life. CATA does not plan to equip the older buses	Completed. All buses now have camera systems and fleet policy is that all

Category	Suggested Action	Corrective Action	Observation
		with cameras but will equip all new buses purchased by the Authority.	new buses are ordered with camera systems.
1. Ridership	Develop marketing performance metrics.	Every February CATA’s Marketing Manager develops a Marketing Plan for the following fiscal year, to begin in July. With the development of the next version of this publication, various marketing performance metrics will be included in the plan which will revolve around total reach, audience and ridership measurements. For example, CATA markets actively to persons age 65 and over in the community, and marketing efforts planned for the coming year will be leveraged by an anticipated goal for a specified increased number of Senior Transit ID Card applications collected for the year.	Completed.
2. Revenue	Work to achieve rate on dedicated service contracts that covers the fully-allocated cost of service delivery.	CATA believes that the rates currently in place for service purchased by our “institutional” customers are reasonable and sufficient. Nonetheless, each year when the CATA staff renegotiates hours of service and the per-hour rate, we will do our very best to keep nudging the rate upward. However, we are skeptical that a rate representing the fully-allocated cost can be achieved, at least in the near-term.	Completed. Rate is revisited each time the contract is renewed.
3. Operating Cost	Evaluate the potential use and cost savings associated with part-time employees.	CATA will evaluate the current bargaining unit contract to determine if part-time employees can be used under the existing contract language.	Completed. Successfully negotiated into collective bargaining agreement.

Category	Suggested Action	Corrective Action	Observation
		CATA will create a mock run-cut in August of 2014 to include part-time employees and then compare statistics and costing with and without the use of part-time employees with costing	Eliminated due to successful inclusion into the labor contract.
3. Operating Cost	Develop a financial plan that targets vehicle replacement at as close to design life as practical.	CATA will continue to evaluate its existing fleet plan in light of updated life cycle and costing information, and establish a new plan based on dedicated and project funding.	Completed.
3. Operating Cost	Explore the potential benefits of outsourcing payroll services.	CATA will investigate automated processes for capturing time and attendance. If this can be accomplished, CATA will then investigate the potential benefits of outside payroll services. CATA has been investigating possible automated solutions for the last 9 months.	CATA is now producing payroll through its new EAP system. Final output outsourcing will be investigated over the next 6-8 months to determine cost/benefit.
3. Operating Cost	Periodically reevaluate the potential of consolidating CATA and Centre County paratransit services.	<p>CATA maintains an ongoing dialog with our counterparts at Centre County, and in those discussions we have determined that the best approach to bring our paratransit services together will be to begin with some small steps, that once successfully implemented, and be built on. To that end, we are exploring two approaches:</p> <p>Trip sharing. Each system will hand off to the other those Shared Ride trips that due to their</p>	<p>Awaiting Ecolane usage at CCOT to again look at some level of trip sharing and/or call center efficiencies.</p> <p>See above.</p>

Category	Suggested Action	Corrective Action	Observation
		<p>time and/or location can be more efficiently operated by the other provider.</p> <p>Centralized call center. Once the Ecolane software can be installed at both CATA and CCOT, we will explore the possibility of combining call-taking and dispatching functions, to improve both operating efficiency and customer service.</p>	See above.
4. Other	Complete a strategic plan in the coming year.	CATA is committed to undertaking a strategic plan update, and PennDOT has demonstrated its support by providing technical assistance funding to support the effort. The work will be a joint project of CATA and the Centre County Metropolitan Planning Organization, utilizing the transportation planning staff shared by the two agencies.	Completed.
4. Other	Improve operations oversight.	With Board concurrence, CATA will work to increase staffing in dispatch/operations supervision. CATA will also work to increase road supervision during service peaks.	Completed.
4. Other	Conduct annual performance reviews for mechanics.	CATA will research other systems nationwide with existing practices of conducting performance reviews on represented maintenance employees. Where practical, CATA will develop a plan to incorporate useful practices. If these practices are found and developed, CATA will work with the union to negotiate a possible change in work rules to include annual performance reviews.	Staffing vacancies continue, making this concept difficult to develop and roll out. Programs to fill mechanic vacancies and upcoming expected vacancies due to retirement currently take precedence over evaluations.

Category	Suggested Action	Corrective Action	Observation
4. Other	Reexamine the balance between operating / capital expenditure requirements and funding.	CATA will pursue this in careful coordination with a number of other review recommendations. The loss of federal state of good repair capital funding in MAP21 will also have to be weighed. A strategic plan has been recently undertaken, which will lend data and direction on this issue.	Ongoing. See previous comments.
4. Other	Develop an IT investment plan.	CATA has made a commitment to hire an in-house IT support specialist, who will evaluate existing systems and possible ways in which those systems can be better utilized as well to identify alternative IT systems which would better suit CATA's desired IT outputs; the staff will consider existing and potential sources of funding for future projects.	Completed.
4. Other	Enhance Board structure to have committees or other mechanisms to provide routine oversight to quickly evolving topics of concern.	CATA's very involved five-member Board of Directors has a long history of addressing topics of concern as they arise by acting as a "committee of the whole." In addition to its regular monthly meetings, the Board is committed to holding Work Sessions that will involve the entire body whenever special situations arise that demand policy-level attention. It is anticipated that these Work Sessions will occur on the average of once a quarter.	At least one work session, if not more, has been held each quarter for the last three years. Work sessions encompass policy-level issues. Due to the size of CATA's Board, we believe this meets the intent of the recommendation.
4. Other	Build cash reserve capacity.	CATA has already begun to draw the maximum amount of federal operating funding that is justified monthly, which in turn frees up state operating funding, and to hold unused state	Completed. As Section 1517 state formula capital funding no longer exists, this effort has been abandoned.

Category	Suggested Action	Corrective Action	Observation
		<p>operating funding in a bank account as an operating reserve.</p> <p>Beginning with FY 2014/15 CATA will consider reserving a portion of our annual Section 1517 state formula funding and annual 5307 federal formula funding, and will research alternative funding sources.</p>	<p>Section 5307 federal formula capital funding has been used primarily as operating funding for many years, which is permissible for transit authorities of our size. CATA has completed a strategic plan where building reserves and using less federal formula capital funding for operating has been deemed one of our five focus areas. CATA staff has stated previously that making this change cannot happen overnight and that thoughtful planning is needed in this area.</p> <p>CATA continues pursuing this goal, though all new funding coming in at this point has been dedicated to the facility expansion project.</p>
<p>4. Other</p>	<p>Improve oversight of operations.</p>	<p>With Board concurrence, CATA will work to increase staffing in dispatch/operations supervision. CATA will also work to increase road supervision during service peaks. Currently, CATA focuses its road supervision on evenings and weekends, which, while off-peak, are critical times in a college town. CATA's goal under the submitted action plan is to shore up supervision during peak service, where we are currently weak.</p>	<p>Completed.</p>

Category	Suggested Action	Corrective Action	Observation
<p>4. Other</p>	<p>Develop performance targets for all key agency functions.</p>	<p>CATA will develop a system of annual and long range planning to determine organizational goals and objectives, based on overall goals set annually by the Board. Using data captured from sources such as DataPoint, GFI and other software, CATA will set performance metric goals as part of this process.</p> <p>Over the next fiscal year, CATA will transition its current performance reports to include those reporting measures required by Act 44. Standardizing reporting measures across the state in year two and beyond will allow CATA to set metrics and performance targets based on state peers as well as on internal data.</p>	<p>Completed with on-going review and tracking.</p> <p>CATA has been tracking performance metrics based on Act 44 since July of 2016. We monitor those numbers monthly, and recently the Board approved changes to reflect ridership losses. A letter will be sent to PennDOT this month.</p>

APPENDIX C: PEER COMPARISONS

Comparison of CATA with the selected peer systems was completed using NTD-reported data and PennDOT dotGrants Legacy statistics. Due to its consistency and availability for comparable systems, the NTD FYE 2016 Reporting Year database was selected as the primary data source used in the calculation of the five-year trend Act 44 metrics:

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

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

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

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

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

Passengers / Revenue Vehicle Hour

Passengers / Revenue Hour (MB)					
System	FYE 2016 Single Year		5 Year Change Since FYE 2011		
	Value	Rank of 14	2011 Value	Annual Rate	Rank of 14
Champaign-Urbana Mass Transit District	46.94	3	41.50	2.49%	1
Greater Lafayette Public Transportation Corporation	34.88	7	39.29	-2.35%	10
Ames Transit Agency	53.05	1	49.22	1.51%	3
Tompkins Consolidated Area Transit	32.81	8	30.96	1.16%	4
Gainesville Regional Transit System	31.64	10	36.58	-2.86%	11
Chapel Hill Transit	39.82	5	43.19	-1.61%	8
Blacksburg Transit	47.17	2	43.10	1.82%	2
Lexington Transit Authority	21.21	13	30.39	-6.94%	14
StarTran	18.31	14	18.38	-0.07%	5
Bloomington Public Transportation Corporation	36.42	6	37.51	-0.59%	6
City Transit Management Company, Inc.	26.32	11	28.65	-1.68%	9
Greensboro Transit Authority	24.24	12	25.90	-1.32%	7
Lane Transit District	32.32	9	40.85	-4.57%	12
Centre Area Transportation Authority	44.16	4	59.22	-5.70%	13
<i>Average</i>	34.95		37.48	-1.48%	
<i>Standard Deviation</i>	10.41		10.29	2.85%	
<i>Average – 1 Standard Deviation</i>	24.54		27.19	-4.33%	
<i>Average + 1 Standard Deviation</i>	45.36		47.77	1.37%	
Act 44 Compliance Determination	In Compliance		At Risk		
Compared to the Peer Group Average	Better		Worse		

Operating Cost / Revenue Vehicle Hour

Operating Cost / Revenue Hour (MB)					
System	FYE 2016 Single Year		5 Year Change Since FYE 2011		
	Value	Rank of 14	2011 Value	Annual Rate	Rank of 14
Champaign-Urbana Mass Transit District	\$118.64	13	\$102.90	2.89%	13
Greater Lafayette Public Transportation Corporation	\$79.75	5	\$77.55	0.56%	3
Ames Transit Agency dba CyRide	\$74.91	4	\$69.96	1.37%	8
Tompkins Consolidated Area Transit	\$102.14	12	\$93.44	1.80%	12
Gainesville Regional Transit System	\$73.42	3	\$69.01	1.25%	5
Chapel Hill Transit	\$97.65	10	\$90.17	1.61%	10
Blacksburg Transit	\$81.37	6	\$59.78	6.36%	14
Lexington Transit Authority	\$98.97	11	\$90.59	1.79%	11
StarTran	\$81.57	7	\$76.55	1.28%	6
Bloomington Public Transportation Corporation	\$69.56	2	\$64.96	1.38%	9
City Transit Management Company, Inc.	\$60.71	1	\$56.93	1.29%	7
Greensboro Transit Authority	\$86.70	9	\$85.65	0.24%	2
Lane Transit District	\$137.82	14	\$130.27	1.13%	4
Centre Area Transportation Authority	\$83.96	8	\$88.86	-1.13%	1
<i>Average</i>	\$89.08		\$82.62	1.56%	
<i>Standard Deviation</i>	\$20.49		\$19.35	1.65%	
<i>Average – 1 Standard Deviation</i>	\$68.59		\$63.26	-0.09%	
<i>Average + 1 Standard Deviation</i>	\$109.57		\$101.97	3.21%	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Better		Better		

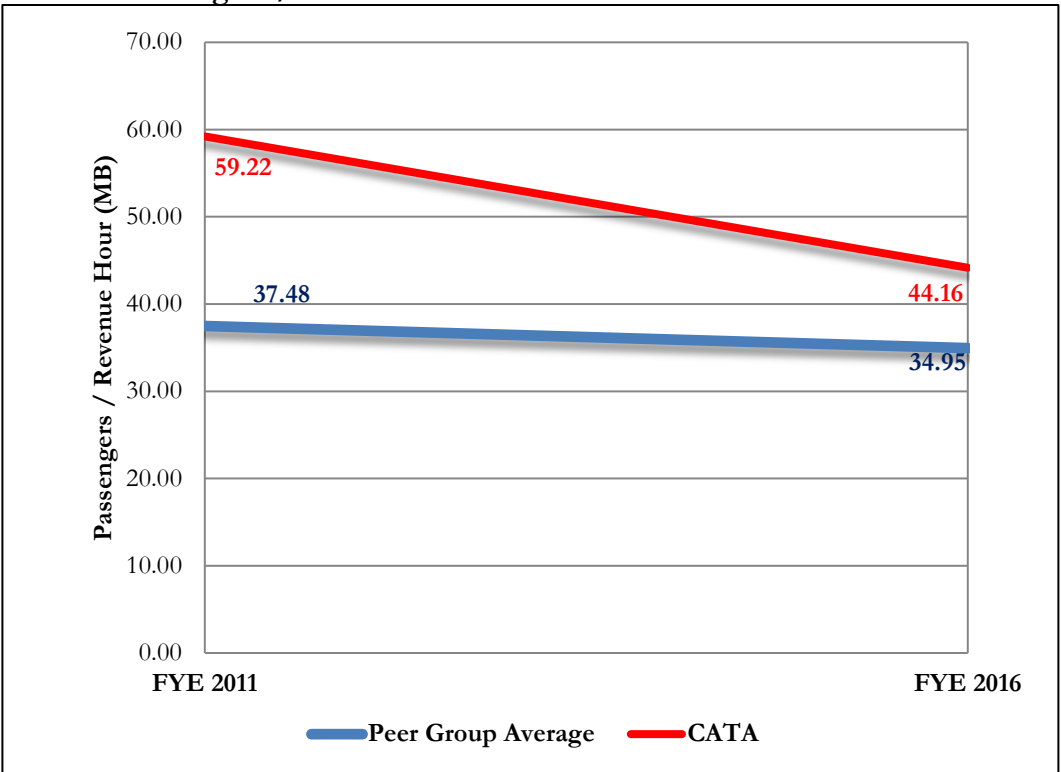
Operating Revenue / Revenue Vehicle Hour

Operating Revenue / Revenue Hour (MB)					
System	FYE 2016 Single Year		5 Year Change Since FYE 2011		
	Value	Rank of 14	2011 Value	Annual Rate	Rank of 14
Champaign-Urbana Mass Transit District	\$32.07	8	\$26.26	4.08%	6
Greater Lafayette Public Transportation Corporation	\$23.72	10	\$21.74	1.76%	10
Ames Transit Agency dba CyRide	\$37.97	6	\$13.74	22.54%	1
Tompkins Consolidated Area Transit	\$43.36	5	\$32.47	5.95%	4
Gainesville Regional Transit System	\$50.18	2	\$43.03	3.12%	8
Chapel Hill Transit	\$56.72	1	\$47.30	3.70%	7
Blacksburg Transit	\$46.46	4	\$33.13	6.99%	3
Lexington Transit Authority	\$16.18	14	\$14.46	2.28%	9
StarTran	\$23.50	11	\$14.90	9.55%	2
Bloomington Public Transportation Corporation	\$20.03	13	\$19.20	0.85%	12
City Transit Management Company, Inc.	\$36.14	7	\$29.56	4.10%	5
Greensboro Transit Authority	\$21.49	12	\$22.92	-1.29%	13
Lane Transit District	\$25.13	9	\$38.43	-8.14%	14
Centre Area Transportation Authority	\$48.74	3	\$45.12	1.55%	11
<i>Average</i>	\$34.41		\$28.73	4.08%	
<i>Standard Deviation</i>	\$13.08		\$11.59	6.72%	
<i>Average – 1 Standard Deviation</i>	\$21.33		\$17.15	-2.65%	
<i>Average + 1 Standard Deviation</i>	\$47.49		\$40.32	10.80%	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Better		Worse		

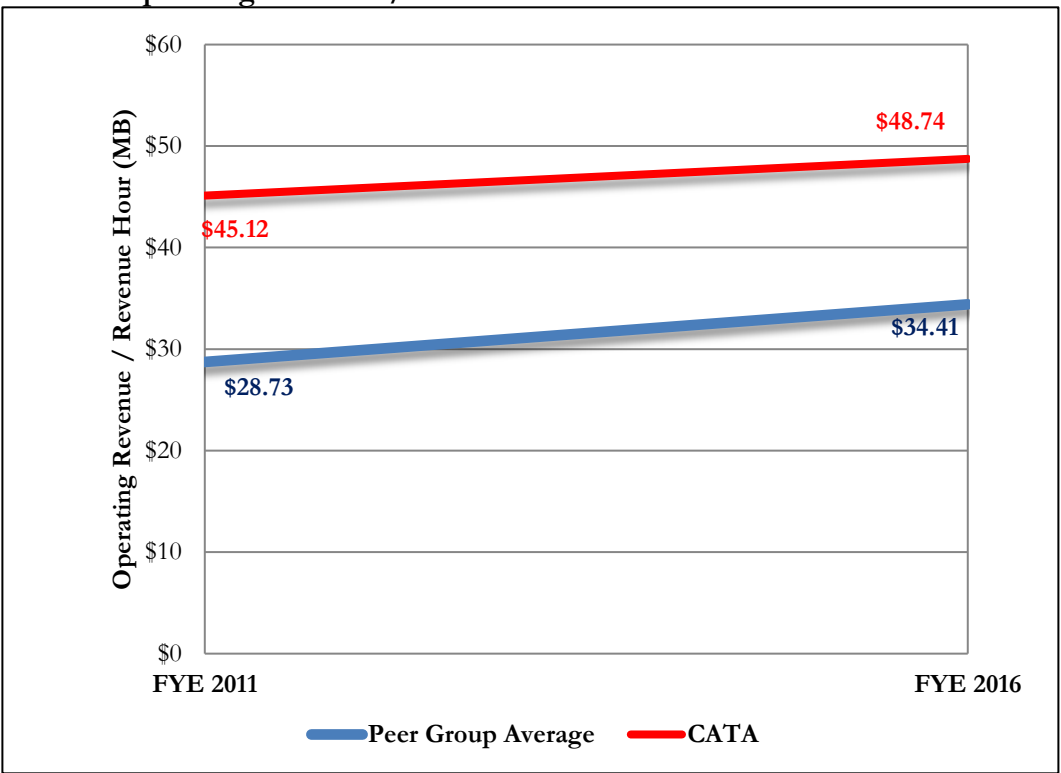
Operating Cost / Passenger

Operating Cost / Passenger (MB)					
System	FYE 2016 Single Year		5 Year Change Since FYE 2011		
	Value	Rank of 14	2011 Value	Annual Rate	Rank of 14
Champaign-Urbana Mass Transit District	\$2.53	9	\$2.48	0.38%	2
Greater Lafayette Public Transportation Corporation	\$2.29	5	\$1.97	2.99%	7
Ames Transit Agency dba CyRide	\$1.41	1	\$1.42	-0.13%	1
Tompkins Consolidated Area Transit	\$3.11	10	\$3.02	0.63%	3
Gainesville Regional Transit System	\$2.32	7	\$1.89	4.23%	10
Chapel Hill Transit	\$2.45	8	\$2.09	3.27%	9
Blacksburg Transit	\$1.73	2	\$1.39	4.46%	11
Lexington Transit Authority	\$4.67	14	\$2.98	9.38%	14
StarTran	\$4.46	13	\$4.17	1.36%	4
Bloomington Public Transportation Corporation	\$1.91	4	\$1.73	1.98%	6
City Transit Management Company, Inc.	\$2.31	6	\$1.99	3.02%	8
Greensboro Transit Authority	\$3.58	11	\$3.31	1.58%	5
Lane Transit District	\$4.26	12	\$3.19	5.98%	13
Centre Area Transportation Authority	\$1.90	3	\$1.50	4.85%	12
<i>Average</i>	\$2.78		\$2.37	3.14%	
<i>Standard Deviation</i>	\$1.06		\$0.84	2.55%	
<i>Average – 1 Standard Deviation</i>	\$1.72		\$1.52	0.59%	
<i>Average + 1 Standard Deviation</i>	\$3.84		\$3.21	5.69%	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Better		Worse		

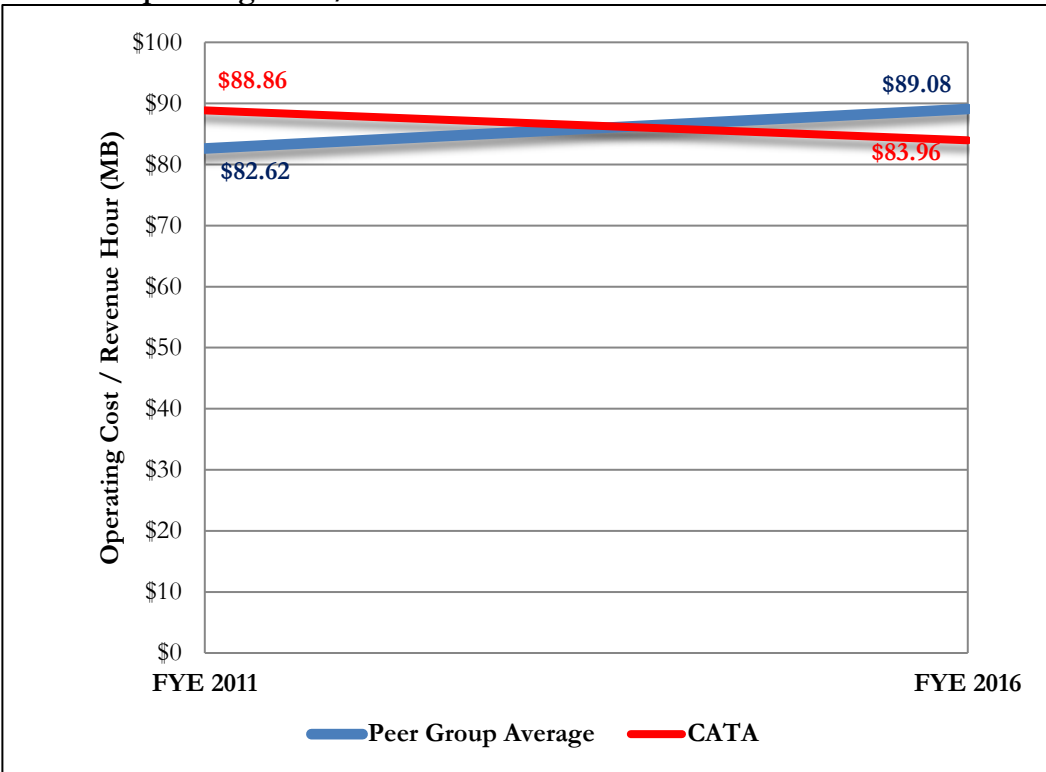
Trend – Passengers / Revenue Vehicle Hour



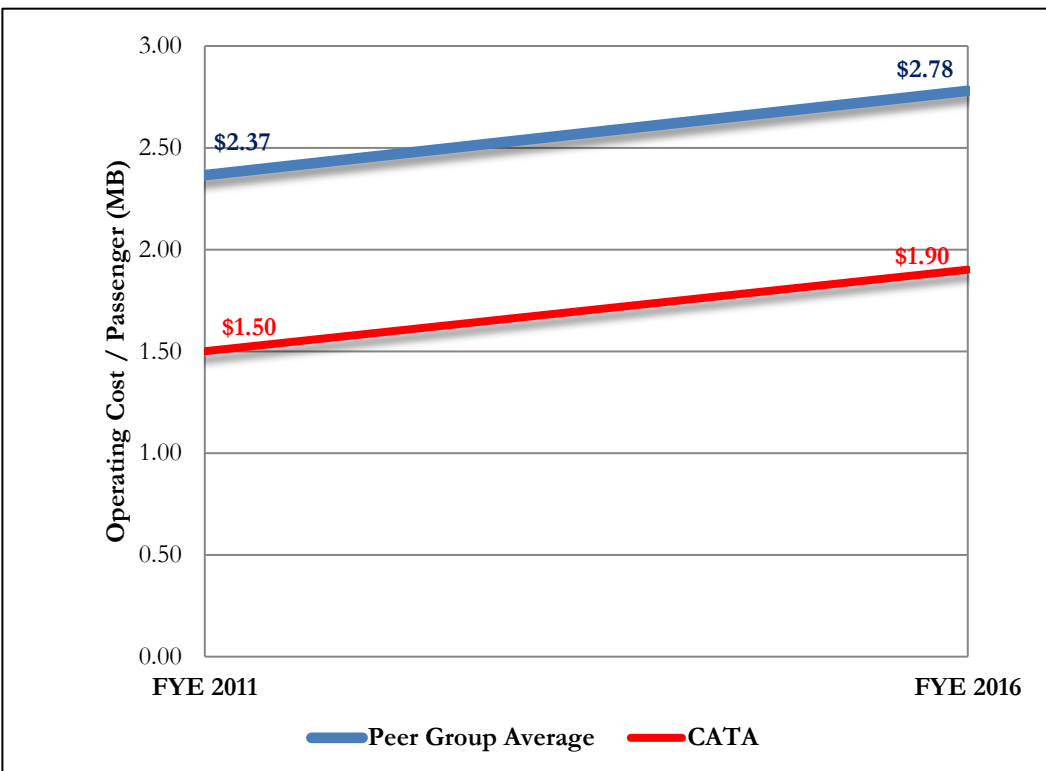
Trend – Operating Revenue / Revenue Vehicle Hour



Trend – Operating Cost / Revenue Vehicle Hour



Trend – Operating Cost / Passenger



APPENDIX D: ACTION PLAN TEMPLATE

ACTIONS TO INCREASE PASSENGERS / REVENUE HOUR

Recommendation From narrative starting on page 11	CATA Action	Estimated Initiation Date	Estimated Completion Date
1. Expand current ridership monitoring efforts to include the following: <ul style="list-style-type: none"> a. Establish performance and service standards by service type (i.e., Campus, Community, Express and Commuter), route type (e.g., campus circulator, downtown, other, etc.), time-of-day (i.e., peak, off-peak, late night, etc.) and time-of-year (i.e., peak and off-peak). b. Assess bus stop locations and boardings by time-of-day. 			
2. Coordinate with the Borough of State College to communicate anticipated construction-related delays to CATA customers.			
3. Continue to report progress and document successes and failures toward satisfying agency goals on the strategic plan.			
4. Ensure that all complaints logged through the agency's mobile app are forwarded to customer service.			

ACTIONS TO INCREASE OPERATING REVENUE / REVENUE HOUR

Recommendation From narrative starting on page 12	CATA Action	Estimated Initiation Date	Estimated Completion Date
1. Examine the current policy for ADA eligibility to consider trip eligibility in addition to passenger eligibility.			

ACTIONS TO REDUCE OR CONTAIN OPERATING COST / REVENUE HOUR

Recommendation From narrative starting on page 13	CATA Action	Estimated Initiation Date	Estimated Completion Date
1. Incorporate Act 44 performance metrics as part of the evaluation process when assessing service adjustments and balance community needs against impacts on Act 44 performance targets.			
2. Evaluate current operating costs and implement cost control measures to ensure future operating costs satisfy Act 44 performance targets.			
3. Develop a driver turnover policy like a payback policy for CDL training to reduce the risk of new driver turnover.			

OTHER ACTIONS TO IMPROVE OVERALL PERFORMANCE

Recommendation From narrative starting on page 14	CATA Action	Estimated Initiation Date	Estimated Completion Date
1. Schedule periodic training for employees and local emergency management services for CNG safety.			

