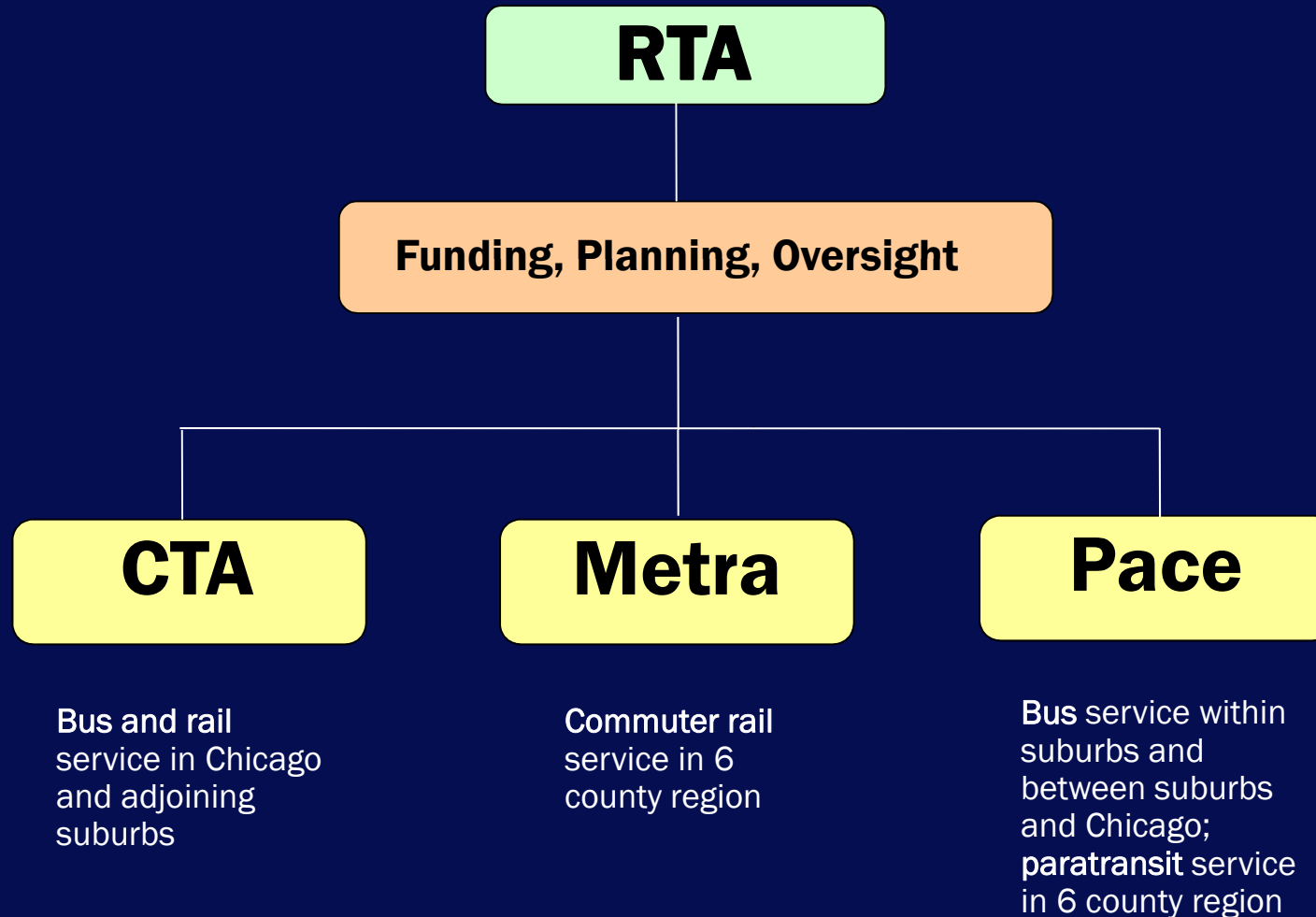# Regional Transportation Authority

Budgeting for Results:
Funding Priorities, Improving Outcomes with Performance Measures

The Civic Federation
Chicago, IL
July 25, 2011

Grace Gallucci
Chief Financial Officer and
Senior Deputy Executive Director
Finance & Performance Management

Northeastern Illinois Transit System

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                    ┌─────────────┐
                    │     RTA     │
                    └──────┬──────┘
                           │
              ┌────────────────────────────┐
              │ Funding, Planning, Oversight│
              └────────────┬───────────────┘
                           │
        ┌──────────────────┼──────────────────┐
   ┌─────────┐        ┌─────────┐        ┌─────────┐
   │   CTA   │        │  Metra  │        │  Pace   │
   └─────────┘        └─────────┘        └─────────┘
```

CTA — Bus and rail service in Chicago and adjoining suburbs

Metra — Commuter rail service in 6 county region

Pace — Bus service within suburbs and between suburbs and Chicago; paratransit service in 6 county region

Regional Transportation Authority Act:

The Authority shall:

(ii) Set goals, objectives, and standards for the Authority, the Service Boards, and transportation agencies;

(iii) Develop performance measures to inform the public about the extent to which the provision of public transportation in the metropolitan region meets those goals, objectives , and standards;

"At a minimum, such standards and measures shall include customer-related performance data measured by line, route, or sub-region, as determined by the Authority, on the following:

    i.   travel time and on-time performance;

    ii.   ridership data;

    iii.   equipment failure rates;

    iv.   employee and customer safety; and

    v.   customer satisfaction"

(70 ILCS 3615/2.01a).

Performance Measures Framework

Strategic Plan

↓

Goals & Objectives

↓

Metrics

↓

Regional

↓

Sub-Regional

RTA Performance Measures

Cover five critical areas:

- Service Coverage

- Service Efficiency / Effectiveness

- Service Delivery

- Service Maintenance / Capital Investment

- Service Level Solvency

Service Coverage

Service Supplied :

- Vehicle Revenue Hours
    - Per Capita / Area Resident

- Vehicle Revenue Miles
    - Per Capita / Area Resident
    - Per Service Area Square Mile

- Transit Capacity
    - Per Capita / Area Resident

- Peak Transit Capacity
    - as Percent of Total

Service Coverage - continued

Service Consumed:

- Passenger Trips
  - Per Capita / Area Resident
  - Per Vehicle Revenue Hour
  - Per Vehicle Revenue Mile

- Passenger Miles
  - Per Capita / Area Resident

- Transit Capacity Utilization

- Peak Transit Capacity Utilization

Service Efficiency / Effectiveness

Service Efficiency & Cost Effectiveness:

- Operating Cost
    - Per Vehicle Revenue Hour
    - Per Vehicle Revenue Mile
    - Per Unit of Transit Capacity
    - Per Passenger Mile
    - Per Passenger Trip
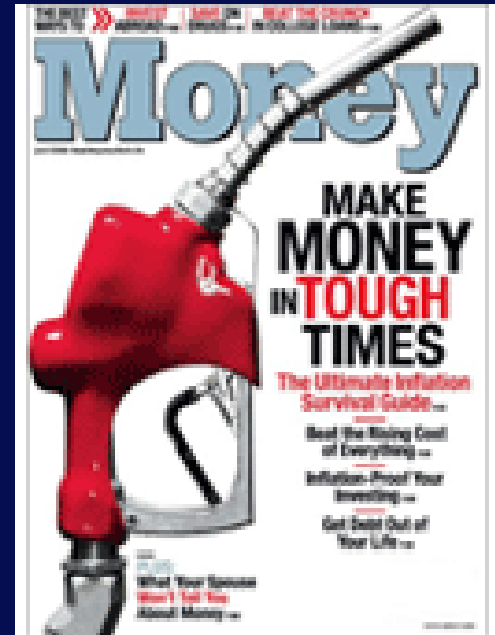
Service Delivery

Customer Service & Safety:

- On-time Performance

- Customer Satisfaction Index Score

- Major Security Incidents
    - Per 100,000 Passenger Trips

- Major Safety Incidents
    - Per 100,000 Passenger Trips

Service Maintenance / Capital Investment

State of Good Repair & Reliability:

- Capital Program Maintenance / Enhancement / Expansion

- Percent of Assets in Good Condition

- Percent of Vehicles Beyond Useful Life

- Miles Between Major Mechanical Failures

Service Level Solvency

Operations :

- Short-term Financial Viability
  - Operating Reserves

- Fare Revenue
  - Per Passenger Trip

- Fare Subsidy
  - Per Passenger Trip

- Recovery Ratio
  - NTD
  - RTA

Service Level Solvency - continued

Capital:

- Capital Program

- Unconstrained Budget Ratio
    - Maintain
    - Enhance
    - Expand

- Capital Program Implementation
    - Unawarded Balance of Programs Ratio
    - Unobligated Balance of Awards Ratio
    - Unexpended Balance of Obligations Ratio

Performance Measures Framework

Plan, Do, Review is a sequential closed loop evolving process

Plan is:

- **Development of regional, sub-regional and Service Boards specific measures to achieve strategic goals**

Review is:

- **Evaluation of performance relative to established strategic goals, standards and peers**
- **Development and implementation of programs to improve performance**
- **Measurement of program results**
- **Update "plan" and "do" if necessary**

Plan

Do

Review

Do is:

- **Collection and validation of data**
- **Measurement of regional, sub-regional and Service Boards' performance**
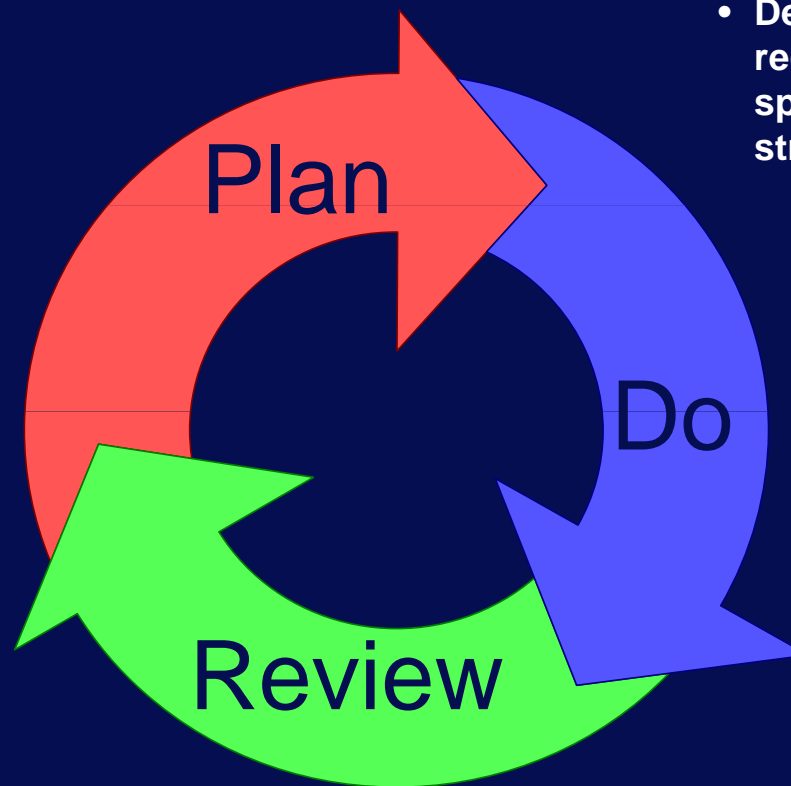
Performance Measures Framework

Levels of Reporting:

- Regional
- Agency
- Mode/ Line

Evaluated:

- Over time
- Comparison to peers where data are available
- Standards / Targets

"Report Card"

Regional Transportation Authority

Performance Measures Workshop
"Setting the Bar"

August 18, 2009
University Center

Public Transportation Vision for Northeastern Illinois:

A world-class public transportation system that is convenient, affordable, reliable and safe, and is the keystone of the region's growing business opportunities, thriving job market, clean air and livable communities.

What kind of transit system do we want to be?

How do we want to compare with the other largest U.S. transit systems?

New York

Los Angeles

Washington

Boston

Philadelphia

Others?

How do you want the regional transit system to be described across the globe?

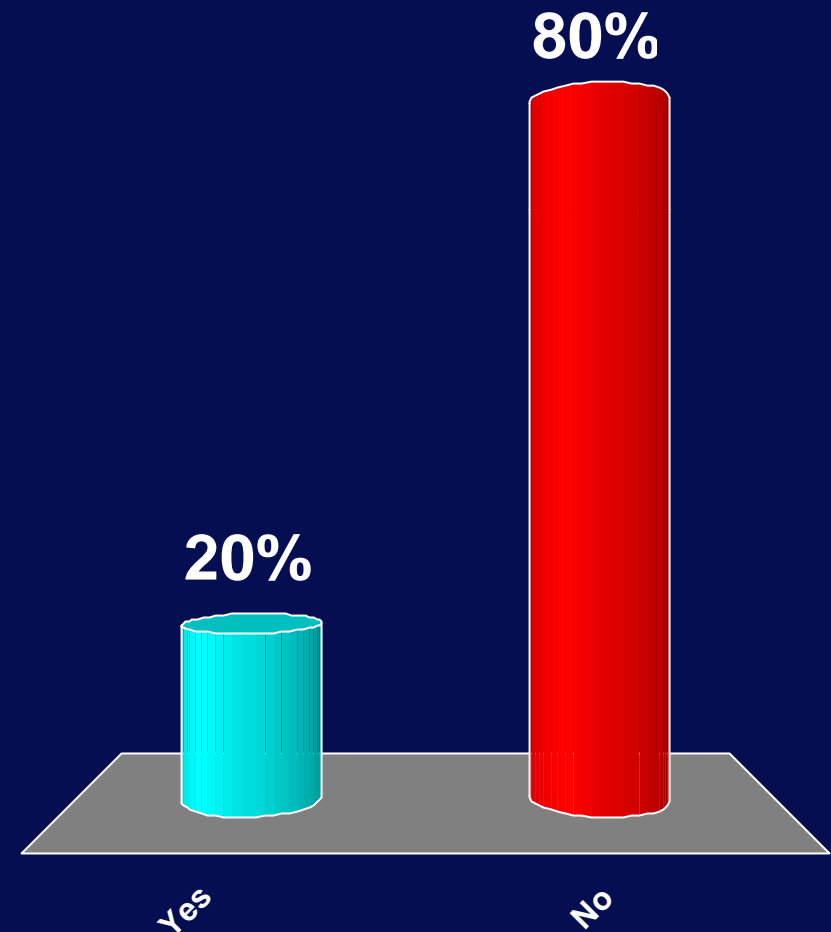**Compared to:**

London

Paris

Berlin

Tokyo

Others?
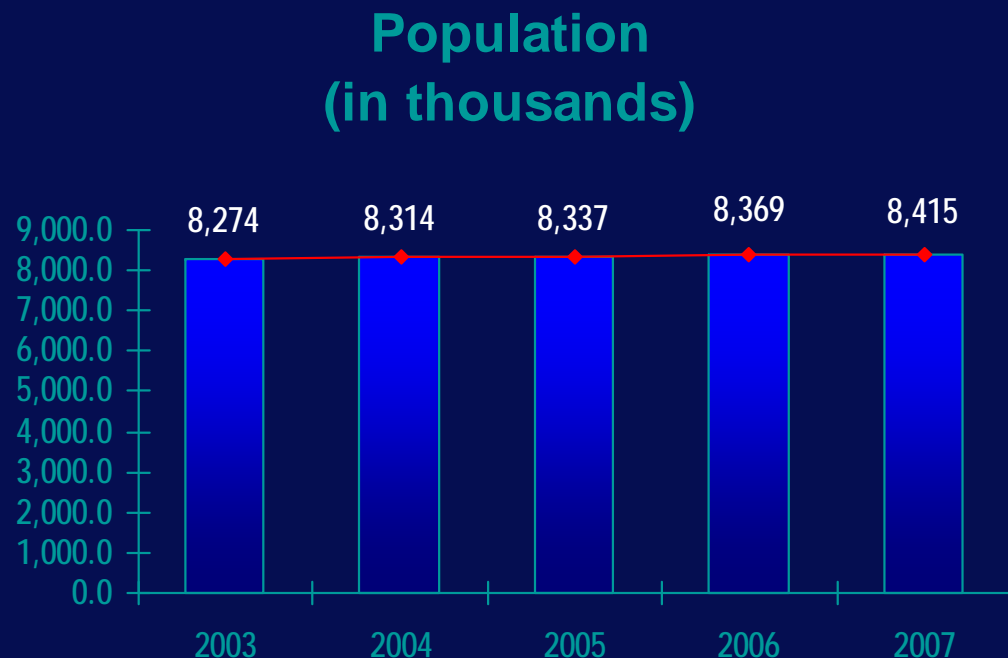
Establishing Standards & Targets

SERVICE COVERAGE

# Do you think there is enough transit service in the region?

1. Yes
2. No

80%

20%

Yes

No

How has the region changed ?

- Between 1990 and 2000, population grew by more than 11%

- Between 2003 and 2007, population grew 1.7%

Population (in thousands)

|	2003	2004	2005	2006	2007
Population	8,274	8,314	8,337	8,369	8,415

How does the region travel?

- 26.3 million trips daily

- Auto share is 78%

- Transit share is more than 5%
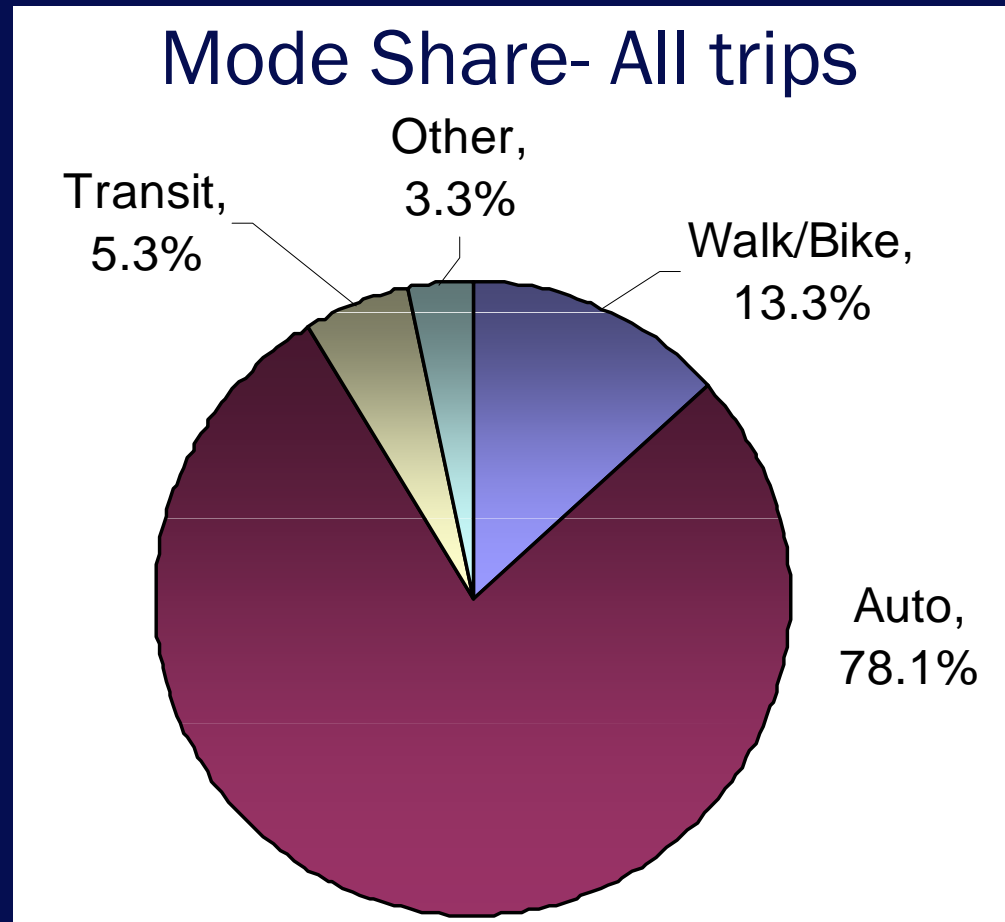
Mode Share- All trips

Other, 3.3%

Transit, 5.3%

Walk/Bike, 13.3%

Auto, 78.1%

Service Coverage: Service Supplied - continued

Vehicle Revenue Miles
per Service Area Square Mile (in thousands)

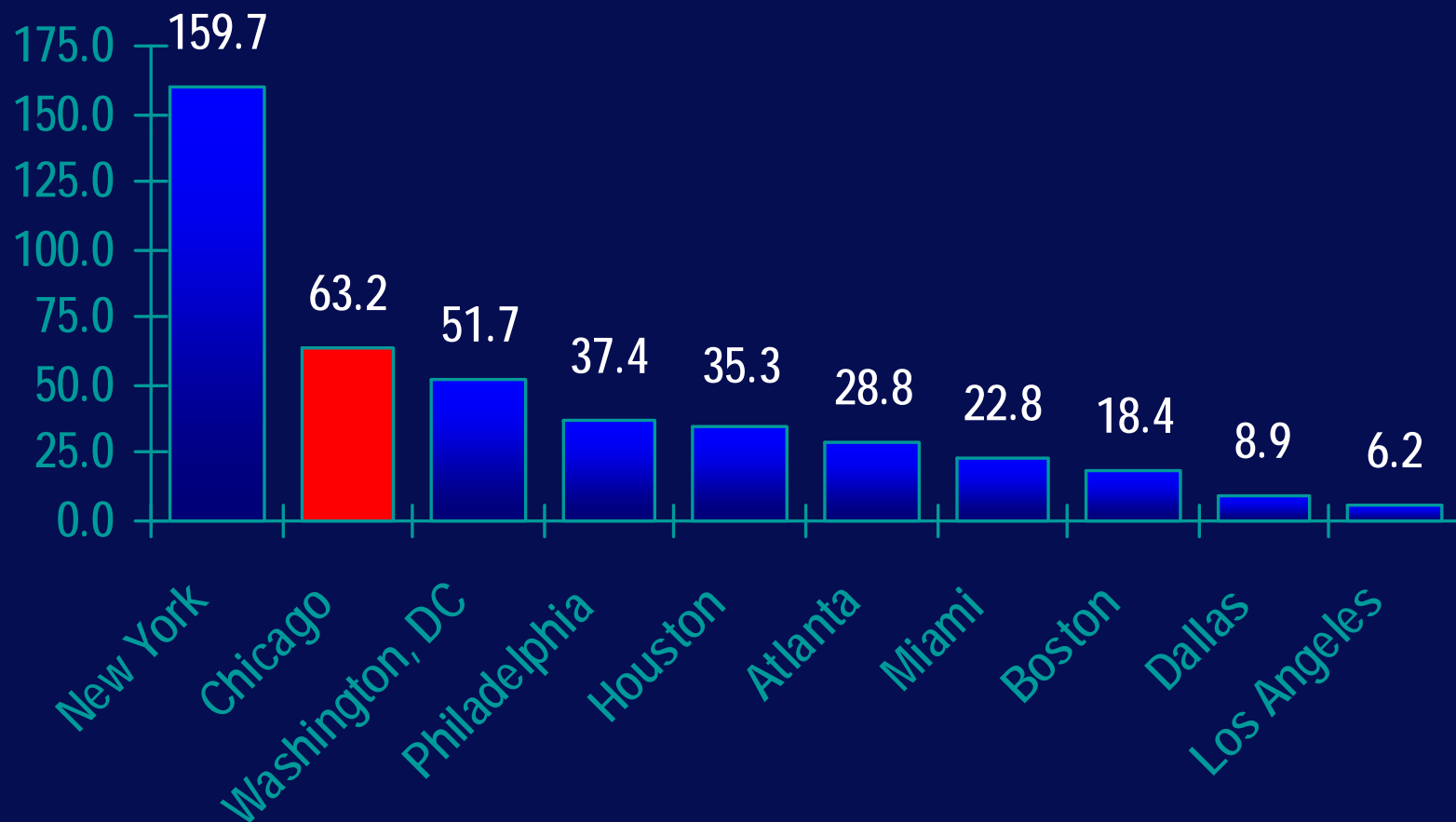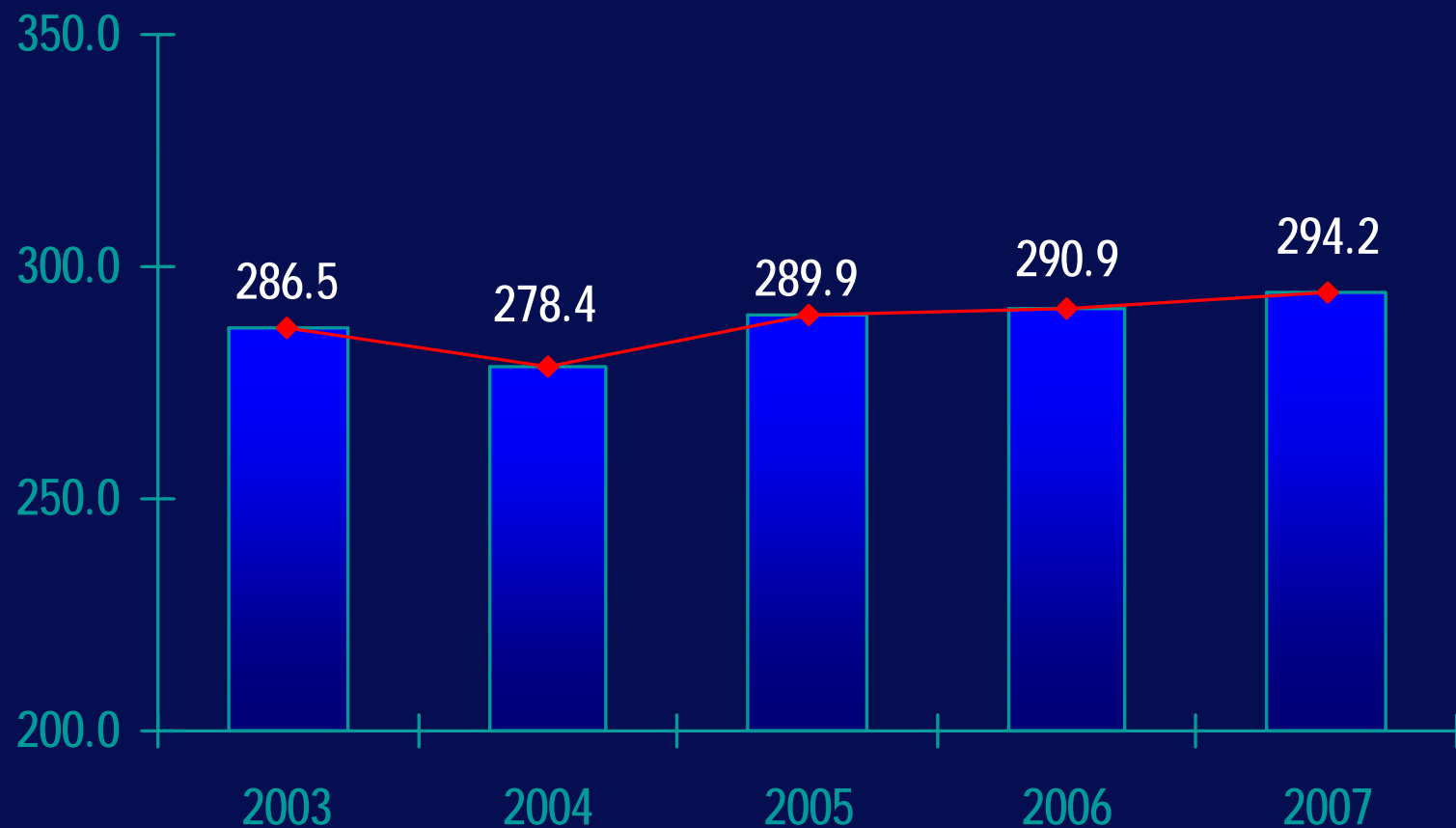| Year	Value
2003	58.0
2004	58.7
2005	61.1
2006	61.8
2007	63.2
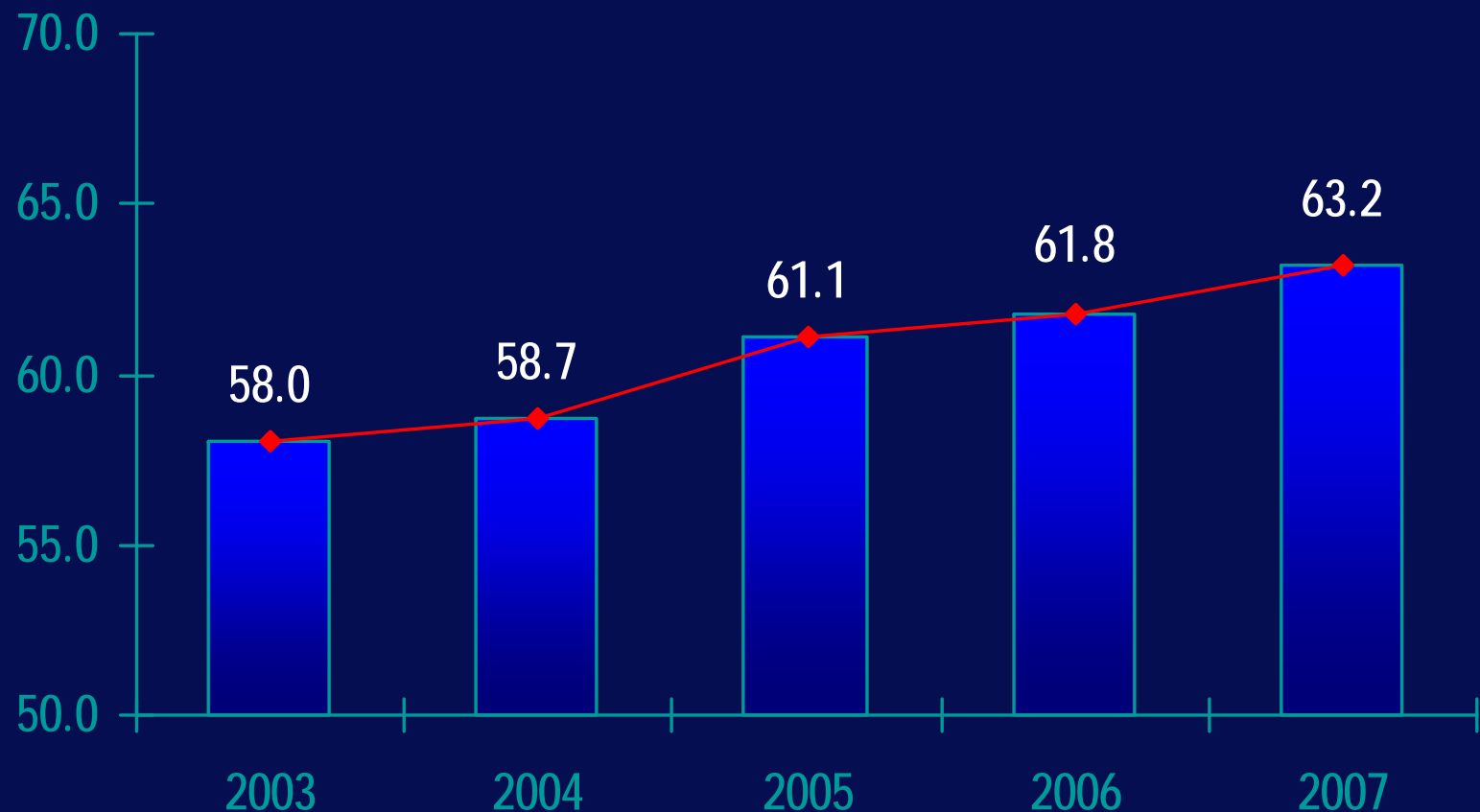
Service Coverage: Service Supplied - continued

Vehicle Revenue Miles
per Service Area Square Mile (in thousands)

Service Coverage: Service Supplied - continued

Transit Capacity (Trips)
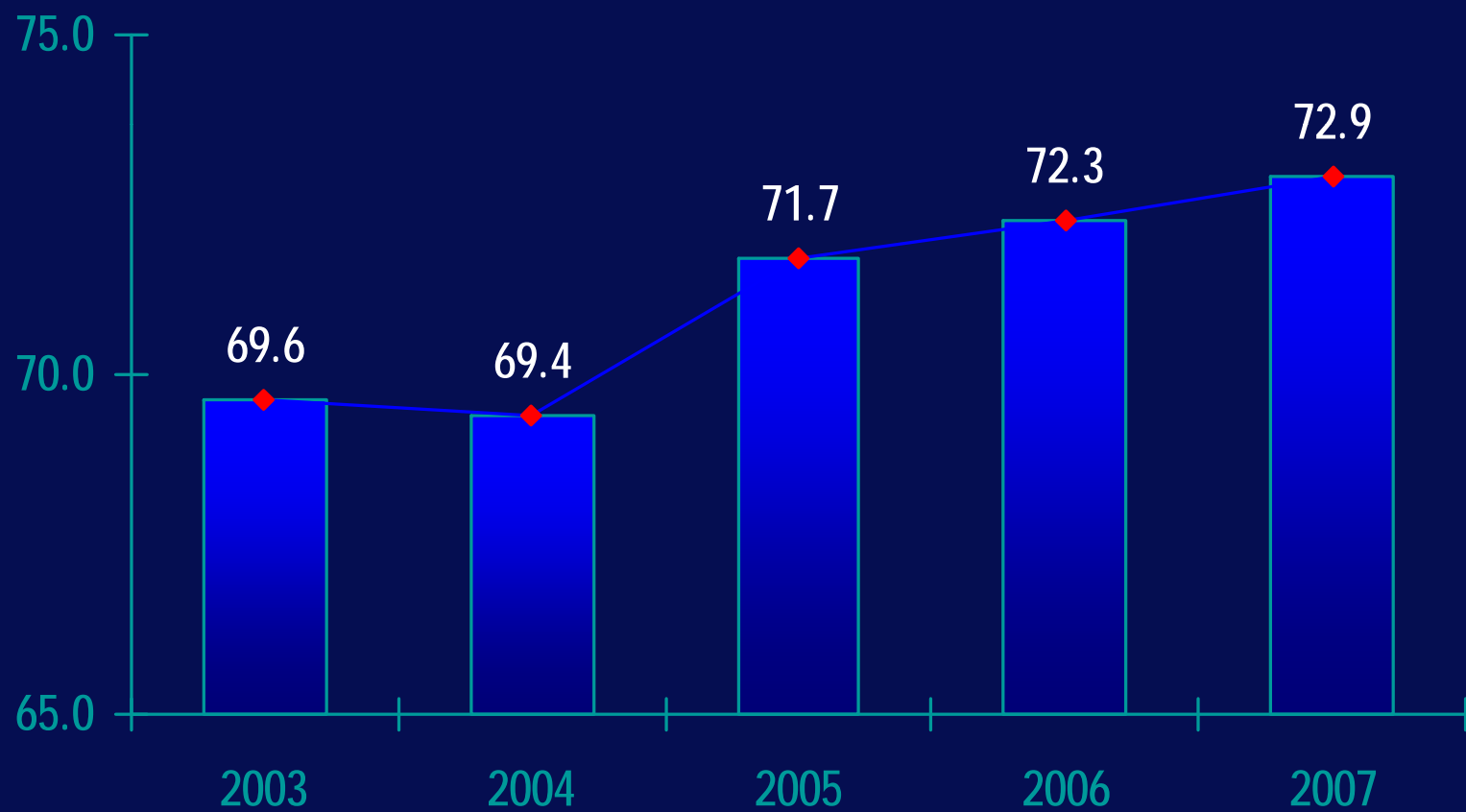### per Area Resident

Service Coverage: Service Supplied - continued

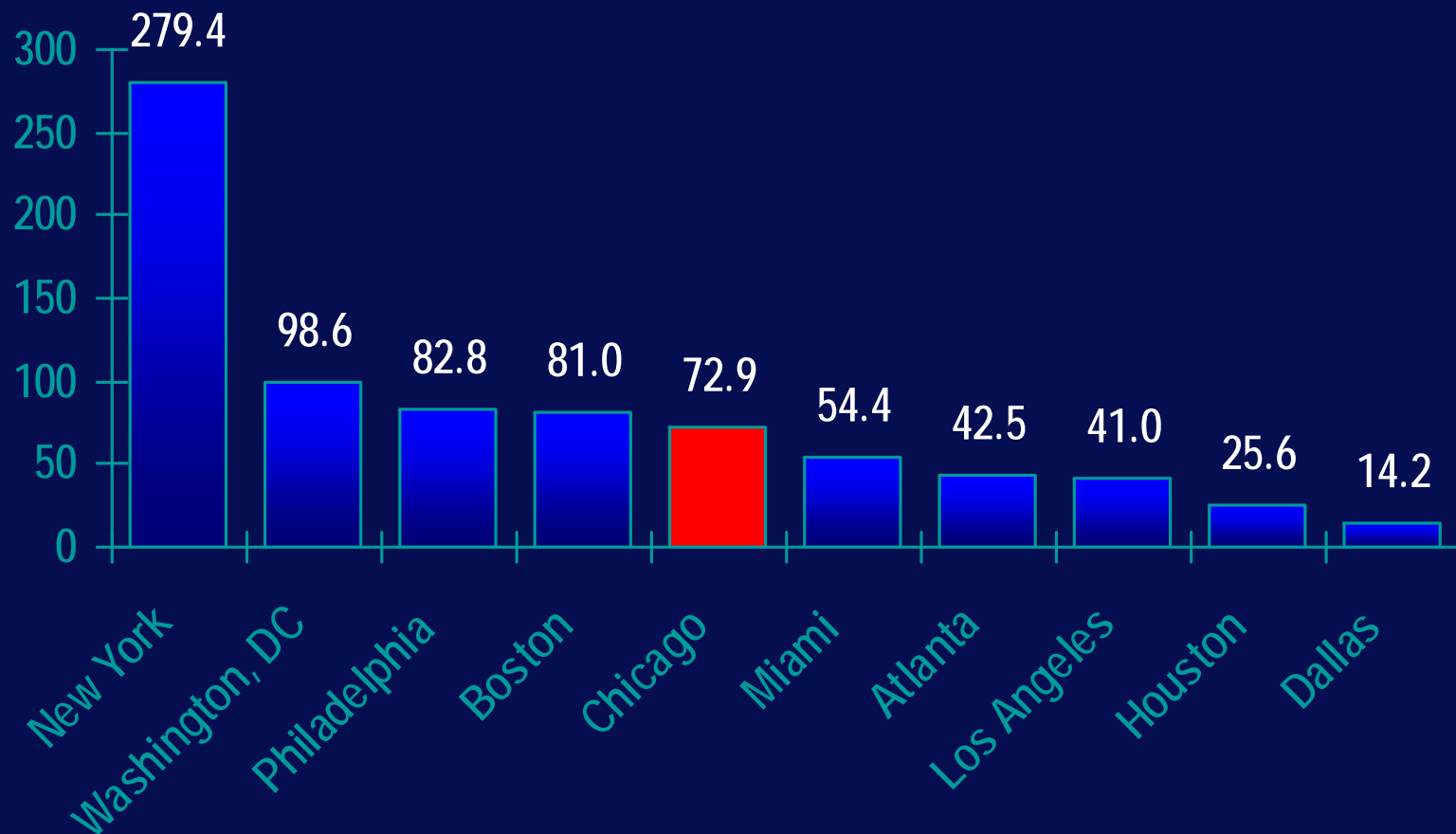## Transit Capacity (Trips)
per Area Resident

Service Coverage: Service Consumed - continued

Passenger Trips
per Area Resident

Year	Value
2003	69.6
2004	69.4
2005	71.7
2006	72.3
2007	72.9

Service Coverage: Service Consumed - continued

Passenger Trips
per Area Resident

| City	Passenger Trips per Area Resident
New York	279.4
Washington, DC	98.6
Philadelphia	82.8
Boston	81.0
Chicago	72.9
Miami	54.4
Atlanta	42.5
Los Angeles	41.0
Houston	25.6
Dallas	14.2

Based on the information presented, do you think there is enough transit service in the region?

1. Yes
2. No

80%

20%

Yes

No
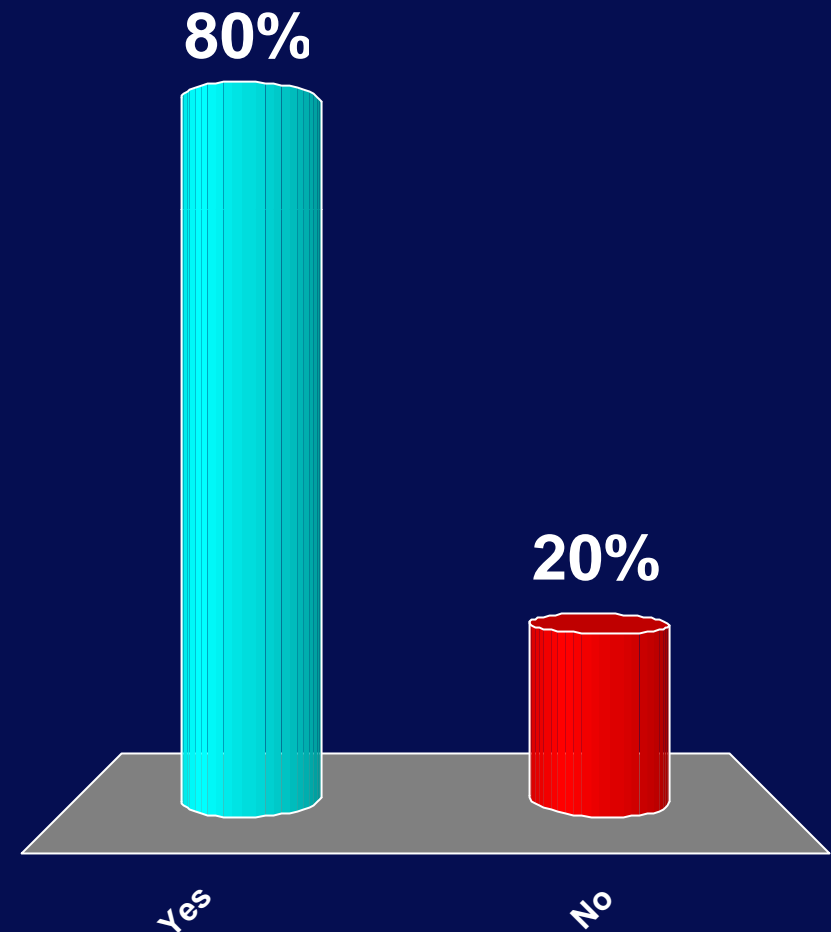
Hypothetically, if the transit service is not used enough, should it be:

1. Eliminated

2. Reallocated

3. Some combination of the two

4. Nothing – it should be left alone

50%

25% 25%
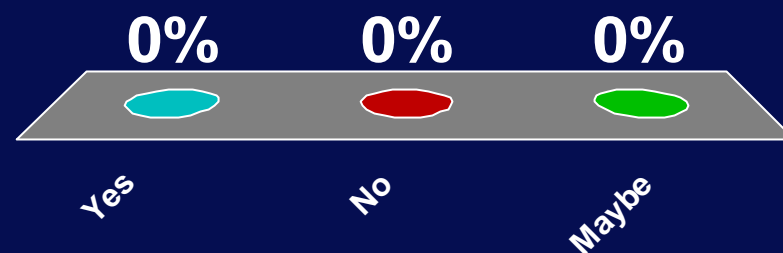
0%

Eliminated

Reallocated

Some comb

Nothing – it should be...
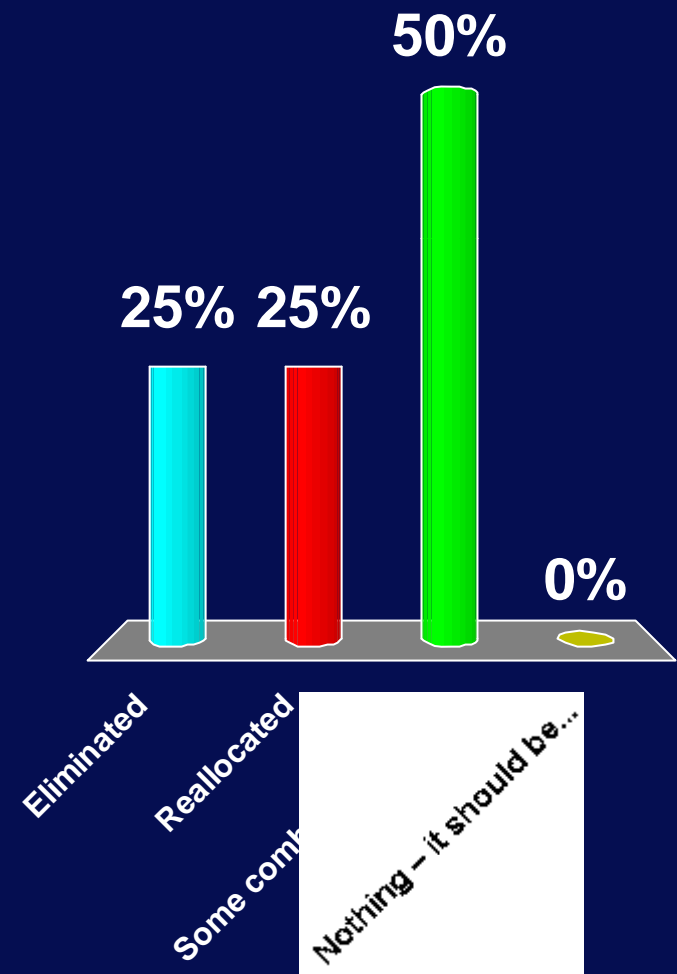
Establishing Standards & Targets

Service Level Solvency

Considering the current fare of $2.25 on CTA, $1.75 on Pace and $4.30 (zone E) on Metra, do you see this as good value for riders?
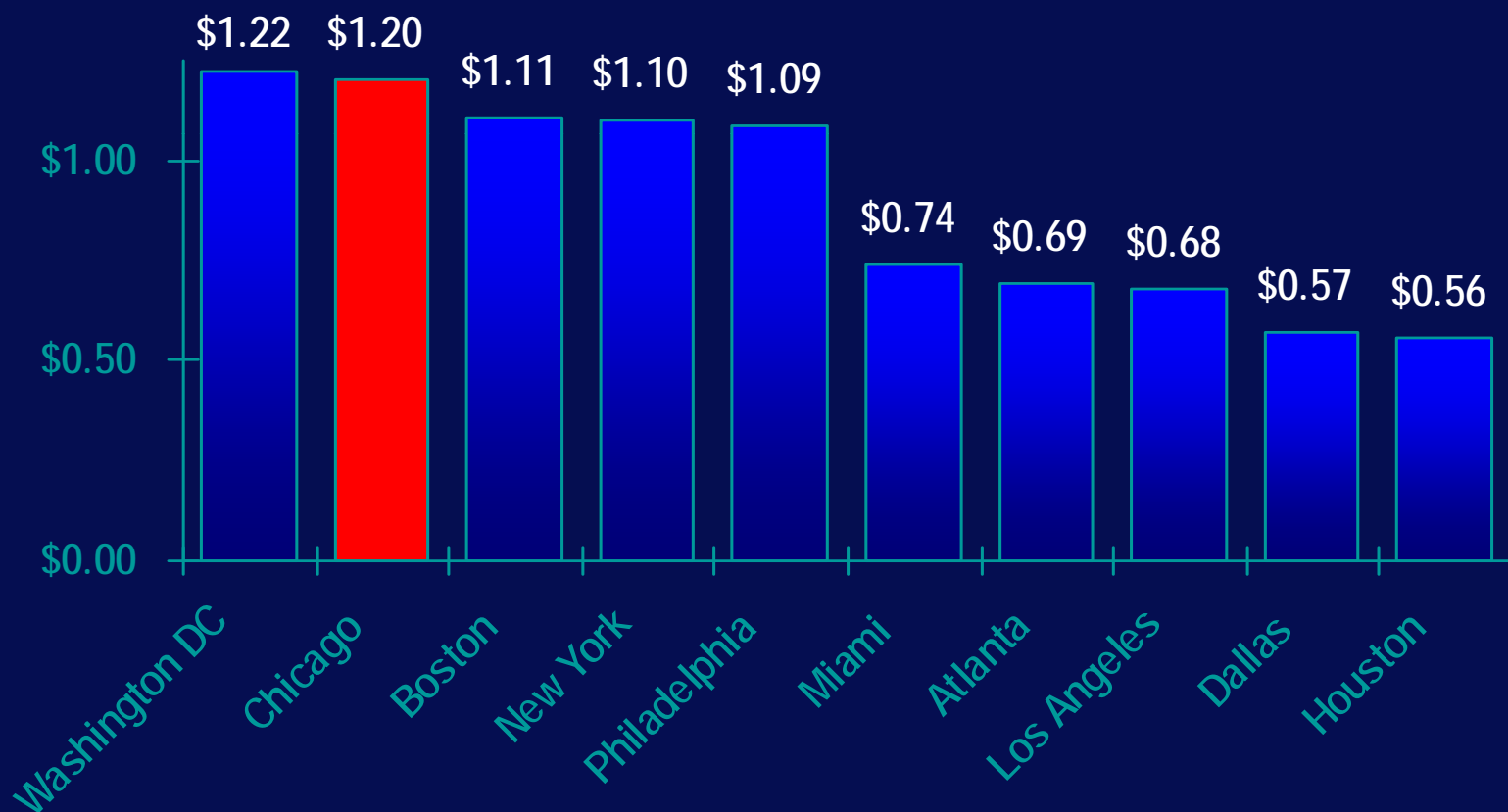
1. Yes
2. No
3. Maybe

0% 0% 0%

Yes   No   Maybe

Service Level Solvency: Operations

Fare Revenue
per Passenger Trip

Service Level Solvency: Operations

Fare Revenue
per Passenger Trip

Service Level Solvency: Operations

Fare Subsidy
per Passenger Trip

	2003	2004	2005	2006	2007
	$1.59	$1.63	$1.75	$1.83	$1.97

Service Level Solvency: Operations - continued

Fare Subsidy
per Passenger Trip
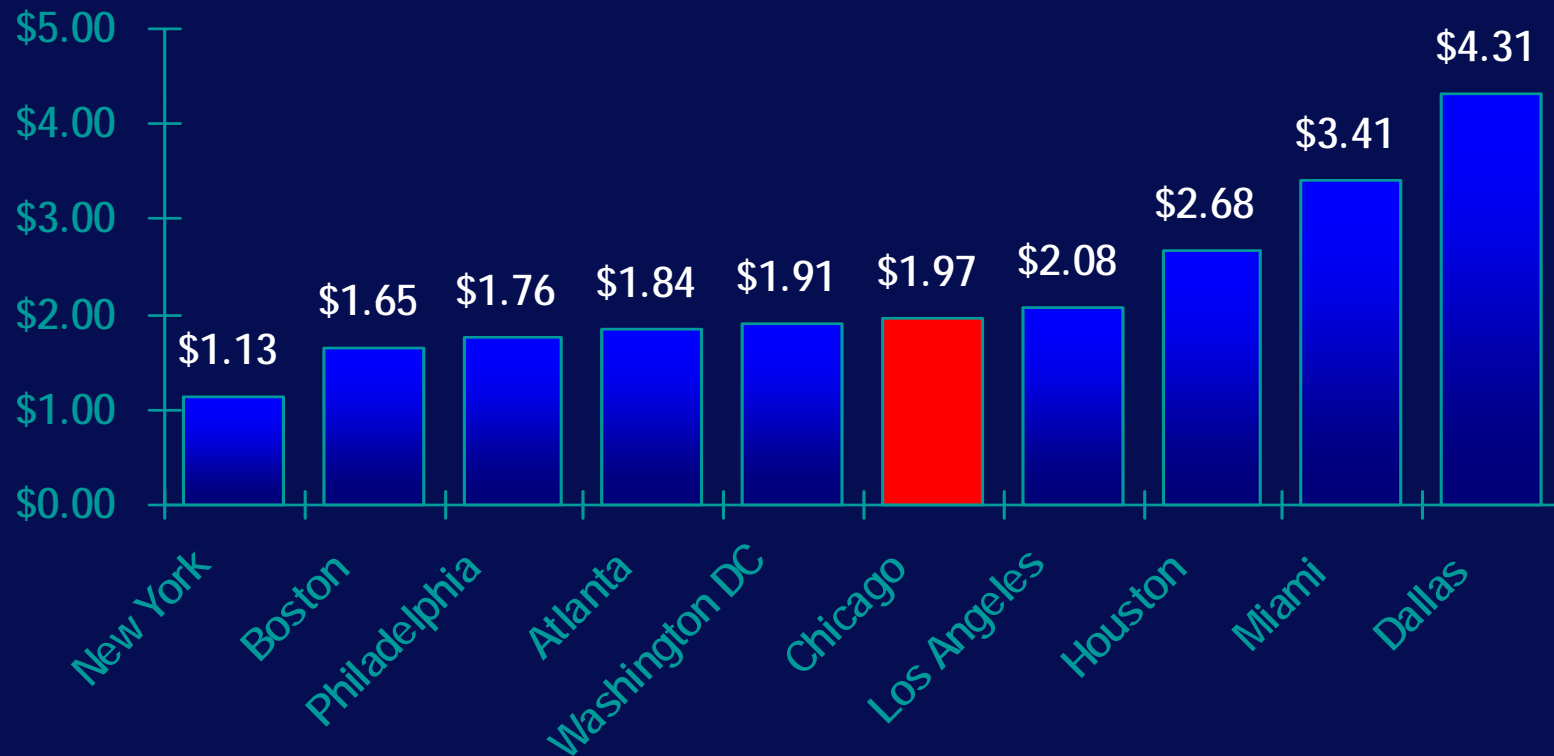
If riders currently pay on average 38% of the true cost of a ride, is this a good value for the rider?

1. Yes
2. No
3. Maybe

0%   0%   0%

Yes   No   Maybe
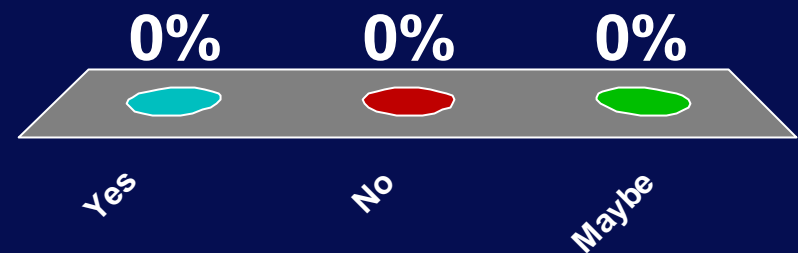
If riders currently pay on average 38% of the true cost of a ride, is this a good value for the taxpayer?

1. Yes
2. No
3. Maybe

0% 0% 0%

Yes No Maybe
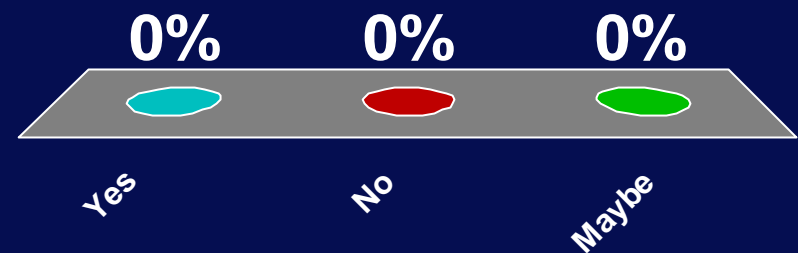
Establishing Standards & Targets

Service Maintenance/ Capital Investment

How do you perceive the physical condition of our transit system?

1. Past its useful life

2. Marginal

3. Adequate

4. Good

5. Excellent

0% 0% 0% 0% 0%

Past its useful life   Marginal   Adequate   Good   Excellent
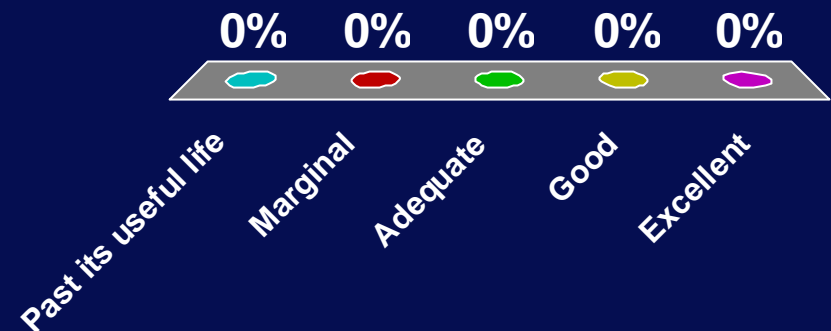
Service Maintenance/Capital Investment:
State of Good Repair

Capital Program
Maintenance / Enhancement / Expansion
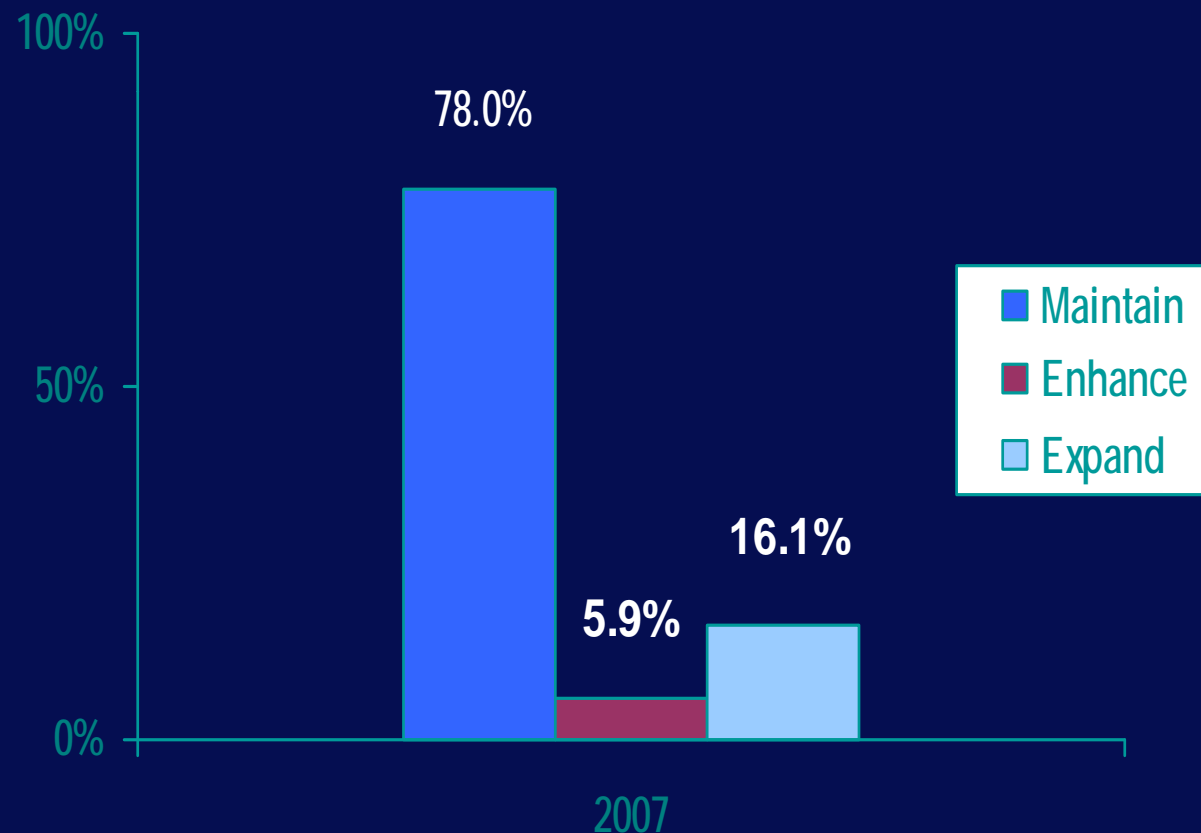
Bar chart showing for 2007:
- Maintain: 78.0%
- Enhance: 5.9%
- Expand: 16.1%

Service Maintenance/Capital Investment:
Reliability

Percent of Vehicles Beyond Useful Life
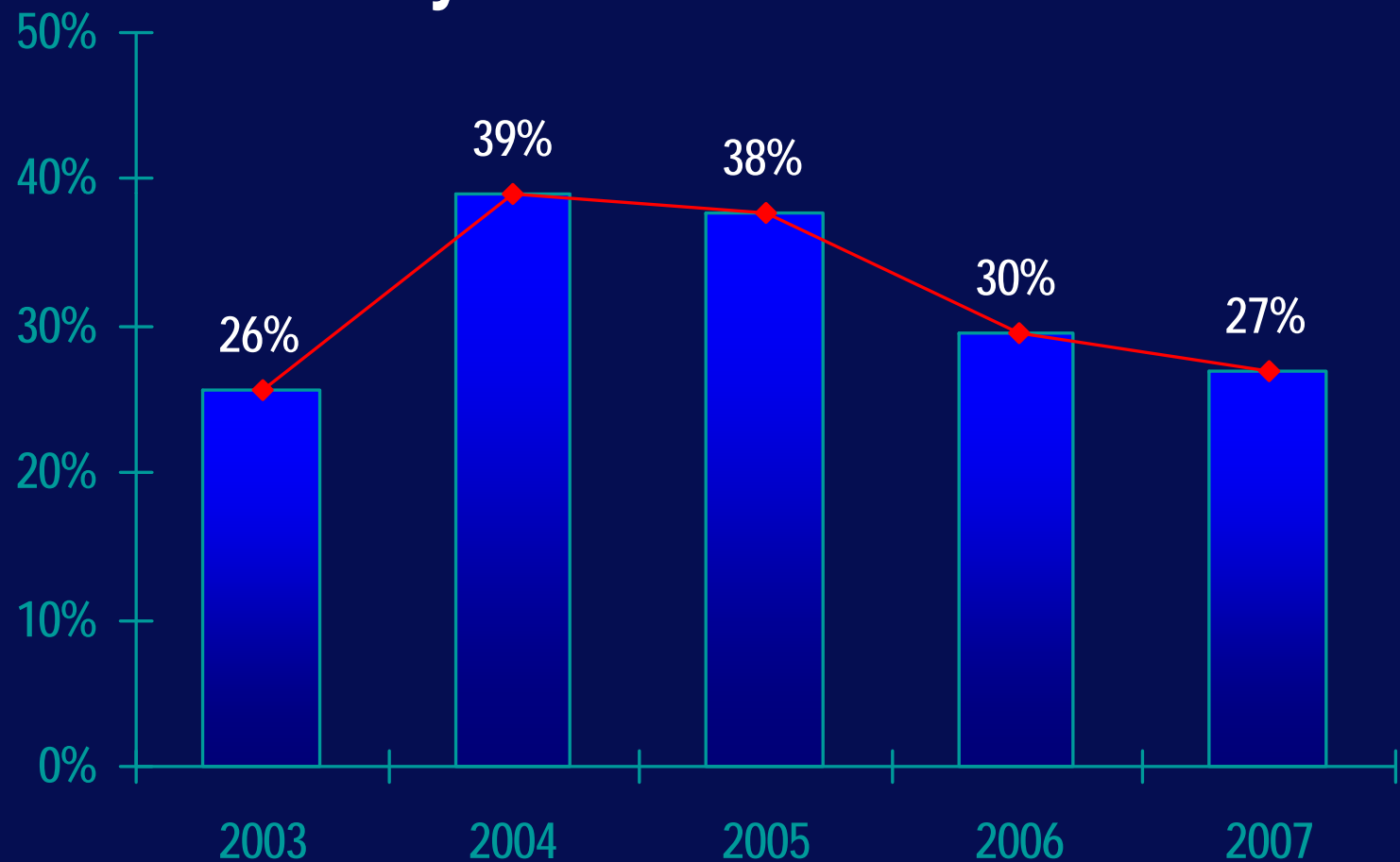
Service Maintenance/Capital Investment: Reliability

Percent of Vehicles Beyond Useful Life
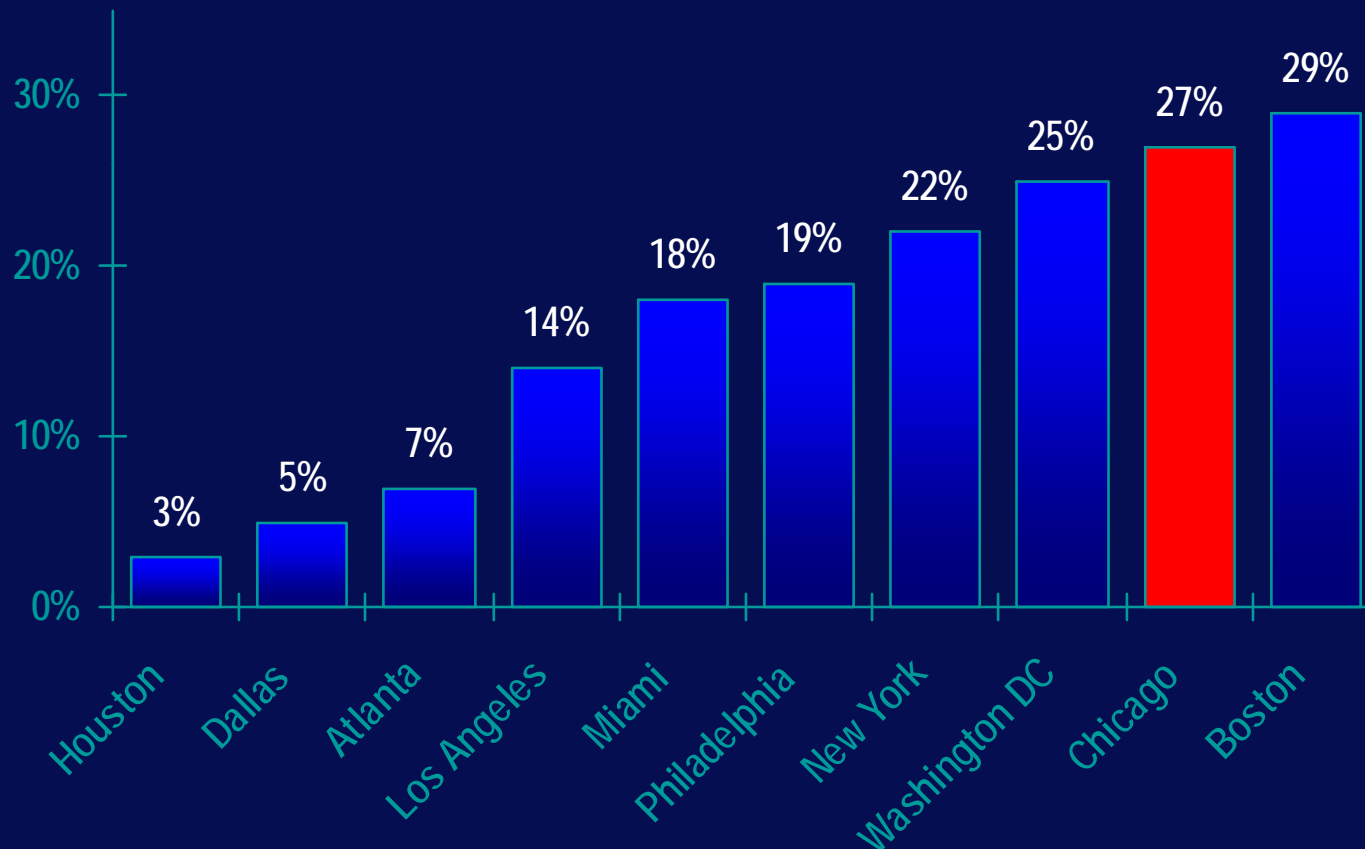
Capital Asset Condition Assessment Improve Decision Making

- ## Tactical

  - Estimate total 10 year Capital Needs based on comprehensive inventory

  - Determine the future replacement, rehabilitation, and capital maintenance costs

- ## Strategic

  - Bring facilities into a State of Good Repair (SOGR)

  - Assist the RTA to obtain needed capital funding

Overall Results of 10-Year Needs Assessment

10-year Capital Program Needs Summary
(in billions)

Program Needs	CTA	Metra	Pace	Total RTA
Backlog	$10.0	$3.7	$.1	$13.8
Normal Replacement	$3.2	$1.7	$1.9	$6.9
Capital Maintenance	$1.8	$2.0	$.2	$3.9
Total	$15.0	$7.4	$2.3	$24.6
% of Total	60.90%	29.94%	9.16%	100.00%

Condition Findings

Metra and CTA Rail Passenger Cars - Condition Ratings

- 41.8%
- 27.8%
- 7.9%
- 4.1%
- 18.4%
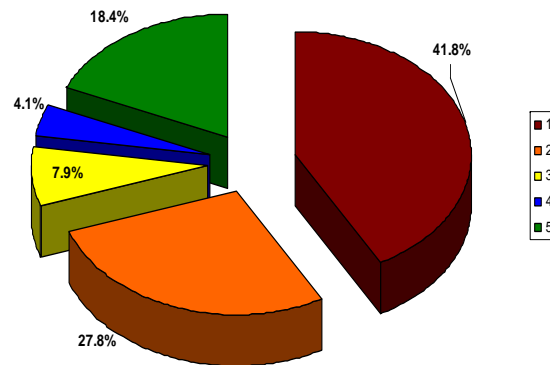
Metra and CTA Stations - Condition Ratings

- 39.3%
- 3.9%
- 5.5%
- 20.2%
- 31.2%
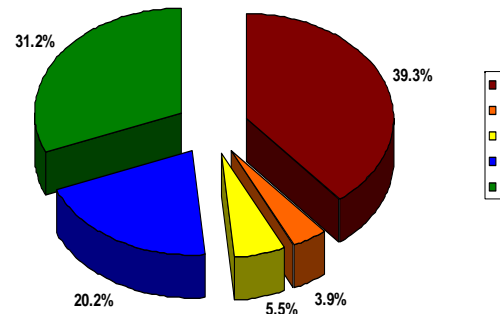
Metra and CTA Structures and Bridges - Condition Ratings

- 11.1%
- 6.1%
- 44.0%
- 22.7%
- 16.1%
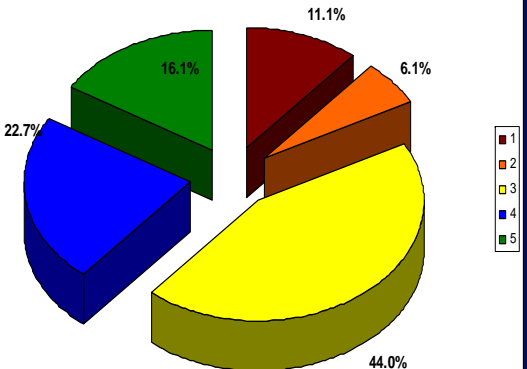
CTA and Pace Buses - Condition Ratings

- 15.7%
- 18.2%
- 14.4%
- 7.6%
- 44.1%
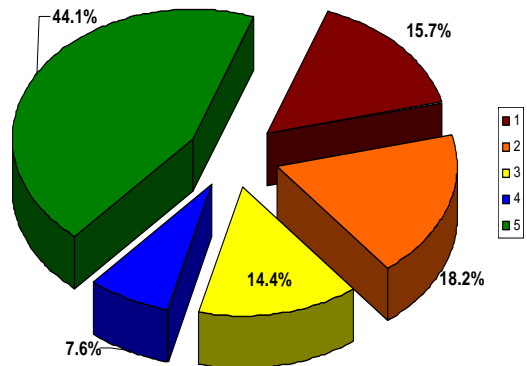
Metra and CTA Rail Maintenance Facilities - Condition Ratings

- 13.9%
- 8.3%
- 11.1%
- 33.3%
- 33.3%
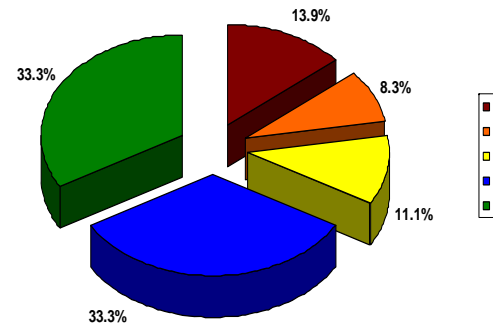
CTA and Pace Bus Maintenance Facilities - Condition Ratings

- 15.8%
- 15.8%
- 5.3%
- 42.1%
- 21.1%
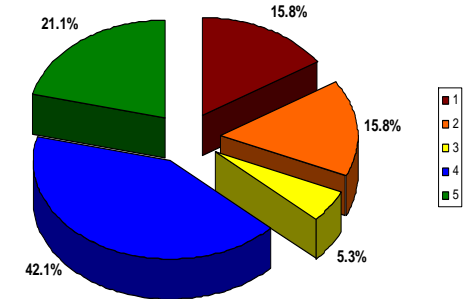
Condition Findings

RTA SYSTEM 10-YEAR TOTAL CAPITAL NEEDS
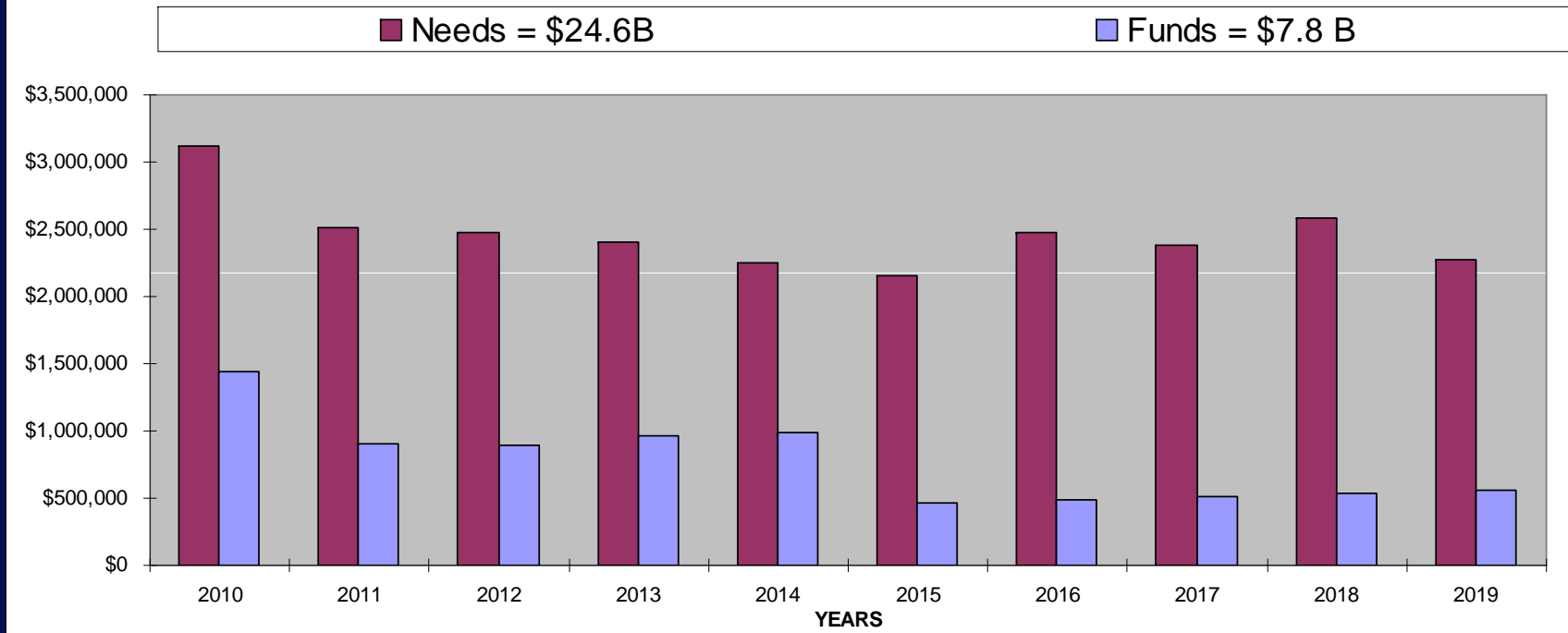
- 10 year analysis: Needs vs. Funding
- Continued Challenges to State of Good Repair
- Policy Issues (Maintenance vs. Enhancement/Expansion)

Based on the information presented, should available capital funds be spent on:

1. **Maintaining the existing system** (replacing or rehabilitating old assets to achieve a constant state of good repair)

2. **Enhancing the existing system** (new stops on existing rail lines, greater vehicle capacity, etc)

3. **Expanding the existing service** (creating new rail lines, developing bus rapid transit, etc)

4. **All of the above**

5. **Maintaining and enhancing the existing system**

0% 0% 0% 0% 0%

Maintaining the exist...
Enhancing the existi...
Expanding the existi...
All of the above
Maintaining and enh...

MARKS SET
(BY RTA BASED ON HISTORICAL CONSTRUCTS / EXISTING %)

PROJECT SELECTION PROCESS ADMINISTERED
(BY SERVICE BOARDS WITH RTA OVERSIGHT)

PROJECT PROPOSAL AND EVALUATION

System Stability Investments	System Capacity Investments	Market Capture Investments
MAINTAIN	ENHANCE	EXPAND

SCREEN	SCREEN	SCREEN
•SAFETY & SECURITY •REGULATORY •SOGR	•CAPACITY IMPROVEMENT •OPERATIONAL EFFICIENCIES •NEW TECHNOLOGIES	•CONGESTION RELIEF •TRANSIT ALTERNATIVES

PRIORITIZE	PRIORITIZE	PRIORITIZE
•MISSION CRITICAL •COST/BENEFIT ANALYSIS •ENVIRONMENTAL IMPACTS •TOD •CUSTOMER IMPACT •RIDERSHIP GAIN	•COST/BENEFIT ANALYSIS •ENVIRONMENTAL IMPACTS •TOD •CUSTOMER IMPACT •RIDERSHIP GAIN	•COST/BENEFIT ANALYSIS •ENVIRONMENTAL IMPACTS •TOD •CUSTOMER IMPACT •RIDERSHIP GAIN

PROGRAM	PROGRAM	PROGRAM
•PROJECT READINESS •COMMUNITY INPUT •RESTRICTED FUNDING •COMMITMENTS TO ONGOING PROJECTS	•PROJECT READINESS •COMMUNITY INPUT •RESTRICTED FUNDING •COMMITMENTS TO ONGOING PROJECTS	•PROJECT READINESS •COMMUNITY INPUT •RESTRICTED FUNDING •COMMITMENTS TO ONGOING PROJECTS

CAPITAL PLAN

REVIEW AND RECOMMENDATION
(RTA to Service Boards)

CAPITAL PLAN SUBMITTAL
TO BUDGET PROCESS
(Service Boards to RTA)

CAPITAL BUDGET APPROVED
(SERVICE BOARDS & RTA)

2009
RTA
CAPITAL PLAN DEVELOPMENT PROCESS

STEP 1: **Marks set.** As part of its Budget Call, RTA determines the funding level based on the historical process utilizing existing percentage allocations between the Service Boards.

STEP 2: **Project selection process administered.** Each Service Board independently administers a uniform process to allocate the assigned level of resources among projects within their agency. RTA oversight ensures consistent management of the process and application of the criteria amongst the Service Boards.

STEP 3: **RTA review and recommendation.** RTA reviews the proposed capital plan from each agency, provides comment and makes recommendations to the Service Boards regarding the capital plan.

STEP 4: **Capital Plan submittal to budget process.** The Service Boards submit their final capital plan proposal to RTA as part of the Budget Process. Public hearings are held by RTA and the Service Boards for comment on the capital plan as part of the overall budget.

STEP 5: **Capital Budget approved.** The Service Boards have their agency capital budgets approved by their respective boards. RTA has the combined budgets approved by its Board.

PROJECT SELECTION PROCESS
(step 2 above)

SUBSTEP 1: Projects are solicited for consideration from within each agency.

SUBSTEP 2: An initial screening is performed to sort projects into one of three categories of investment: Maintain / Expand / Enhance. Criteria unique to each investment type are used to facilitate the sort.

SUBSTEP 3: Projects are prioritized within each category using another set of criteria that is identical across categories.

SUBSTEP 4: Projects are programmed within each category using still another set of criteria that is also identical across categories.

SUBSTEP 5: Projects are assembled into a five year capital plan by each agency.

What is a Capital Decision Prioritization Support Tool?

A technology driven resource that will facilitate the development and prioritization of a regional capital program by integrating many data and decision points into a single instrument.
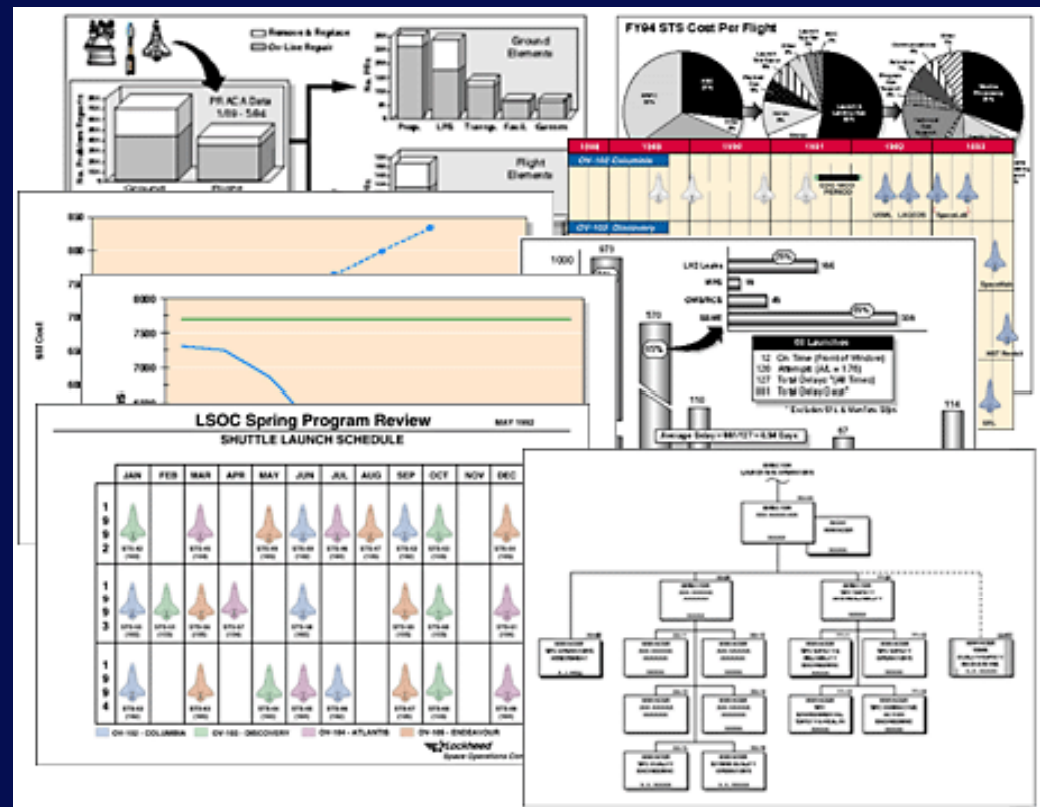
What is a Capital Decision Prioritization Support Tool?
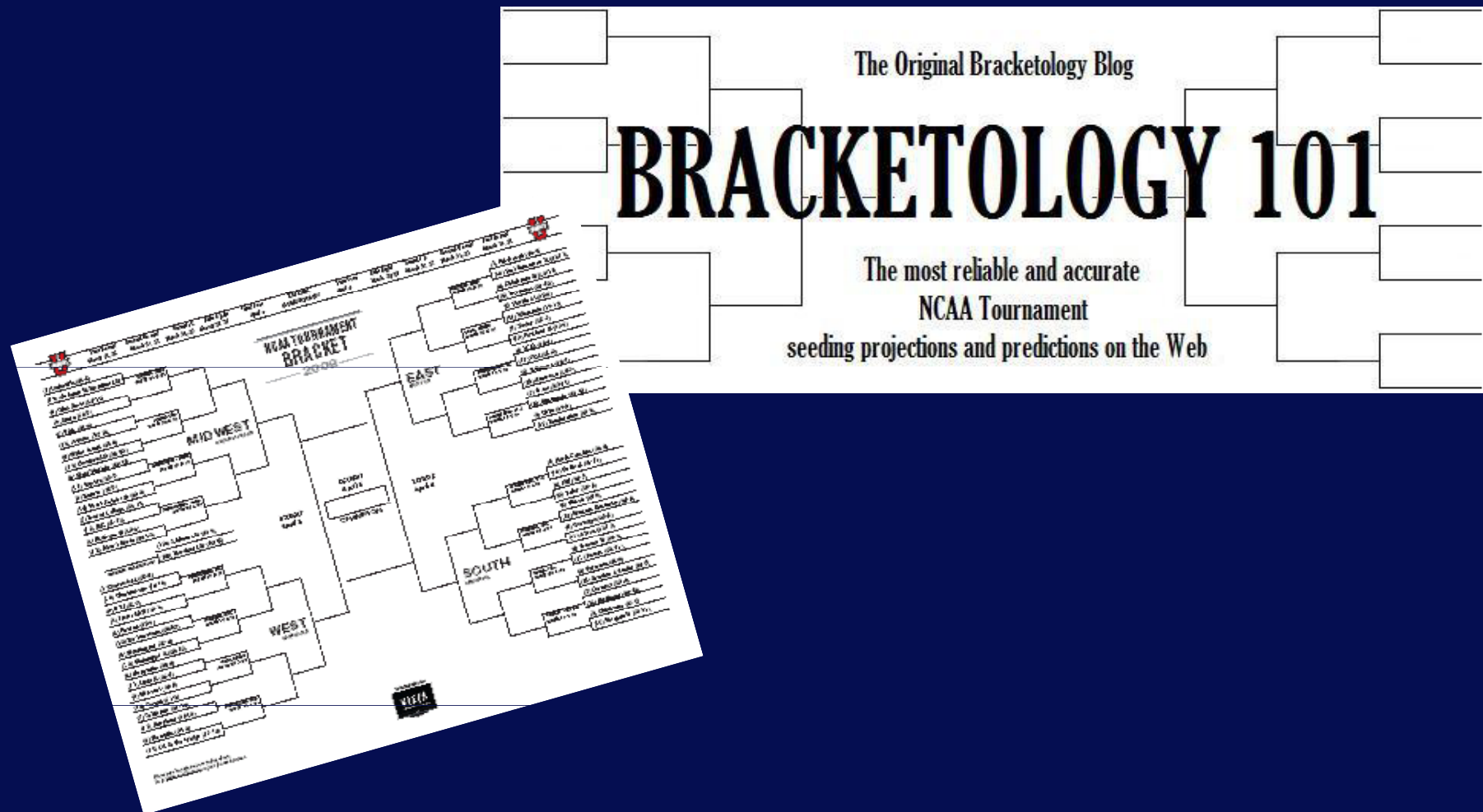
Capital Decision Prioritization Support Tool

Project Requirements

⇨ develop rating scales and weigh strategies

⇨ recognize and balance inconsistencies

⇨ perform sensitivity analyses

⇨ measure and assess value

⇨ present and evaluate scenarios/alternatives

⇨ quantify and judge results

⇨ formulate reasonable constructible programs