



ROCHESTER GENESEE REGIONAL TRANSPORTATION AUTHORITY



2012-13 COMPREHENSIVE PLAN

WE ARE DRIVING FORWARD

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Rochester Genesee Regional Transportation Auth.

New York

For the Fiscal Year Beginning

April 1, 2011

President

Executive Director

For the fourth consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the **Rochester Genesee Regional Transportation Authority, Rochester, New York** for its annual budget for the fiscal year beginning April 1, 2011. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to the program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Our Mission...

We provide public transportation respectful of our customers, communities, and employees.

Our Vision...

The Preferred Transportation Choice.

Our Values...

INTEGRITY:

We communicate what we have done, are doing, and plan to do. We deliver what we promise. We are reliable as individuals and as an organization.

RESPECT:

We value and appreciate fellow employees, our customers and the communities we serve. We listen to one another and understand each point of view.

INSPIRED:

To serve our communities in the best possible way is challenging. To maximize our constrained resources and grow the positive impact transit delivers takes inspired involvement from every employee.

PERFORMANCE FOCUS:

To exhibit integrity we need to communicate what we do and how we do it. And then do it. Over and over again. Despite obstacles. Aware of fiscal and resource challenges. Our customers and communities are counting on us. We get it done for them and for one another.

FUN:

What we do is important. Individuals, families, and organizations of all types count on us. Our emphasis on having fun makes the experience better for everyone.

LETTER FROM THE CEO



February 16, 2012

Dear Commissioners:

Fiscal crisis... Annual financial success... The preferred transportation choice.

A short time ago RGRTA was in the dire position of so many public agencies today, trying to balance the constraints of limited resources and expectations for exceptional transit service.

At that defining moment in time, RGRTA set a goal to be an organization that the community can depend upon for the long-term, and began to deliver service with a commitment to continued quality, improved productivity and sustained financial results. We've implemented a private sector mindset from which we have transparently communicated our destination, laid out strategic organizational tactics, employed trained professionals, measured our progress, and exceeded our milestones.

As a result of our ever-increasing ridership and financial success, we are now able to take a longer-term view of our future instead of an annual horizon. The following pages outline where we want to be three years from now, and how we are driving forward with a shared vision for continued sustainable growth and an even greater customer experience.

On behalf of the 832 dedicated employees at RGRTA, I am pleased to present you, the community, and our customers with the 2012-2013 Comprehensive Plan.

Sincerely,

A handwritten signature in black ink that reads "Bill Carpenter". The signature is fluid and cursive, with a large, sweeping flourish at the end.

Bill Carpenter
Chief Executive Officer

LETTER FROM THE CHAIRMAN



March 8, 2012

Dear Commissioners:

The unanimously adopted 2012-2013 Comprehensive Plan and the fiscal year budget it contains continues the successful transition to new leadership at RGRTA. It is the first plan with Bill Carpenter as chief executive officer. The Board of Commissioners embraces the long-term vision Bill and his team has laid out for this organization and public transportation in our community.

The RGRTA is well-positioned to build upon its successes to serve the many needs of our customers.

Selecting a new CEO, introducing real time bus tracking capabilities for our customers and the authority's induction into the newly formed American Bus Benchmarking Group are only some of the highlights of the 2011-12 fiscal year. We are continuing our ambitious construction plan that is creating the necessary infrastructure to serve our customers and create jobs in our area. By summer 2012, we will move into the new John G. Doyle, Jr. Administration Building at our East Main Street campus. We look forward to the 2014 opening of the RTS Transit Center in downtown Rochester and that will be followed with a transit station in the new College Town project near the University of Rochester.

RGRTA continues to be a national model in the transit industry because of its approach to defining success, measuring to see whether it is achieved and rewarding its staff when it has. Our annual ridership increases continue to outpace national rates. Our level of on-time performance is at an all-time high and we continue to sustainably support the \$1 fare.

New leadership, a strong financial foundation, and sights set on a long-term plan for sustained growth provide the underpinnings for continued outstanding customer service for many years to come. I thank my fellow commissioners, the executive management team, and the entire RGRTA family for their dedication in serving our customers every day.

Sincerely,

A handwritten signature in dark ink, appearing to read "James H. Redmond". The signature is fluid and cursive, with a large, sweeping flourish at the end.

James H. Redmond
Chairman

BOARD OF COMMISSIONERS

Voting Commissioner Profiles



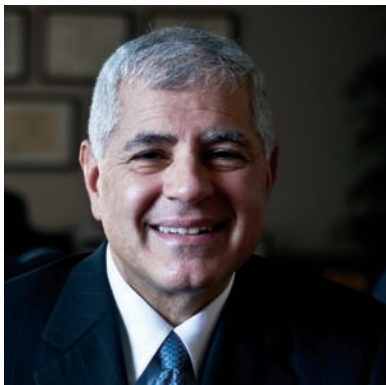
SCOTT M. ADAIR, CPA | APPOINTED IN 2010

- Chief Financial Officer, County of Monroe
- Graduate of Monroe Community College and SUNY Geneseo
- Community Service: Board member and Treasurer of Rochester District Heating Cooperative, Treasurer of Monroe County Airport Authority, Vice President of Baden Street Settlement House, NYS Government Finance Officers Association Government Accounting Committee member, NYS Association of Counties Tax and Finance Committee, and Secretary/Treasurer the NYS Society of Certified Public Accountants



THOMAS R. ARGUST | APPOINTED IN 2007

- City of Rochester Commissioner of Community Development, Retired
- Graduate of Bucknell University and Colgate Rochester Divinity School
- Community Service: Rochester Area Community Foundation Distributions Committee and former Board Chairman, Trustee Emeritus – Susan B. Anthony House, ACT Rochester Steering Committee Chair, Yates County Community Endowment Fund Co-Chair



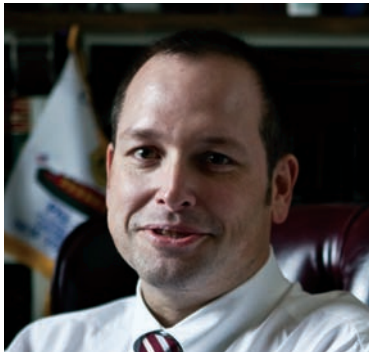
PAUL J. BATTAGLIA, CPA | APPOINTED IN 2008

- Managing Director of the Batavia Office of Freed Maxick & Battaglia, P.C.
- Graduate of St. Bonaventure University
- Community Service: Chairman of the Board of Directors of United Memorial Medical Center, Catholic Health System Board of Directors, Treasurer of Batavia Rotary Club, Chairman of United Way Board of Directors, Private Industry Council, President of Business Education Alliance, Board Chairman of Genesee Chamber of Commerce, Genesee Wyoming BOCES Board of Education, Chairman of the Board of YMCA, and Catholic Charities of Western New York Board of Trustees and Audit Committee Chair



LESLIE M. GOLDSTEIN | APPOINTED IN 1992

- Vice President of MAPCO Ltd.
- Graduate of Monroe Community College, University of Barcelona, Spain and the University of Rochester
- Community Service: Monroe Community College Alumni Board, University of Rochester Alumni Giving, the Regional Council on Aging-GROW, Eastern Monroe Community Career Center Committee for Computers, and Jewish Community Center Auction



MICHAEL P. JANKOWSKI | TREASURER | APPOINTED IN 2004

- Wayne County Clerk
- Graduate of St. John Fisher College and National Academy for Paralegal Studies, Inc.
- Community Service: Member of the New York State County Clerks Association, 2008 Chairman for the Wayne County United Way Campaign, Board of Directors of Newark Wayne Community Hospital and Wayne County Action Program



BARBARA J. JONES | APPOINTED IN 2007

- Retired Vice President for the JP Morgan Chase Bank Community Development Group
- Graduate of Hunter College, New York University, and Carroll School of Management at Boston College
- Community Service: Sector 4 Community Development Corporation, Rochester Area Community Foundation, Rochester Economic Development Corporation and Gateways Music Festival



KAREN C. PRYOR | APPOINTED IN 2007

- Retired as the University of Rochester Medical Center Director of Government Relations in 2002, previously having served as Director of Financial Aid and Assistant Dean for Student Services at the medical school
- Graduate of Purdue University and Mary Baldwin College
- Community Service: 19th Ward Community Association, the Boards of the Rochester Presbyterian Home and the Women's Health Partnership, Ruling Elder at Third Presbyterian Church, Treasurer of the Presbytery of Genesee Valley, and Volunteer at the Isaiah House Hospice



JAMES H. REDMOND | CHAIRMAN | APPOINTED IN 2004

- Regional Vice-President of Communications and Community Investments for Excellus BlueCross BlueShield
- Graduate of St. John Fisher College
- Community Service: Member on the Board of the Catholic-Courier for the Diocese of Rochester, and a Member of the North Greece Fire Department Exempts Club



HENRY SMITH, JR. | APPOINTED IN 2008

- Orleans County Legislature, Retired from Eastman Kodak and serves as President of Community Coalition Initiatives and Actions (“CCIA”), the HLSJ Driving Academy Ltd.
- Graduate of Cornell University, Roberts Wesleyan College and Monroe Community College
- Community Service: Orleans County Farm Bureau Member, Community Action Board of Directors, Hospice of Orleans County and member of Lions Club of Albion, New York



MILO I. TURNER | APPOINTED IN 2001

- Sales Manager and Auctioneer for Roy Teitsworth, Inc.
- United States Navy Veteran
- Community Service: Chairman of the Nunda Planning Board, Volunteer for the Nunda Fire Department and member of the Nunda Kiwanis Club



FRANK VITAGLIANO, JR. | VICE CHAIRMAN | APPOINTED IN 2002

- Senior Vice President of Tompkins Insurance Agencies
- Graduate of Alfred University
- Community Service: Director of the Wyoming County Local Development Corporation and the Wyoming Chamber of Commerce; member of the Tompkins Board of Directors, Wyoming County Hospital Campaign Fund Drive, and former Town Councilman in Orangeville (1986-1989) and Warsaw (1992-1996)



EDWARD W. WHITE | SECRETARY | APPOINTED IN 2006

- Court Attorney for the New York State Court Seventh Judicial District
- Community Service: Former Junius Town Justice and a former member of the Court Facilities Capital Review Board

GOVERNANCE STRUCTURE & COMMITTEES

Commissioners of the Authority are individuals who have been recommended by their applicable local governing bodies, nominated by the Governor, and confirmed by the New York State Senate. Monroe County recommends four commissioners, while the City of Rochester recommends three. Each of the other member counties recommends one voting commissioner.

The Board schedules at least one meeting each month throughout the year. All meetings of the Board are open to the public, recorded and available for viewing on the Authority's website.

The Authority has established four standing committees to assist the Board in carrying out its duties.

Governance Committee

- Keeps the Board informed of current best governance practices.
- Reviews corporate governance trends for their applicability to the Authority.
- Updates the Authority's corporate governance principles and practices when necessary.
- Advises member counties of the applicable skills, qualities and professional experience necessary for a person to fulfill the responsibilities of a member of the Board of Commissioners.
- Formulates and proposes to the full Board policies that promote honest and ethical conduct by Authority commissioners, officers and employees.
- Coordinates and leads annual training for the Board of Commissioners.

Audit Committee

- Represents and assists the Board in general oversight of the Authority's accounting and financial reporting processes, financial statement audits, and internal control and audit functions.
- Provides an avenue of communication between management, independent auditors, internal auditors, and the Board.

Compensation Committee

- Discharges the Board's responsibility related to compensation of the Authority's executive officers and other employees.
- Oversees the Authority's executive succession planning program and assists in relating Authority performance to executive and employee compensation.

Finance/Investment Committee

- Represents and assists the Board in its general oversight of the Authority's borrowing and investment activities.
- Review proposals for the issuance of debt by the Authority and its subsidiaries.
- Formulates investment policy of the Authority; monitors the system of internal controls with respect to the investment policy; determines that investment results are consistent with the Board of Commissioner's objectives; and reviews any independent audits of the investment program.

STRATEGIC PLAN

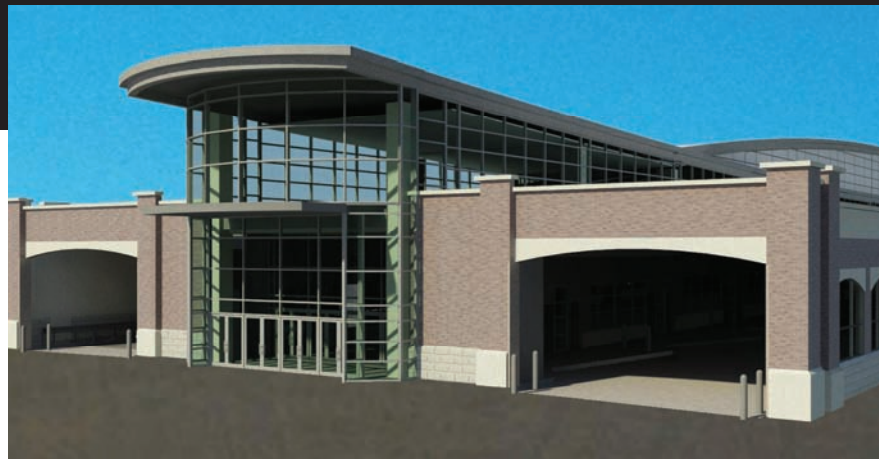
Introduction

At the start of this new chapter for RGRTA, the Authority's recent accomplishments, including eight successive years of increasing customers and six consecutive years of financial success, provide a strong foundation from which to grow. This is an ideal time to build upon a fiscally sound business model and \$1 fare. The long-term vision to become the Preferred Transportation Choice requires the Authority to drive forward RGRTA's Infrastructure, Partnerships and New Products. This Plan lays out the initial steps to be taken.

A New Perspective

This is the first Plan the Authority has issued that has looked beyond annual strategies, tactics and accompanying goals. Sights are set on the 2014 grand opening of a new transit center in the heart of downtown Rochester and the prospects for the positive community impact that this project presents.

With a new transit center designed to change the way buses move around the downtown corridor on the horizon, RGRTA's executive management team is focused on sustainable, long-term strategies and products that will also alter perceptions of public transportation



in this community. This is deemed as a once in a generation opportunity, and the management team is focused on leveraging it to roll out significant change at the Authority

A new Chief Executive Officer at the helm, a strong financial foundation from which to build upon, and a robust \$100 million in capital development projects underway, all make for a setting that is rich in opportunity.

Long-Term Strategies

To become, as the Authority's new vision statement suggests "The Preferred Transportation Choice", the management team identified three key strategies necessary to drive forward:

A. Modernizing The Infrastructure

Build our campuses to provide for modern and efficient facilities to serve a growing demand for public transportation as well as provide climate controlled transit and transfer destinations for our customers at the highest demand transit hubs.

B. Developing Community Partnerships

The past model of dependence on government subsidies is no longer practical. We must work closely with our employees, our neighborhoods, our business partners and the investing communities we serve. The intended outcome is for public transportation to provide more value to the region with increased customer ridership and satisfaction.

C. Introducing New Products

With modern facilities and increased engagement from our communities, our response will be new product offerings that deliver what our partners need, while maintaining the financial success the Authority needs to remain a long-term supportive partner.

Strategic Pillars

To get started and moving into the 2012-13 fiscal year, four supporting pillars provide the structure for operating tactics which are established to realize

the three key strategies. They will advance RGRTA's strong financial position and ability to provide an outstanding customer experience while attracting new customers across the seven county region the Authority serves. They are:

- ▶ Employee Success
- ▶ Customer Service Excellence
- ▶ Quality Service Delivery
- ▶ Financial Sustainability

Employees, the women and men who take transit service to the street every day, whether from their posts on the bus, in the shop or in the office, are the focus of a new effort to improve the internal work culture. The intent is for employees to feel more valued and therefore be more engaged and take more personal ownership in the Authority's good work.

The Authority's customers will continue to reap the benefits of this healthy organization. Increasing customer satisfaction, measured quarterly by the Net Promoter Score survey, and increased ridership year after year indicates the Authority's efforts to deliver outstanding and affordable service are working. This focus continues and indeed is aimed at making the experience even better.

To attract more customers, the Quality Service Delivery must be both of high quality as well as offer more variety in the product offering. Engaged employees, listening to customers and the communities, will develop processes and introduce products that will enable the Authority to serve the increased customer demand and remain financially sustainable.

The strong financial foothold that the Authority has come to enjoy since the brink of financial crisis in 2004 will continue to be the paradigm from which decisions are made. Simply put, the Authority cannot serve a new generation of transit customers without remaining financially strong over the long term.

As in the past, success for RGRTA will be measured through the Transit Organization Performance Scorecard (TOPS). The scorecard serves as a quarterly tool that monitors whether established goals are being met.



Long-Term Goals

As we look out three to five years, we drive forward toward:

A. Infrastructure that includes modern offices and operational facilities across the Authority. In addition our Downtown Transit Center and Mt. Hope Transit Station serve an increasing demand for our products in climate controlled comfort.

B. Community Development and Multi-Modal transportation planning includes RGRTA with increased frequency. We will have introduced neighborhood shuttles and increased our role in serving the college communities

C. New Products have been introduced that meet community needs and interests of stakeholders investing with us.

Success with our Strategic Pillars will result in these desired outcomes:

- ▶ Employees are more engaged because they have been given improved tools, training and feedback, resulting in RGRTA being recognized as an “Employer of Choice”.
- ▶ Regular customers use public transit service more frequently and a higher percentage of the community uses public transit service resulting in annual ridership increases of 3%.

- ▶ The Operations Team has developed greater efficiencies and improved processes to enhance the variety of products offered to the increasing number of customers.
- ▶ The Authority has increased the revenue from business partnerships at a rate faster than government subsidies so that reliance on taxpayers is reduced by 3% from the current level of 55% of total revenues.

Challenges Moving Forward

RGRTA has worked with great purpose to reduce reliance on public subsidies. However, as a public agency, the State of New York is a 41% business partner in the annual revenues of the Authority. And as that partner struggles to remain economically sustainable, all partners of the State, of which RGRTA is one, must modify its business approach to correspond with the financial challenges of the State.

It is likely that the public funding side of public transportation will continue to face challenges and potential decline in the years to come. Fortunately, RGRTA has been well ahead of this curve in making the transition towards being a sustainable transportation system, thanks to adherence to a private sector mindset that made way for the organization’s strong financial position. This business model is credited with outstanding results including:

- ▶ Increased ridership above the national average.
- ▶ Increased customer satisfaction year over year.
- ▶ Equitable distribution of New York State Mass Transportation Operating Assistance (STOA).
- ▶ Operating expense growth limited to 2.7% over that past three years, despite escalating costs such as diesel fuel and health insurance.
- ▶ Increased quality service delivery, including on-time performance averaging 88 percent during fiscal year 2011-12.
- ▶ A projection to maintain the RTS \$1 fare until 2015.

The 2012-13 Comprehensive Plan is a fiscally responsible plan that continues to recognize the balance required between providing affordable quality service to those who are transit dependent, and sustainable, new choices for those seeking transportation alternatives. RGRTA takes very seriously its role in helping to preserve and even strengthening the local economy as the public transportation provider. This document clearly outlines the Authority’s new perspectives, goals, and strategies to be a successful community partner for several years to come.

Conclusion

The vision: “The Preferred Transportation Choice” recognizes the opportunity and responsibility before us. The long-term outlook leading RGRTA toward – and then beyond – the anticipated 2014 opening of the new RTS Transit Center has been described. This project, along with the Authority’s other ambitious capital projects will create a stage for new

community partnerships. As this evolution occurs the natural progression will be for new, financially sustainable products to be identified, explored and implemented. More customers using more RGRTA services in more ways will be the measure of this Plan’s success.



RGRTA takes very seriously its role in helping to preserve and even strengthening the local economy as the public transportation provider.

OPERATING PLAN

Introduction

The Operating Plan is a tactical expression of the Authority's Vision Statement and strategies with a focus on Employee Success, Customer Service Excellence, Quality Service Delivery, and Financial Sustainability. This year, the Plan reflects the continuation of numerous tactics started in previous years, as well as the introduction of new tactics, several of which will span into the 2013-14 fiscal year.

Employee Success

Employee success has long been a pillar in the Comprehensive Plan. As in any organization, the right people doing the right things is RGRTA's most valuable asset and is the basis for the success of the other pillars. The excellence of customer service, efficiency and quality of service and operations, and financial success all depend on a team of well-trained, dedicated and motivated employees.

For 2012-13 and beyond, the focus of Employee Success will shift from "how successful is the employee at performing the employee's responsibilities" to "how successful is RGRTA at providing the conditions and training necessary to permit motivated employees to be successful."





Customer Service Excellence

A long-standing strategy of the Authority is to provide outstanding customer service. The Authority is constantly seeking ways to improve service. Through the use of third party quarterly surveys the Authority has learned the priorities of customers and improved the product in those areas. Buses are cleaner, delivered more reliably and on-time performance has reached record highs. This plan's tactics will continue to focus on these elements of service. However, the pillar reaches wider with the intention for broader outreach to raise awareness and perceptions of the RGRTA brand to new segments of the community.

Quality Service Delivery

Quality is at the heart of each and every initiative undertaken by the Authority. The success of the Authority, its reputation to deliver an outstanding product, as well as its ability to attract a new segment of the market makes attention to detail extremely important. Driving forward, service delivery will become more responsive to align with the identified requirements of customers. The result will be the ability to serve more customers with a product that works for them.

Financial Sustainability

The strategic focus of the Financial pillar continues to center on providing a high quality and economically

sustainable transportation experience over the long-term. This strategy is critical in that it recognizes the uncertain public sources of revenue (Federal and State) supporting public transportation, and requires that RGRTA remain steadfast in its commitment to develop business partnerships and financially sustainable products.

The Authority will realize this strategy by advancing tactics that achieve operational efficiencies to control expenses; maintain and grow partnership subsidies; identify new sources of revenue; and achieve a reduced reliance on taxpayer subsidies.



RGRTA Operating Plan Tactics

RTS Transit Center
Mt Hope Station at College Town
RTS Site Improvements Phase 1
RTS Site Improvements Phase 2
Claims Management Software Replacement
LATS CAD/AVL & ATIS
Security System - RTS Campus
LL Campus Renovations
Assetworks Fleet Maintenance Information System <ul style="list-style-type: none"> • Online Parts Ordering • Asset Tracking Buildings & Grounds • Asset Tracking Non Serialized Parts • Asset Tracking Serialized Components
Fare Collection Systems Replacement (RTS)
Website Redesign
Radio System Narrowbanding (BBS, WATS, & WYTS)
TIDE <ul style="list-style-type: none"> • WMB (text message/real time bus tracking) • Electronic Vehicle Inspection Report Lift Line • Electronic Vehicle Inspection Report RTS • OPS Web / Yard Walker • Single Bus Operator Sign on • Automated Vehicle Annunciation (AVA) • Smart Traveler Phase 2 (ATIS Web / Real time trip planning)
Articulated Bus Lift Installation
Replace RTS Buses (38 forty-foot; 17 Articulated)
Replace Lift Line Buses (18)
Replace Regional Buses (Funding dependent)
Data Warehouse/Business Intelligence Tool
MCC Bus Service Loop
Financial Software System Replacement



ROCHESTER-GENESEE REGIONAL TRANSPORTATION AUTHORITY

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Commissioners

Monroe County
Scott M. Adair
Leslie M. Goldstein
James H. Redmond
Chairman

City of Rochester
Thomas R. Argust
Barbara J. Jones
Karen C. Pryor

Genesee County
Paul J. Battaglia

Livingston County
Milo I. Turner

Orleans County
Henry Smith, Jr.

Seneca County
Edward W. White
Secretary

Wayne County
Michael P. Jankowski
Treasurer

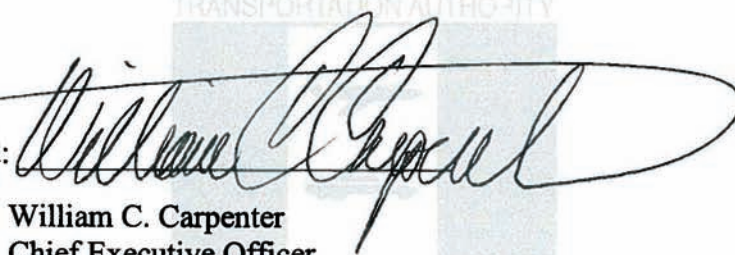
Wyoming County
Frank Vitagliano, Jr.
Vice Chairman

Certification of the Chief Executive Officer

Fiscal Year 2012-13 Operating Budget and Financial Plan

As Chief Executive Officer of the Rochester Genesee Regional Transportation Authority, I hereby certify that the Authority's 2012-13 Operating Budget and Financial Plan have been prepared, to the best of my knowledge and belief, after reasonable inquiry, based upon reasonable assumptions and methods of estimation, and in accordance with the requirements of 2 NYCRR, Part 203.

Signed:


William C. Carpenter
Chief Executive Officer
Rochester Genesee Regional Transportation Authority

Date: February 14, 2012