



EMTA System Performance Review

October 15, 2014

Final Erie Metropolitan Transit Authority (EMTA) Transit Performance Report

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AGENCY PUBLIC TRANSPORTATION PROFILE

Agency	Erie Metropolitan Transit Authority (d.b.a. EMTA)	
Year Founded	1966	
Reporting Fiscal Year End (FYE)	2013	
Service Area (square miles)	77	
Service Area Population	189,872	
Annual Operating Statistics*	Fixed-Route Bus	Paratransit
Vehicles in Maximum Service (VOMS)	65	54
Operating Cost	\$13,034,190	\$3,869,410
Operating Revenues	\$3,070,312	\$3,017,593
Total (Actual) Vehicle Miles	2,008,203	1,028,783
Revenue Miles of Service (RVM)**	1,941,676	694,878
Total Vehicle Hours	169,780	94,140
Revenue Vehicle Hours (RVH)**	161,737	54,919
Total Passenger Trips	3,319,060	213,256
Senior Passenger (Lottery) Trips	184,070	70,093
Fixed-Route Operating Subsidy Formula Variables (Fixed Route + ADA Paratransit)		
Total Passenger Trips	3,378,642	
Total Senior Passenger (Lottery) Trips	184,070	
Total Revenue Miles of Service (RVM)	2,191,750	
Total Revenue Hours of Service (RVH)	184,094	
Act 44 Performance Statistics		
Passengers / RVH**	20.52	3.88
Operating Cost / RVH**	\$80.59	\$70.46
Operating Revenue / RVH**	\$18.98	\$54.95
Operating Cost / Passenger**	\$3.93	\$18.14
Other Performance Statistics		
Operating Revenue / Operating Cost	23.6%	78.0%
Operating Cost / Total Vehicle Hours	\$76.77	\$41.10
Operating Cost / Total Vehicle Miles	\$6.49	\$3.76
Total Passengers / Total Vehicle Hours	19.55	2.27
Operating Cost / RVM**	\$6.71	\$5.57
RVM / Total Vehicle Miles**	96.7%	67.5%
RVH / Total Vehicle Hours**	95.3%	58.3%

* source: dotGrants 2013 reporting

** For paratransit, values represent the summation of ADA "Revenue" service and Shared-Ride "Live" service statistics

EXECUTIVE SUMMARY

In July 2007 the Pennsylvania Legislature passed Act 44, establishing a framework for a PennDOT driven transit agency performance review process. The purpose of a review is to assess efficiency, effectiveness of service, financial stability, and general business practices. The assessment makes transit agencies aware of opportunities for improvement and identifies best practices that can be shared with other transit agencies.

The Act 44 transit performance review of Erie Metropolitan Transit Authority (d.b.a. EMTA) was conducted in April 2014 and focused on fixed-route bus. This report addresses Act 44 established performance criteria specifically related to fixed-route bus services, a comparison of EMTA with similar agencies, targets for future performance (performance reviews are conducted on a five-year cycle), and opportunities for improvement which should assist EMTA in meeting the future targets. This report also addresses the management, general efficiency and effectiveness of services.

After receipt of this performance review report, EMTA will develop an action plan which identifies the steps EMTA will take to meet the agreed to Act 44 performance criteria targets by FY 2018-19. The general goals are to maximize efficiency and promote cost savings, improved service quality, and increased ridership and revenue. The action plan should focus on the most critical areas for the agency, as prioritized by EMTA management and its governing board.

The draft action plan is due to the Department within 90 days of receipt of this report. PennDOT will work with EMTA to agree on a plan which, when approved by EMTA Board, will be submitted as the final action plan. EMTA must report at least quarterly to the Board and PennDOT on the progress of the action plan, identifying both the actions taken to date, and actions to be implemented. EMTA's success will be measured, in part, on meeting performance targets established through this review (see *Five-Year Performance Targets*, p. viii).

ACT 44 PERFORMANCE DETERMINATION

Act 44 performance factors were analyzed to quantify EMTA's fixed-route bus performance in comparison to its peer agencies in fiscal year end (FYE) 2012 and over a five year trend period from FYE 2007 to FYE 2012 (the most recent NTD data available at the time of the peer selection). Peers were selected through an analytical and collaborative process.

A transit agency's performance can fall into two categories: "In Compliance" or "At Risk." The following criteria are used to make the determination:

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

If the agency falls outside of these prescribed boundaries, it is considered "At Risk" for that factor and must improve as agreed upon between PennDOT and the agency.

An analysis of the eight key criteria mandated by Act 44 was conducted and **it was determined that EMTA is “In Compliance” for seven of the eight criteria and “At Risk” for one.** The peer comparison process as applied to Act 44 criteria (below, in bold typeface) revealed the following:

In Compliance

1. EMTA’s **FYE 2012 passengers / revenue vehicle hour** ranks 9 of the 13 transit agencies in the peer group and is worse than the peer group average.
2. EMTA’s **five-year trend of passengers / revenue vehicle hour** increase is stronger than average and ranks sixth best of the 13 transit agencies in the peer group.
3. EMTA’s **FYE 2012 operating cost / revenue vehicle hour** is the second least costly of the peer group and is much better than the peer group average.
4. **Increases in operating cost / revenue vehicle hour** have been modest making EMTA among the best agencies in the peer group at containing costs.
5. **FYE 2012 operating revenue / revenue vehicle hour** at EMTA ranks among the lowest of the peer group suggesting an opportunity for improvement.
6. EMTA’s **FYE 2012 operating cost / passenger** is the third lowest of the 13 transit agencies in the peer group.
7. EMTA’s **five-year trend for operating cost / passenger** is third best of the peer group.

At Risk

1. EMTA’s **five-year trend for operating revenue / revenue vehicle hour** is the worst of the 13 peers. EMTA’s shows a decline in operating revenue per revenue vehicle hour.

A summary of the specific Act 44 measures and their values are presented in the following table:

Performance Criteria	Fiscal Year End	Determination	Rank (of 13)	Comparison to Peer Avg.	Value	Peer Average
Passengers / Revenue Hour	2012	In Compliance	9	Worse	20.89	22.64
	Trend	In Compliance	6	Better	2.26%	1.64%
Operating Cost / Revenue Hour	2012	In Compliance	2	Better	\$80.20	\$108.90
	Trend	In Compliance	2	Better	2.34%	\$5.29%
Operating Revenue / Revenue Hour	2012	In Compliance	11	Worse	\$17.06	\$23.99
	Trend	At Risk	13	Worse	-1.12%	4.07%
Operating Cost / Passenger	2012	In Compliance	3	Better	\$3.84	\$4.85
	Trend	In Compliance	3	Better	0.08%	3.69%

GENERAL FINDINGS

In accordance with Act 44, findings are indicated as “opportunities for improvement” or “best practices.” “Opportunities for improvement” identify tasks that may be undertaken to increase the efficiency, effectiveness, and quality of service of the agency. Best practices are current practices that

enhance EMTA's efficiency, effectiveness, or quality of service and may be shared with other agencies as techniques for improvement. Detailed recommendations on how these and more detailed issues identified should be addressed are found in the body of the report. Major themes are indicated below.

BEST PRACTICES

1. EMTA takes many proactive steps to maintain or expand its ridership in response to weather conditions. For example, EMTA has done an exceptional job not missing trips, despite a winter with more than 140 inches of snow. Reliability is one of the most important characteristics of a transit system when it comes to maintaining its existing customer base. EMTA also determines the most appropriate locations for bus shelters and builds shelters where they are needed. When weather permits, EMTA provides bicycle racks on all of its buses thereby expanding market potential and attracting younger riders.
2. EMTA has taken a proactive approach to marketing. For example, in 2010, EMTA rebranded itself as "the e." As part of the rebranding, EMTA developed a modern logo and a fresh look for its vehicles. EMTA also provides potential new customers a custom "Travel-Training Bus" program. The program is intended to familiarize new riders with how to board and ride EMTA's vehicles. These marketing efforts attempt to broaden EMTA's brand recognition and raise awareness of EMTA in the community.
3. EMTA management has done a good job in controlling costs despite many terms and conditions in the collective bargaining agreements (CBA) that increase the overall cost of service delivery.

OPPORTUNITIES FOR IMPROVEMENT TO ADDRESS IN PART 1 OF THE ACTION PLAN (SEE P. 34)

1. **Assess and Address Organizational Structure** – EMTA has several atypical organizational patterns that suggest an agency-wide reorganization may be appropriate. For example, dispatchers are members of the drivers' union. Having dispatchers and their supervised employees in the same bargaining unit could be construed as a conflict of interest. There are times when no non-union management is available to supervise operations. Some management and oversight positions in the front office and in operations are also unionized.

The Director of Personnel has no direct reports. It is inappropriate to have the agency organized with this "department" as a direct report to the Executive Director since the position serves more as a HR function rather than a HR department. Given the lack of an organizational structure, this function could be assigned to report to the Finance Director. Furthermore, no staff member is currently assigned the Safety & Security role as their primary function. This is a critical gap in EMTA's organizational structure.

EMTA recently hired a labor attorney to help negotiate new collective bargaining agreements (CBAs). The paratransit CBA expired two (2) years ago. The negotiation of new CBAs may prove an opportunity to reorganize EMTA in order to clearly delineate front office management and oversight positions from non-management positions. As part of such a reorganization, all employees should have formal written job descriptions. A manager should be responsible for each key agency function or group of functions.

2. **Institute a Culture of Proactive Customer Service** - EMTA does not have a customer service manager or an effective system to direct and track customer service complaints. Customer service and customer relations are not in any employee's job description. EMTA's phone system does not have a dedicated line for customers. Rather, all customer calls first go to dispatchers who often have other, more pressing, duties to attend. Management should examine the EMTA customer experience, identify weaknesses and develop a strategy to insure that customer-related issues are heard, documented and addressed.
3. **Reevaluate the Appropriate Balance of Capital and Operating Needs** - EMTA seems to struggle to balance its operating and capital needs. This is evidenced by EMTA having deferred a number of important operating, and capital needs, such as IT-related investments, filling key staff vacancies, and delaying needed bus replacements in order to conserve enough funding to construct the new joint fixed-route/LIFT facility. This financial situation could continue for a number of years given limited political support for transit subsidies.
4. **Reduce the Barriers between the Fixed-Route and Paratransit Divisions** - There is a "firewall" that exists between fixed-route and paratransit workers. This separation between employees working for the same team may be counterproductive in promoting better teamwork, cooperation, and mutual respect for other employees. EMTA could fill fixed-route operator vacancies sooner, and with better employees, if interested, qualified, and available paratransit drivers could serve as fixed-route drivers. EMTA may be able to reduce its extra board and lower overtime costs by training paratransit drivers to receive a CDL/P. The two separate CBAs present a barrier to seamless operations.
5. **Develop a Comprehensive Strategic IT Plan** - EMTA lacks an IT plan- even for its recently funded facility. EMTA's operations management reports some gaps in radio coverage due to the terrain in certain parts of the county. The authority's fareboxes are obsolete and malfunction frequently. LIFT vehicles used for fixed-route service lack registering fareboxes. A strategic IT plan will allow EMTA to prioritize, and get the most from, future IT purchases.
6. **Develop Performance Targets for All Key Agency Functions**- EMTA's Board should develop a formal set of performance targets and measure where current service is in relation to the targets. Then, if necessary, EMTA should develop a performance enhancement strategy for all key agency functions.¹ Performance measures are objective indicators of different activities of the agency that can be used to strengthen management decision making, achieve results, and support accountability.

For example, EMTA is "at risk" for one of the eight Act 44 performance factors. This outcome is largely the result of its low fares and some underperforming routes. It appears that some service that is currently operated, such as the downtown trolley, is relatively unproductive. EMTA should determine the degree to which each route meets its minimum requirements and reduce, or eliminate the service that does not meet a minimum performance standard for passengers, or revenue recovery. This recommendation is consistent with general trends in the transit industry where performance-based evaluation is rapidly becoming the norm.

¹ See Page 19 for a list of key functional areas.

FINANCIAL REVIEW

During the FYE 2009 to FYE 2013 period, the local governments in the EMTA service area have contributed to help cover EMTA’s operational funding requirements. EMTA has used all of those contributions, plus advertising revenues, to balance its budget and comply with state requirements. Fixed-route farebox, route guarantee and contract revenues together, as a percentage of operating costs, is in line with that of similar-sized transit systems in the Commonwealth, hovering at around 24% in FYE 2013. Fixed-route full fares are low (i.e., \$1.10) for an urban transit system. EMTA has no available local carryover funds and has been very low carryover state 1513 operating funds. The infusion of funding related to the joint facility construction project makes EMTA appear to be in a better cash position than it actually is in FYE 2013 as those funds, while booked, are unavailable to support EMTA’s operating needs. PennDOT and EMTA management should carefully monitor EMTA’s net current assets and available cash reserves as the joint facility construction progresses. EMTA management should continue to take appropriate actions such as controlling costs, increasing base fares and increasing carryover reserves to improve EMTA’s overall financial health.

FIVE-YEAR PERFORMANCE TARGETS

This transit agency performance report outlines areas where improvements may be made to enhance the overall quality, effectiveness, and efficiency of the transit system. As a result of the performance review, a set of “performance targets” has been established and detailed on page 16. These performance targets are required to comply with Act 44 and represent minimum performance levels that EMTA should work to achieve for each Act 44 performance criteria during the next review cycle (i.e., five years from the date of this report). These performance targets were created using historical data analyzed during the five-year trend analysis as well as the most current audited “dotGrants” information available (FYE 2012). Standards were extrapolated to FYE 2019 and are designed to be aggressive, yet achievable. They are summarized as follows:

Performance Criteria	Fiscal Year End (FYE)				Target Annual Increase
	2011	2012	2013	2019 Target	
Passengers / Revenue Hour	20.59	20.89	20.52	21.14	0.5%
Operating Cost / Revenue Hour	\$84.84	\$80.20	\$80.59	\$96.23	3.0%
Operating Revenue / Revenue Hour	\$17.16	\$17.06	\$18.98	\$20.15	1.0%
Operating Cost / Passenger	\$4.12	\$3.84	\$3.93	\$4.55	2.5%

NEXT STEPS

Upon final transmission of the performance review report, Act 44 regulations stipulate that EMTA “...shall develop and submit to the Department within 90 days...a strategic action plan that focuses on continually improving the system to achieve the established minimum performance targets.” The action plan should outline corrective action that will be taken to address “Opportunities for Improvement” – as prioritized by the EMTA oversight board and management.

Functional area “opportunities for improvement” are areas in which improvement may result in cost savings, improved service quality, and ridership and/or revenue increases. Improvements in these areas will assist in the achievement of the performance targets by directly addressing areas that affect Act 44 performance criteria. It should be noted that many functional areas are interrelated, and the

action plan should establish a comprehensive program that focuses on actions that address the larger issues within EMTA.

The template for the Action Plan has been provided as an Appendix to this report (pp. 34-38). This template includes three parts:

- **Part 1- Executive Summary Findings Template** (p. 34) is where EMTA should address its proposed actions to address the “*Opportunities for Improvement*” findings in the Executive Summary (pp. vi-viii).
- **Part 2- Act 44 Performance Metric Findings Templates** (pp. 35-37) is where EMTA should address its proposed actions to address the “*Opportunities for Improvement*” findings that directly affect the Act 44 performance metrics (pp.19-23).
- **Part 3- Other Actions to Improve Overall Performance Template** (p. 38) should be used to address the “*Other Findings that Impact Overall Agency Performance*” identified starting on p. 23. EMTA should use the format provided in Appendix A to develop its proposed draft Action Plan.

It should be noted that specific actions identified may partially address the broadly noted opportunities for improvement found in the “**General Findings**” (pp. vi-viii). Some actions will be quickly implementable while others may take several discrete steps to achieve over a longer period of time. The template provides a simple-to-follow order of key findings. EMTA must select, prioritize and schedule its intended actions using the template.

EMTA must submit the proposed draft Action Plan using the format provided in **Appendix A: Action Plan Improvement Strategies** to the Department for comment. The proposed draft Action Plan may then be revised based on consultation between EMTA management and the Department. The finalized Action Plan then must be approved by the EMTA Board and formally submitted to PennDOT. Subsequently, EMTA management must report at least quarterly to the Board and the Department on progress towards accomplishing the Action Plan including actions taken in the previous quarter and actions planned for coming quarter(s).

INTRODUCTION

PURPOSE

In July 2007 the Pennsylvania Legislature passed Act 44, which established a framework for a performance review process for all public transportation agencies receiving state financial assistance. This report documents the findings and observations of the public transportation agency performance review for Erie Metropolitan Transit Authority (d.b.a. EMTA).

Performance reviews are conducted to emphasize the importance of good management practices, proactive planning, and efficient service, which maximize the effectiveness of federal, state, and local funding. In addition, other important goals of the review process and this document are to:

- Find, document, and publicize best practices that contribute to efficient, high-quality public transit service delivery, encouraging other Pennsylvania transit agencies to apply them as appropriate.
- Provide guidance to transit agencies on cost-effective ways to improve efficiency, effectiveness, and quality of service.
- Identify and document legal, institutional, or other barriers beyond the control of the transit agency that may impede efficiency in service delivery and management.

PERFORMANCE REVIEW PROCESS

In April 2014, an Act 44 mandated performance review was initiated for EMTA. PennDOT, with consultant assistance, conducted the review according to the steps outlined below:

1. Initial notification of performance review selection and transmission of document request
 - A review of available data and requests for what should be “off-the-shelf” information that may not be publicly available was transmitted.
2. Peer selection
 - A set of peers used for comparative analysis was jointly agreed upon by EMTA and PennDOT.
3. Act 44 performance criteria analysis
 - Performance criteria mandated by Act 44 were analyzed for the peer group.
 - Additional performance criteria were calculated for informative purposes to help guide the on-site review.
4. On-site review
 - An on-site review was conducted on April 2 and April 3, 2014.
 - An interview guide customized for EMTA’s service was used for the review.
 - Topics covered during the interview process included:
 - Governance
 - Management
 - Human/Labor Relations
 - Finance
 - Procurement
 - Operations and Scheduling
 - Maintenance
 - Safety and Security
 - Customer Service
 - Information Technology
 - Capital Programming
 - Marketing and Public Relations
 - Planning

AGENCY DESCRIPTION

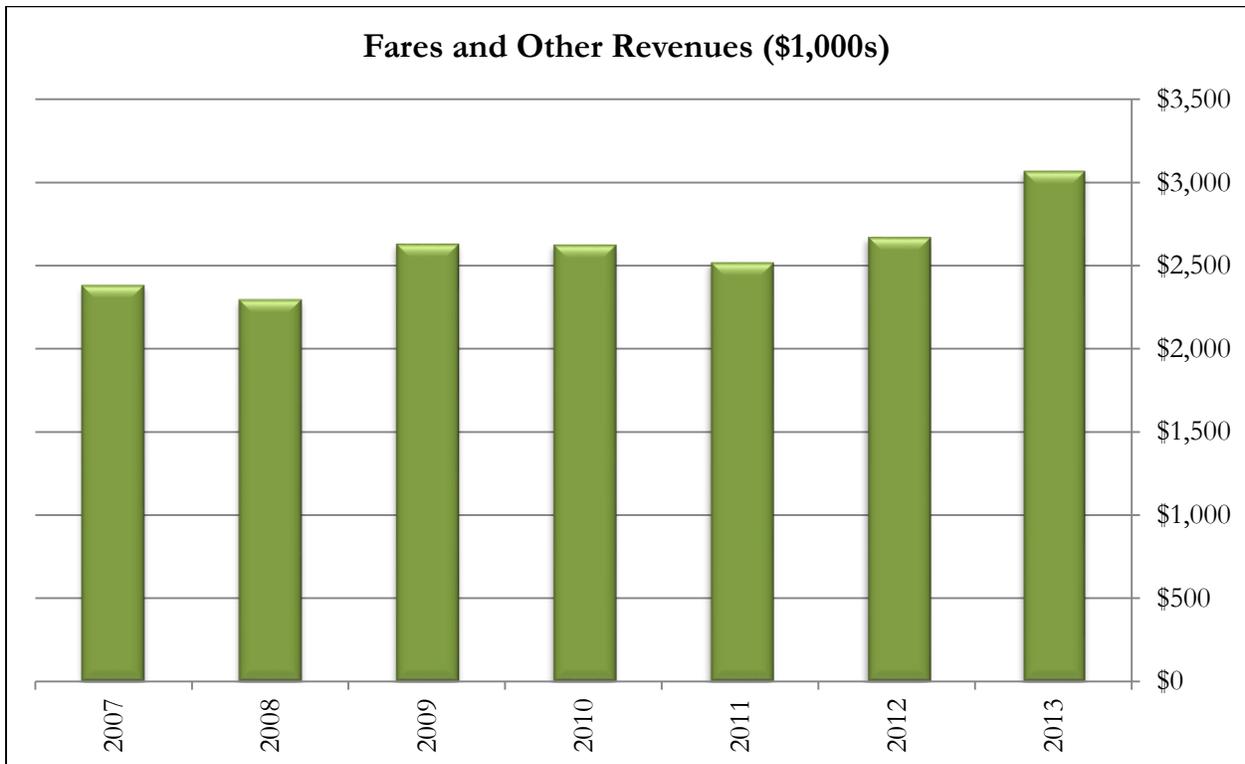
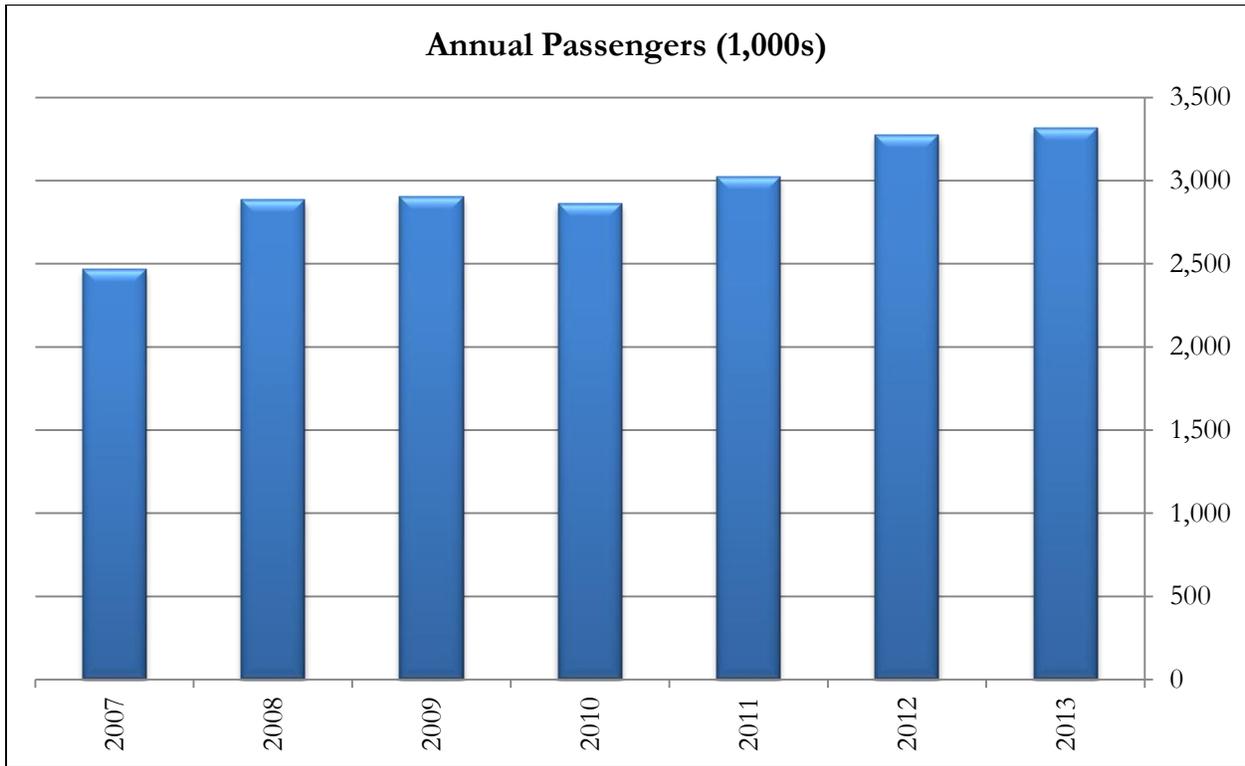
The Erie Metropolitan Transit Authority (d.b.a. EMTA) was created in 1966 in Erie County, Pennsylvania when the City and County of Erie assumed operations of the Erie Coach Company. EMTA's Articles of Incorporation, established under the powers of Municipal Authorities Act, must be renewed every 50 years, or by September 14, 2016. EMTA has a nine member appointed Board with six members representing the City of Erie and three members representing the Erie County.

In 2010, EMTA rebranded itself "the e." Currently, EMTA operates 22 regular fixed-routes including five college routes and four rural routes. **Exhibit 1** and **Exhibit 2** present fixed-route bus statistics for EMTA derived from PennDOT dotGrants Legacy Reports.

Important observations evident from the trends in demand, revenues, and operating characteristics for the Legacy reporting period of Fiscal Year End (FYE) 2007 through 2012 are as follows:

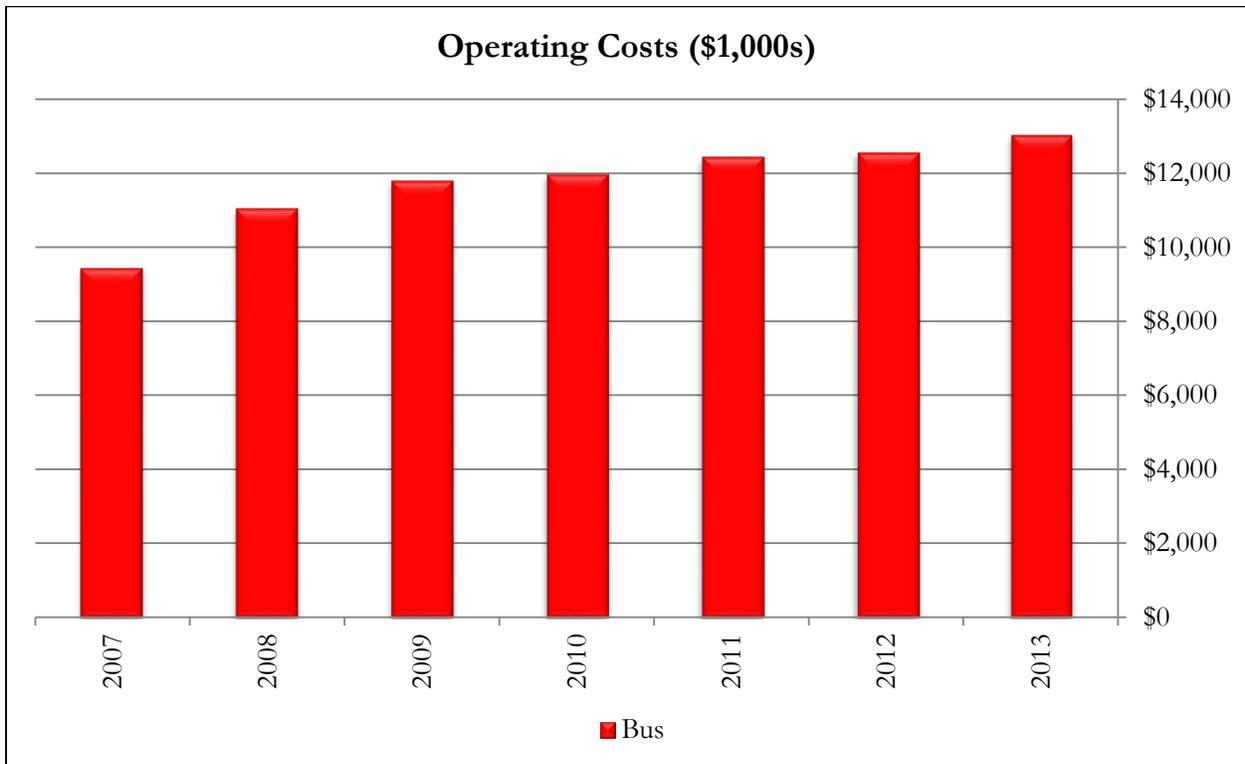
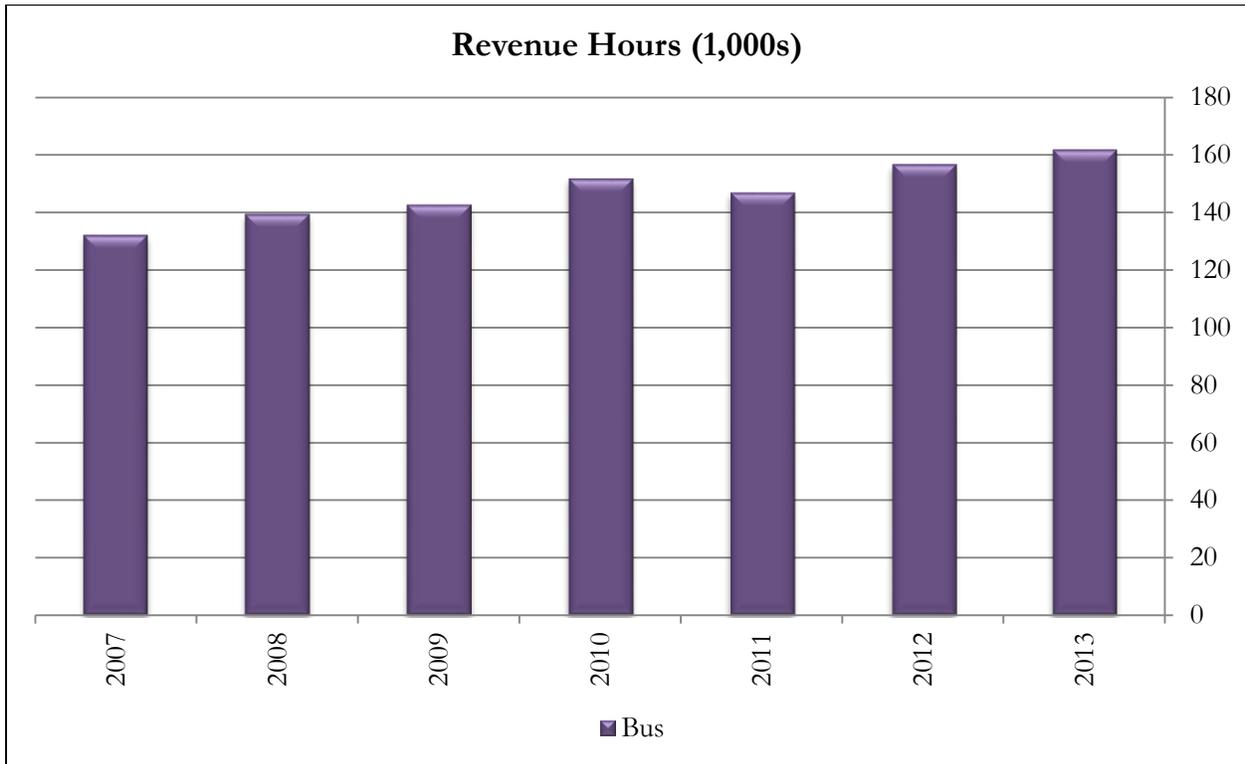
1. EMTA's annual fixed-route ridership has been increasing steadily since 2010 and is now about 3.3 million passengers per year.
2. Revenue hours of service increased by a net of 22.5% between 2007 and 2013. EMTA provided 161,700 revenue hours of service in FYE 2013.
3. EMTA's operating revenue is relatively poor averaging \$0.83 per passenger trip in FYE 2013. This is due, in large part, to EMTA having a regular base fare of only \$1.10. EMTA receives a large proportion of its revenue from route guarantees, rents and other contracts. Revenues between 2007 and 2013 increased by about 29%.
4. Total operating costs increased by about 38% between 2007 and 2013 going from about \$9.4 million to \$13.0 million annually.

Exhibit 1: Fixed-Route Passengers and Revenues FYE 2007-2013



Source: PennDOT Legacy Reporting System (dotGrants) as adjusted.

Exhibit 2: Fixed-Route Revenue Hours and Operating Costs FYE 2007-2013



Source: PennDOT Legacy Reporting System (dotGrants) as adjusted

ACT 44 PERFORMANCE ASSESSMENT

Act 44 establishes the framework for a performance review process as follows:

“The Department may conduct performance reviews of an award recipient under this section to determine the effectiveness of the financial assistance. Reviews shall be conducted at regular intervals as established by the Department in consultation with the management of the award recipient. After completion of a review, the Department shall issue a report that: highlights exceptional performance and identifies any problems that need to be resolved; assesses performance, efficiency, and effectiveness of the use of the financial assistance; makes recommendations on follow-up actions required to remedy any problem identified...”²

The law sets forth the following performance criteria to be used to satisfy its objectives³:

- Passengers / revenue vehicle hour;
- Operating cost / revenue vehicle hour;
- Operating revenue / revenue vehicle hour;
- Operating cost / passenger; and,
- Other items as the Department may establish.

Performance criteria are to be compared for both the system being reviewed and for a group of five or more peers by mode, determined by considering the following: ⁴

- Revenue vehicle hours;
- Revenue vehicle miles;
- Number of peak vehicles; and,
- Service area population.

The law further instructs PennDOT to prepare a five-year trend analysis for the local transportation organization under review and the peer systems by performance criteria and by mode, and make a determination of “In Compliance” or “At Risk” status based on findings.

PEER SYSTEM SELECTION

A list of tentative peers was submitted to EMTA management for review and comment. After discussions were complete, the following 12 peer systems, in addition to EMTA, were included in subsequent analyses for peer comparison purposes:

1. Salem Area Mass Transit District (Salem, OR)
2. Ben Franklin Transit (Richland, WA)
3. Knoxville Area Transit (Knoxville, TN)
4. Chattanooga Area Regional Transportation Authority (Chattanooga, TN)
5. City Transit Management Company, Inc. (Lubbock, TX)
6. Kanawha Valley Regional Transportation Authority (Charleston, WV)
7. The Eastern Contra Costa Transit Authority (Antioch, CA)
8. Municipality of Anchorage - Public Transportation Department (Anchorage, AK)

² Title 74 Pa. C.S.A. §1513 (e)

³ Title 74 Pa. C.S.A. §1513 (f)

⁴ 67 Pa Code Chapter 427, Annex A . §427.12(d)(1)(i), Jan 2011.

9. Greater Peoria Mass Transit District (Peoria, IL)
10. Santa Clarita Transit (Santa Clarita, CA)
11. Modesto Area Express (Modesto, CA)
12. Santa Cruz Metropolitan Transit District (Santa Cruz, CA)

ACT 44 FIXED-ROUTE COMPARISONS AND FINDINGS

Comparison of EMTA with the selected peer systems was completed using NTD-reported data and dotGrants Legacy statistics. Due to its consistency and availability⁵ for comparable systems, the NTD FYE 2012 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, including EMTA
- *Standard Deviation*: Standard deviation of all values being measured across all peer transit agencies, including EMTA

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

⁵ NTD data is available for almost every urbanized area transit system in the United States. The latest data available at the time of the Peer Selection was for Fiscal Year End (FYE) 2012.

If an agency is within these limits, it is considered “In Compliance.” However, if an agency is “At Risk” for any given criterion, it must very closely monitor the effectiveness of remedial strategies identified in the action plan so as to achieve “Compliance” prior to the next performance review⁶.

Detailed results of the EMTA analysis and peer comparison are presented in the **Fixed-Route Bus Performance Comparisons** section below and can be summarized as follows:

Exhibit 3: Act 44 Compliance Summary

Metric	FYE 2012 Single Year	Five-Year Trend
Passengers / Revenue Hour	In Compliance	In Compliance
Operating Cost / Revenue Hour	In Compliance	In Compliance
Operating Revenue / Revenue Hour	In Compliance	At Risk
Operating Cost / Passenger	In Compliance	In Compliance

FIXED-ROUTE BUS PERFORMANCE COMPARISONS

For the 12 peer systems plus EMTA, NTD data were extracted and summarized for each of the required Act 44 metrics. Measures were put into histograms and tables for visual inspection, statistical analyses, and ordinal ranking purposes. The single-year results of these analyses are presented in **Exhibit 4, Exhibit 5, Exhibit 6, and Exhibit 7**. Five-year trend analyses are presented in **Exhibit 8, Exhibit 9, Exhibit 10, and Exhibit 11**.

For measures relating to passengers or operating revenue, ordinal rankings are based on a highest-to-lowest system. For measures relating to operating cost, ordinal rankings are based on a lowest-to-highest system. Thus a ranking of “1st” consistently indicates that the agency scores best amongst its peers and a ranking of “13th” indicates that it performs the poorest on any given metric.

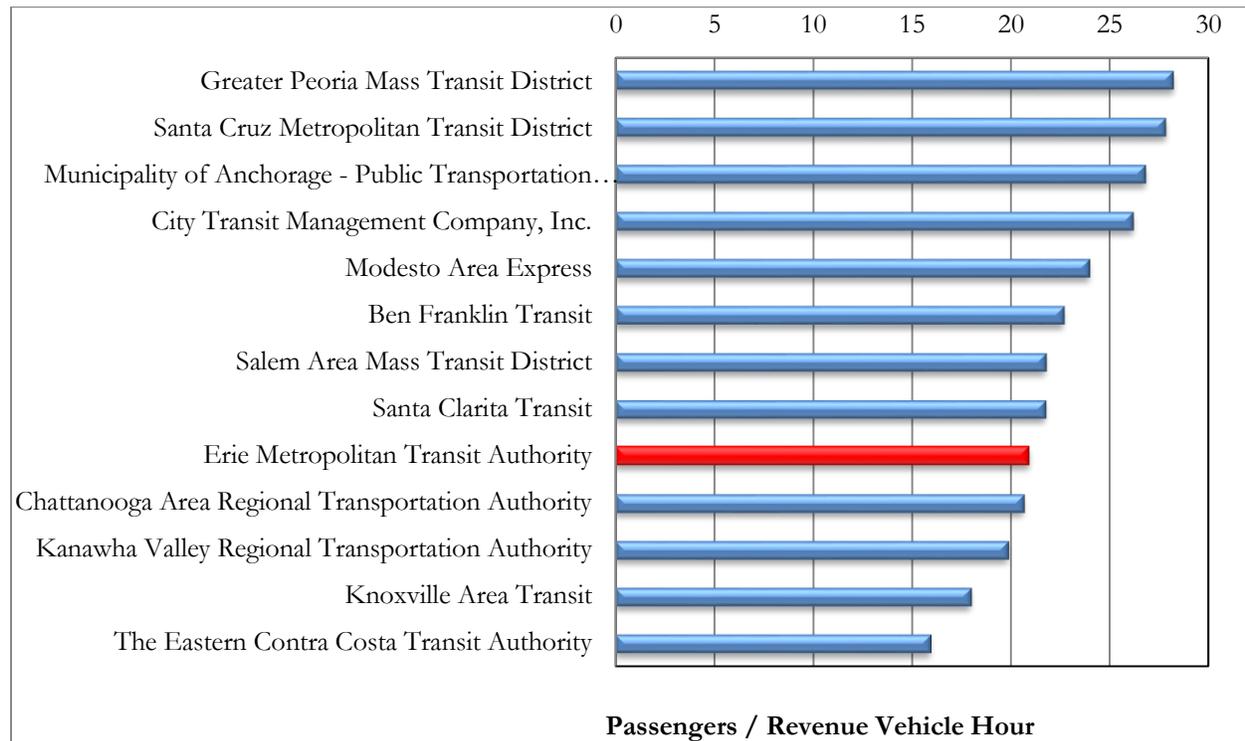
The findings presented in the exhibits can be summarized as follows:

1. EMTA’s FYE 2012 passengers / revenue hour ranks nine of the 13 transit agencies in the peer group. Passengers / revenue hour have been increasing at about 2.3% per year.
2. EMTA’s FYE 2012 operating cost / revenue vehicle hour is the second least costly of all the agencies in the peer group. Operating cost / revenue hour has increased at a rate lower than the peer group giving EMTA the second best ranking of the peer agencies for this measure.
3. EMTA’s 2012 operating revenue / revenue vehicle hour ranks among the poorest of the 13 peers. The trend between FYE 2007 and FYE 2012 shows that operating revenue / revenue vehicle hour is decreasing even though passengers / revenue hour is increasing. This results in the “**At Risk**” finding for the trend metric. Additional route guarantees and rents realized starting in 2013, as well as planned fare increases, should rectify this issue in future years.
4. EMTA has the third least costly operating cost / passenger of the peer group for FYE 2012. The trend of cost / passenger is the third best of the peer group showing almost no annual cost increase.

These findings provided a basis for further investigation during the on-site interviews and functional area reviews. Those findings are presented in the next section of the report.

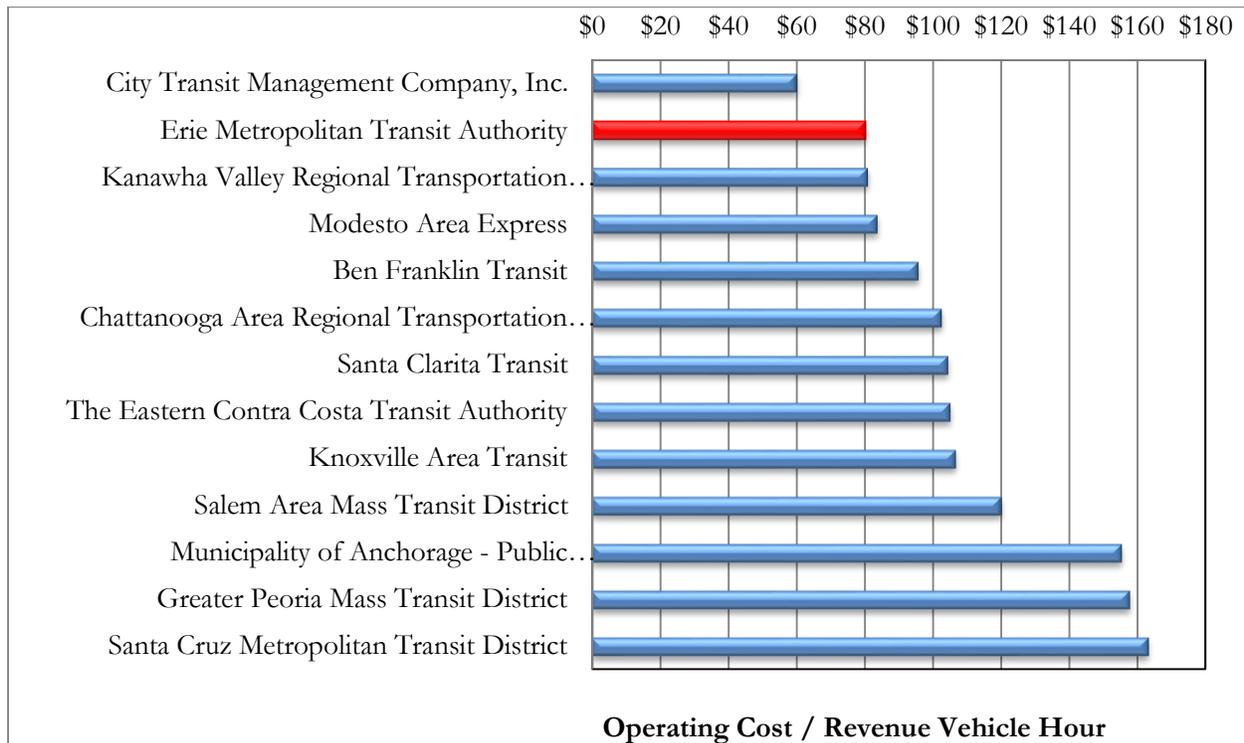
⁶ Act 44 identifies potential financial penalties for agencies determined “At Risk” during the review process that are not subsequently determined “In Compliance” within 5 years of the original “At Risk” finding.

Exhibit 4: Fixed-Route Passengers / Revenue Vehicle Hour FYE 2012



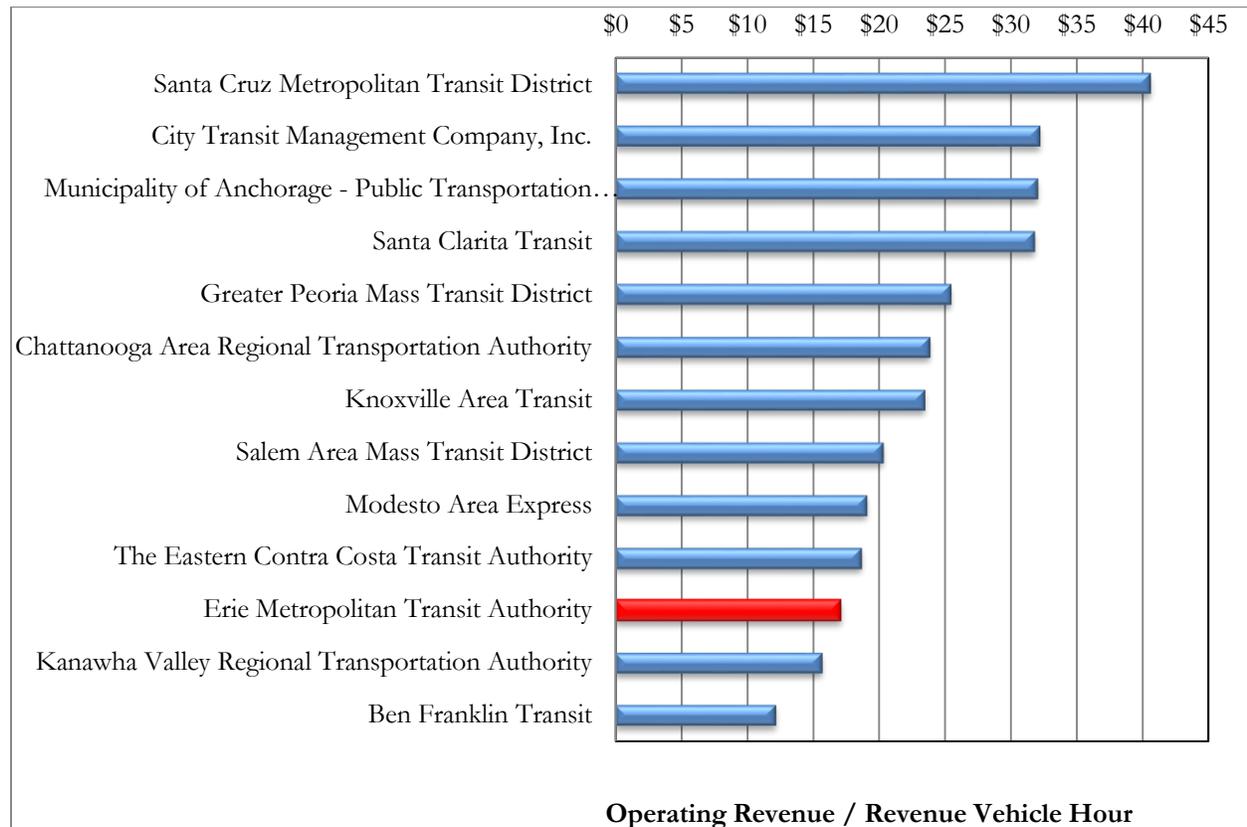
Passengers / Revenue Vehicle Hour		
System	Value	Rank
Greater Peoria Mass Transit District	28.23	1
Santa Cruz Metropolitan Transit District	27.83	2
Municipality of Anchorage - Public Transportation Department	26.81	3
City Transit Management Company, Inc.	26.17	4
Modesto Area Express	23.95	5
Ben Franklin Transit	22.64	6
Salem Area Mass Transit District	21.73	7
Santa Clarita Transit	21.71	8
Erie Metropolitan Transit Authority	20.89	9
Chattanooga Area Regional Transportation Authority	20.61	10
Kanawha Valley Regional Transportation Authority	19.82	11
Knoxville Area Transit	17.95	12
The Eastern Contra Costa Transit Authority	15.92	13
<i>Average</i>	22.64	
<i>Standard Deviation</i>	3.80	
<i>Average - 1 Standard Deviation</i>	18.83	
<i>Average + 1 Standard Deviation</i>	26.44	
Act 44 Compliance Determination	In Compliance	
Better or Worse Than Peer Group Average	Worse	

Exhibit 5: Fixed-Route Operating Cost / Revenue Vehicle Hour FYE 2012



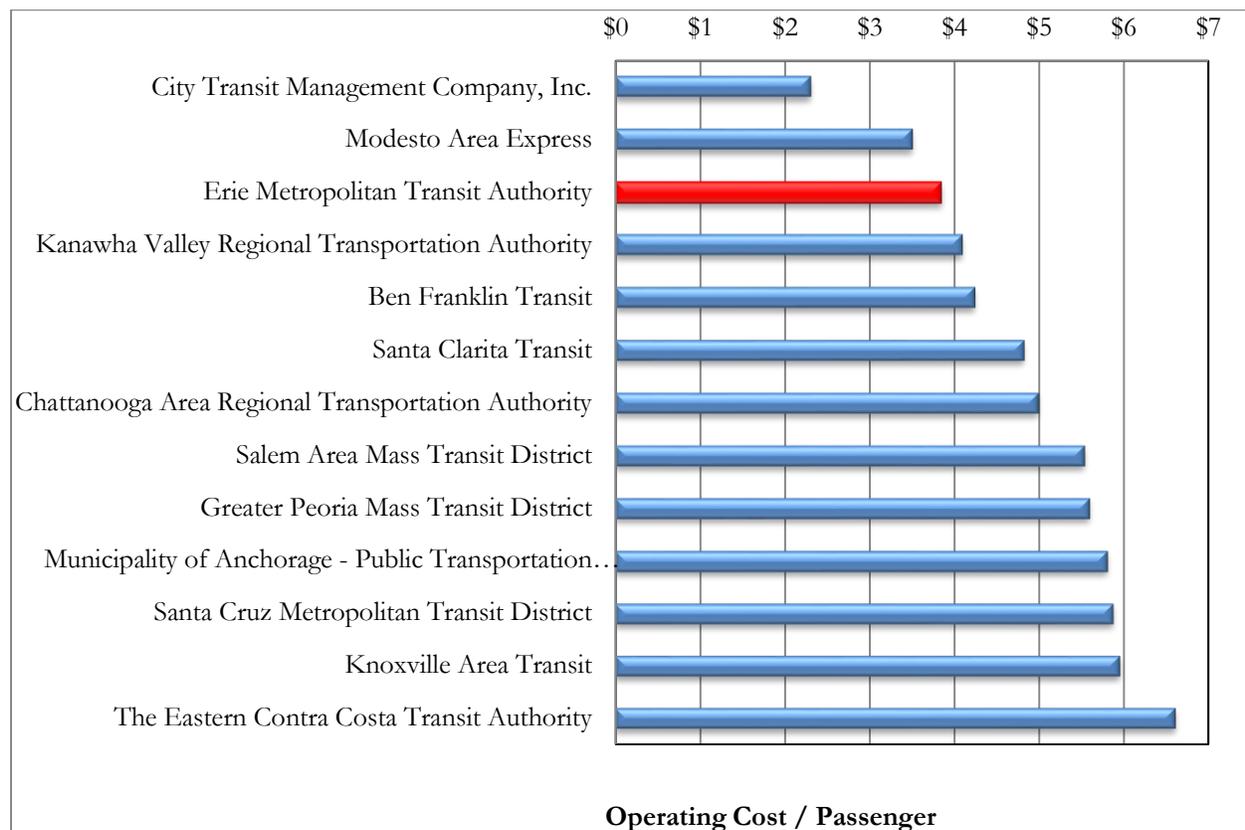
Operating Cost / Revenue Vehicle Hour		
System	Value	Rank
City Transit Management Company, Inc.	\$60.22	1
Erie Metropolitan Transit Authority	\$80.20	2
Kanawha Valley Regional Transportation Authority	\$80.95	3
Modesto Area Express	\$83.78	4
Ben Franklin Transit	\$95.79	5
Chattanooga Area Regional Transportation Authority	\$102.59	6
Santa Clarita Transit	\$104.42	7
The Eastern Contra Costa Transit Authority	\$105.05	8
Knoxville Area Transit	\$106.66	9
Salem Area Mass Transit District	\$120.01	10
Municipality of Anchorage - Public Transportation Department	\$155.30	11
Greater Peoria Mass Transit District	\$157.59	12
Santa Cruz Metropolitan Transit District	\$163.14	13
<i>Average</i>	<i>\$108.90</i>	
<i>Standard Deviation</i>	<i>\$32.20</i>	
<i>Average - 1 Standard Deviation</i>	<i>\$76.70</i>	
<i>Average + 1 Standard Deviation</i>	<i>\$141.11</i>	
Act 44 Compliance Determination	In Compliance	
Better or Worse Than Peer Group Average	Better	

Exhibit 6: Fixed-Route Operating Revenue / Revenue Vehicle Hour FYE 2012



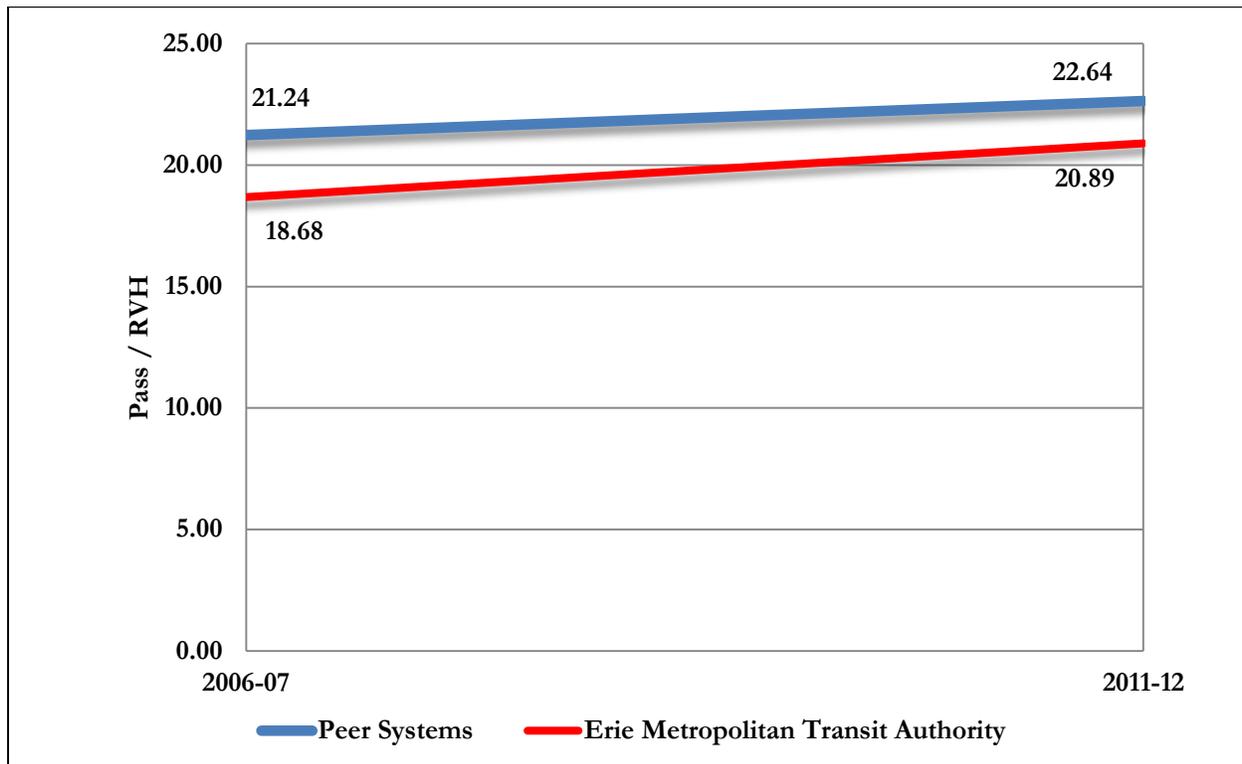
Operating Revenue / Revenue Vehicle Hour		
2011-12 DATA		
System	Value	Rank
Santa Cruz Metropolitan Transit District	\$40.54	1
City Transit Management Company, Inc.	\$32.14	2
Municipality of Anchorage - Public Transportation Department	\$31.99	3
Santa Clarita Transit	\$31.73	4
Greater Peoria Mass Transit District	\$25.40	5
Chattanooga Area Regional Transportation Authority	\$23.80	6
Knoxville Area Transit	\$23.41	7
Salem Area Mass Transit District	\$20.29	8
Modesto Area Express	\$19.06	9
The Eastern Contra Costa Transit Authority	\$18.64	10
Erie Metropolitan Transit Authority	\$17.06	11
Kanawha Valley Regional Transportation Authority	\$15.65	12
Ben Franklin Transit	\$12.17	13
<i>Average</i>	\$23.99	
<i>Standard Deviation</i>	\$8.12	
<i>Average – 1 Standard Deviation</i>	\$15.87	
<i>Average + 1 Standard Deviation</i>	\$32.11	
Act 44 Compliance Determination	In Compliance	
Better or Worse Than Peer Group Average	Worse	

Exhibit 7: Fixed-Route Operating Cost / Passenger FYE 2012



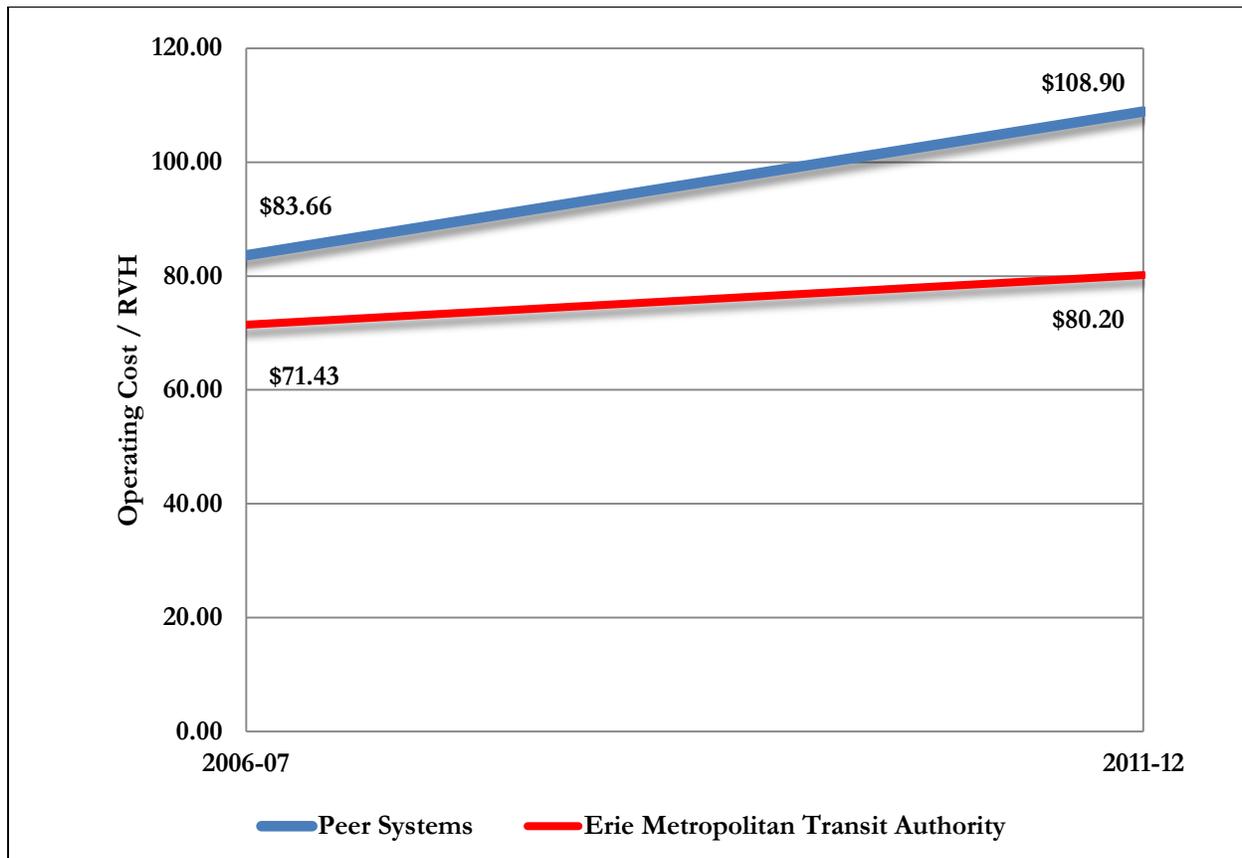
Operating Cost / Passenger		
System	Value	Rank
City Transit Management Company, Inc.	\$2.30	1
Modesto Area Express	\$3.50	2
Erie Metropolitan Transit Authority	\$3.84	3
Kanawha Valley Regional Transportation Authority	\$4.08	4
Ben Franklin Transit	\$4.23	5
Santa Clarita Transit	\$4.81	6
Chattanooga Area Regional Transportation Authority	\$4.98	7
Salem Area Mass Transit District	\$5.52	8
Greater Peoria Mass Transit District	\$5.58	9
Municipality of Anchorage - Public Transportation Department	\$5.79	10
Santa Cruz Metropolitan Transit District	\$5.86	11
Knoxville Area Transit	\$5.94	12
The Eastern Contra Costa Transit Authority	\$6.60	13
<i>Average</i>	<i>\$4.85</i>	
<i>Standard Deviation</i>	<i>\$1.21</i>	
<i>Average – 1 Standard Deviation</i>	<i>\$3.64</i>	
<i>Average + 1 Standard Deviation</i>	<i>\$6.06</i>	
Act 44 Compliance Determination	In Compliance	
Better or Worse Than Peer Group Average	Better	

Exhibit 8: Fixed-Route Passengers / Revenue Vehicle Hour Trend FYE 2007-2012



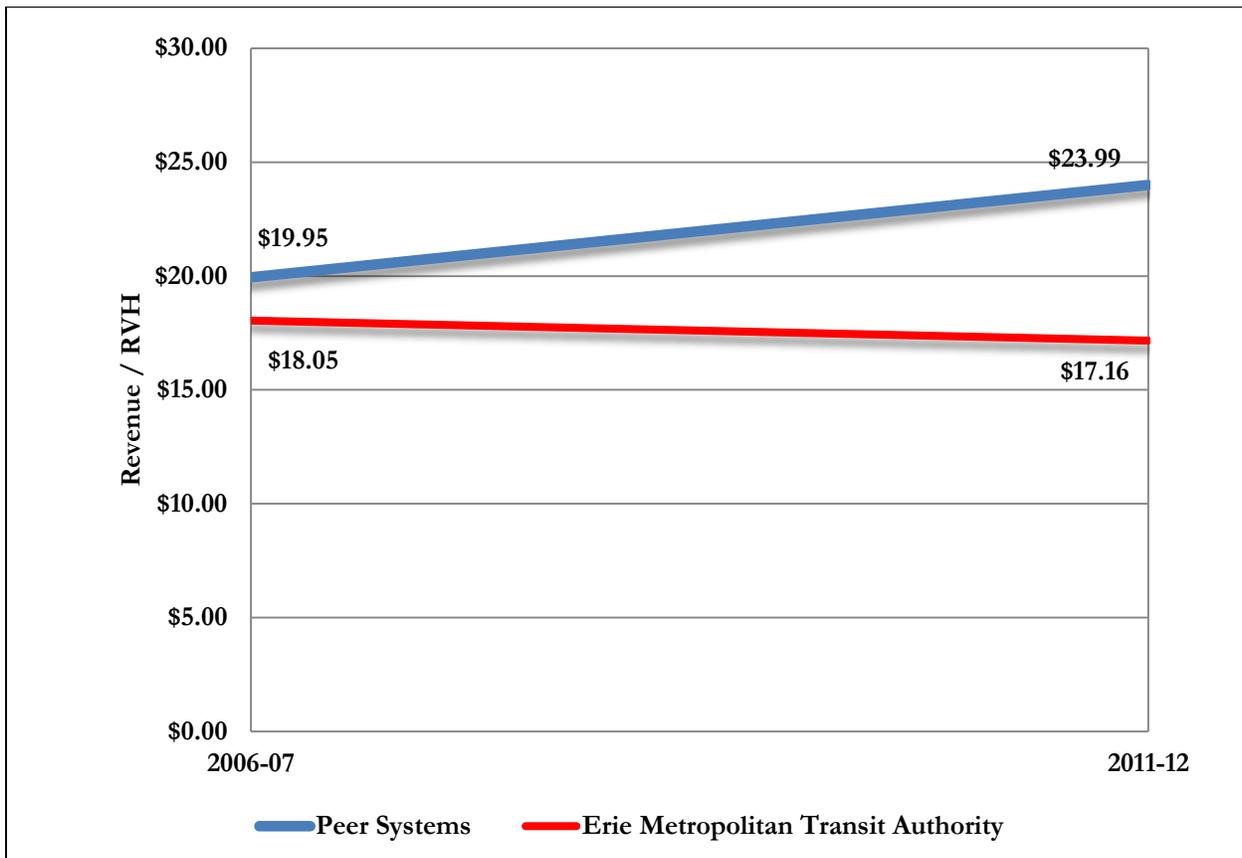
Passengers / Revenue Vehicle Hour		
5 Year Trend Average Annual Rate of Change		
System	Value	Rank
Greater Peoria Mass Transit District	11.52%	1
Chattanooga Area Regional Transportation Authority	5.01%	2
Kanawha Valley Regional Transportation Authority	3.94%	3
Knoxville Area Transit	3.69%	4
Santa Cruz Metropolitan Transit District	2.34%	5
Erie Metropolitan Transit Authority	2.26%	6
City Transit Management Company, Inc.	1.87%	7
Municipality of Anchorage - Public Transportation Department	0.99%	8
The Eastern Contra Costa Transit Authority	0.48%	9
Ben Franklin Transit	0.00%	10
Santa Clarita Transit	-2.10%	11
Modesto Area Express	-2.47%	12
Salem Area Mass Transit District	-6.24%	13
<i>Average</i>	<i>1.64%</i>	
<i>Standard Deviation</i>	<i>4.25%</i>	
<i>Average - 1 Standard Deviation</i>	<i>-2.61%</i>	
<i>Average + 1 Standard Deviation</i>	<i>5.89%</i>	
Act 44 Compliance Determination	In Compliance	
Better or Worse Than Peer Group Average	Better	

Exhibit 9: Fixed-Route Operating Cost / Revenue Vehicle Hour Trend FYE 2007-2012



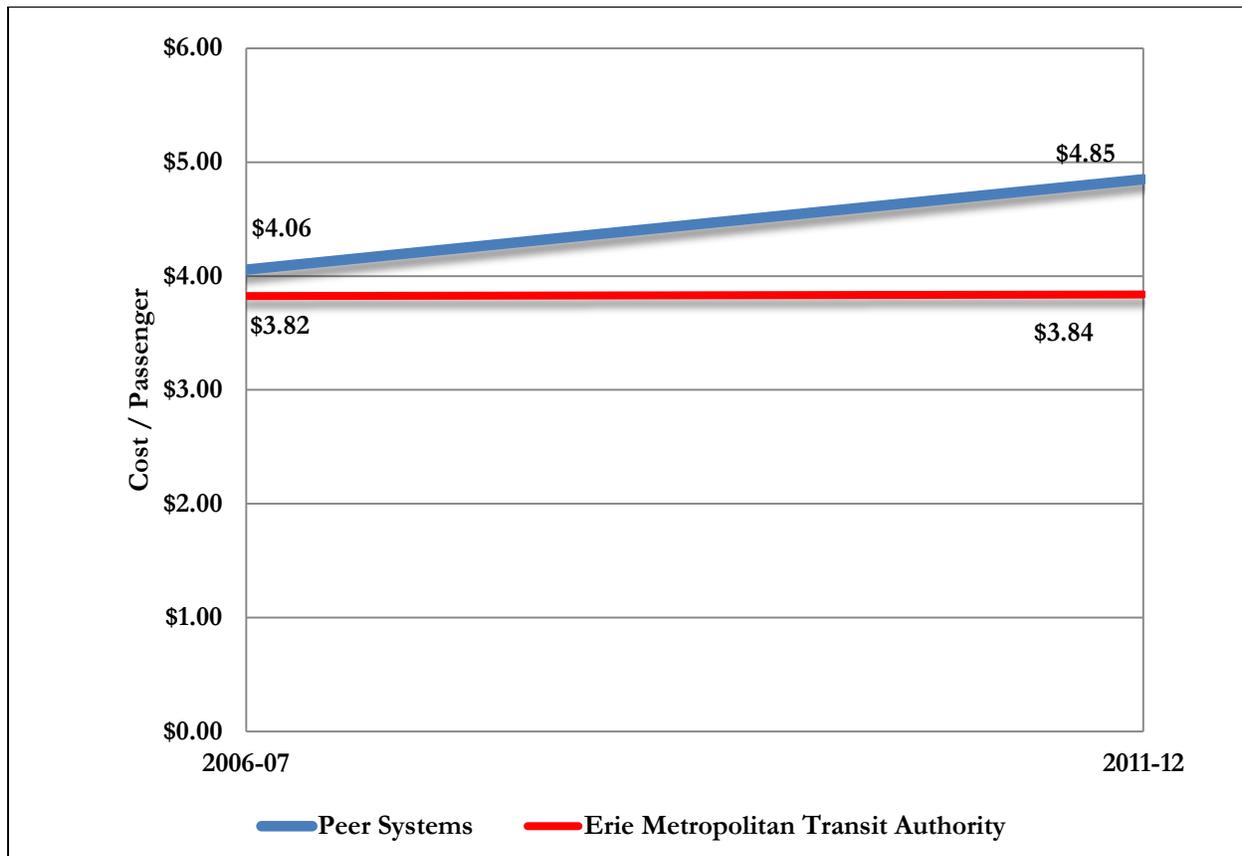
Operating Cost / Revenue Vehicle Hour		
5 Year Trend Average Annual Rate of Change		
System	Value	Rank
City Transit Management Company, Inc.	1.70%	1
Erie Metropolitan Transit Authority	2.34%	2
Ben Franklin Transit	2.73%	3
The Eastern Contra Costa Transit Authority	3.47%	4
Santa Clarita Transit	3.69%	5
Modesto Area Express	3.83%	6
Municipality of Anchorage - Public Transportation Department	3.99%	7
Salem Area Mass Transit District	4.06%	8
Kanawha Valley Regional Transportation Authority	5.26%	9
Santa Cruz Metropolitan Transit District	6.55%	10
Chattanooga Area Regional Transportation Authority	6.90%	11
Greater Peoria Mass Transit District	10.80%	12
Knoxville Area Transit	13.49%	13
<i>Average</i>	5.29%	
<i>Standard Deviation</i>	3.43%	
<i>Average - 1 Standard Deviation</i>	1.86%	
<i>Average + 1 Standard Deviation</i>	8.72%	
Act 44 Compliance Determination	In Compliance	
Better or Worse Than Peer Group Average	Better	

Exhibit 10: Fixed-Route Operating Revenue / Revenue Vehicle Hour Trend FYE 2007-2012



Operating Revenue / Revenue Vehicle Hour		
5 Year Trend Average Annual Rate of Change		
System	Value	Rank
Knoxville Area Transit	15.28%	1
Greater Peoria Mass Transit District	9.10%	2
Chattanooga Area Regional Transportation Authority	6.05%	3
Santa Clarita Transit	5.47%	4
Municipality of Anchorage - Public Transportation Department	5.14%	5
The Eastern Contra Costa Transit Authority	4.16%	6
City Transit Management Company, Inc.	4.03%	7
Ben Franklin Transit	2.82%	8
Kanawha Valley Regional Transportation Authority	1.46%	9
Salem Area Mass Transit District	0.79%	10
Modesto Area Express	-0.16%	11
Santa Cruz Metropolitan Transit District	-0.19%	12
Erie Metropolitan Transit Authority	-1.12%	13
<i>Average</i>	4.07%	
<i>Standard Deviation</i>	4.47%	
<i>Average – 1 Standard Deviation</i>	-0.41%	
<i>Average + 1 Standard Deviation</i>	8.54%	
Act 44 Compliance Determination	At Risk	
Better or Worse Than Peer Group Average	Worse	

Exhibit 11: Fixed-Route Operating Cost / Passenger Trend FYE 2007-2012



Operating Cost / Passenger		
5 Year Trend Average Annual Rate of Change		
System	Value	Rank
Greater Peoria Mass Transit District	-0.65%	1
City Transit Management Company, Inc.	-0.17%	2
Erie Metropolitan Transit Authority	0.08%	3
Kanawha Valley Regional Transportation Authority	1.26%	4
Chattanooga Area Regional Transportation Authority	1.80%	5
Ben Franklin Transit	2.73%	6
The Eastern Contra Costa Transit Authority	2.97%	7
Municipality of Anchorage - Public Transportation Department	2.98%	8
Santa Cruz Metropolitan Transit District	4.11%	9
Santa Clarita Transit	5.92%	10
Modesto Area Express	6.46%	11
Knoxville Area Transit	9.46%	12
Salem Area Mass Transit District	10.99%	13
<i>Average</i>	<i>3.69%</i>	
<i>Standard Deviation</i>	<i>3.62%</i>	
<i>Average - 1 Standard Deviation</i>	<i>0.07%</i>	
<i>Average + 1 Standard Deviation</i>	<i>7.31%</i>	
Act 44 Compliance Determination	In Compliance	
Better or Worse Than Peer Group Average	Better	

FIVE-YEAR FIXED-ROUTE PERFORMANCE TARGETS

Act 44 requires that PennDOT and all local transit agencies establish five-year performance targets for each of the following four core metrics:

- Passengers / Revenue Hour
- Operating Cost / Revenue Hour
- Operating Revenue / Revenue Hour
- Operating Cost / Passenger

These metrics are intended to improve both the effectiveness and efficiency of service delivery. PennDOT uses the most recent audited and agency-verified values for passengers, operating costs and operating revenues by mode as the “baseline” from which to develop the targets. Five year targets are then developed based on realistic and achievable expectations of improvement.

Passengers / Revenue Hour is a measure of effectiveness of transit service. All else equal, passengers may increase due to successful marketing, customer service, improved route planning and natural growth. Declines in passengers / revenue hour can occur in spite of overall ridership increases due to the introduction of relatively inefficient service. Substantial improvements can be realized through the reduction of relatively inefficient services.

Typically PennDOT suggests a minimum targeted increase of 2% per year in passengers / revenue hour of service. This target is recommended because: it is consistent with statewide historic trends and it encourages agencies to better match service delivery with customer needs. However, a less aggressive target of 0.5% growth per year has been established that recognizes the Erie area’s slow growth rate and the likely effect of planned fare increases that limit EMTA’s ridership growth potential.

Operating Cost / Revenue Hour quantifies the efficiency of service delivery. To some extent, costs can be / should be managed through good governance, proactive management and effective cost containment. PennDOT suggests a target of no more than 3% per year increase in operating cost / revenue hour of service. EMTA’s target has been set to rate of 3% per year to insure sure future costs do not exceed future subsidies.

Operating Revenue / Revenue Hour, like operating cost / revenue hour, tries to ensure an agency remains financially solvent in the long run. Operating revenue is composed of fares and other non-subsidy revenues. The target is normally set to be the same as passenger / revenue hour to make sure that the rate of revenue increases keep pace with, or exceed, the rate of cost increases. This value is set a modest amount higher for EMTA (1.0%) to recognize the impact of planned fare increases.

Operating Cost / Passenger captures both the efficiency and effectiveness of transit service delivery. The target is set to be equal to the difference between maximum operating cost / revenue hour increase (3%) less the minimum passengers / revenue hour goal (0.5%), or 2.5%.

These performance targets represent the minimum performance level that EMTA should achieve for each Act 44 criteria during the next performance review cycle - five years from the date of this report. The performance targets were created using the most current certified audit information available. Standards were extrapolated to FYE 2019 and are designed to be aggressive, yet achievable. Performance targets will be agreed to between PennDOT and EMTA before they are finalized so that expected anomalies are reflected in the standards. The suggested performance targets for EMTA’s Act 44 metrics are presented in **Exhibit 12, Exhibit 13, Exhibit 14, and Exhibit 15.**

Exhibit 12: Fixed-Route Passengers / Revenue Hour Performance Targets

FYE 2019 Target..... **21.14**
 Interim Year Targets **Annual increase of at least 0.5%**

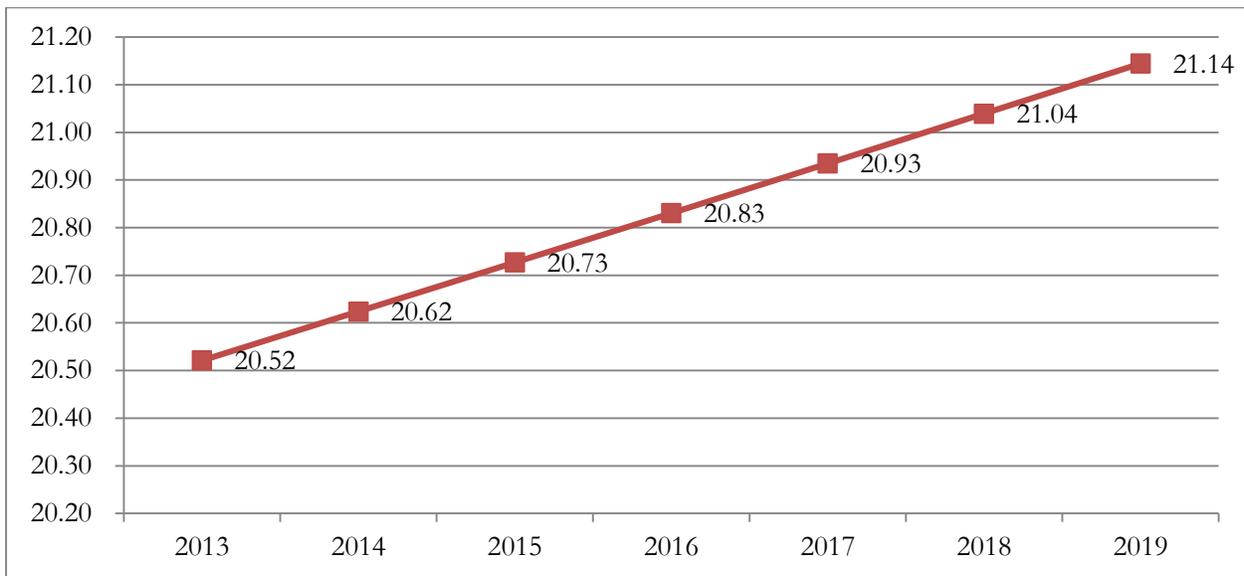


Exhibit 13: Fixed-Route Operating Cost / Revenue Vehicle Hour Performance Targets

FYE 2019 Target..... **\$96.23**
 Interim Year Targets **Annual increase of no more than 3.0%**

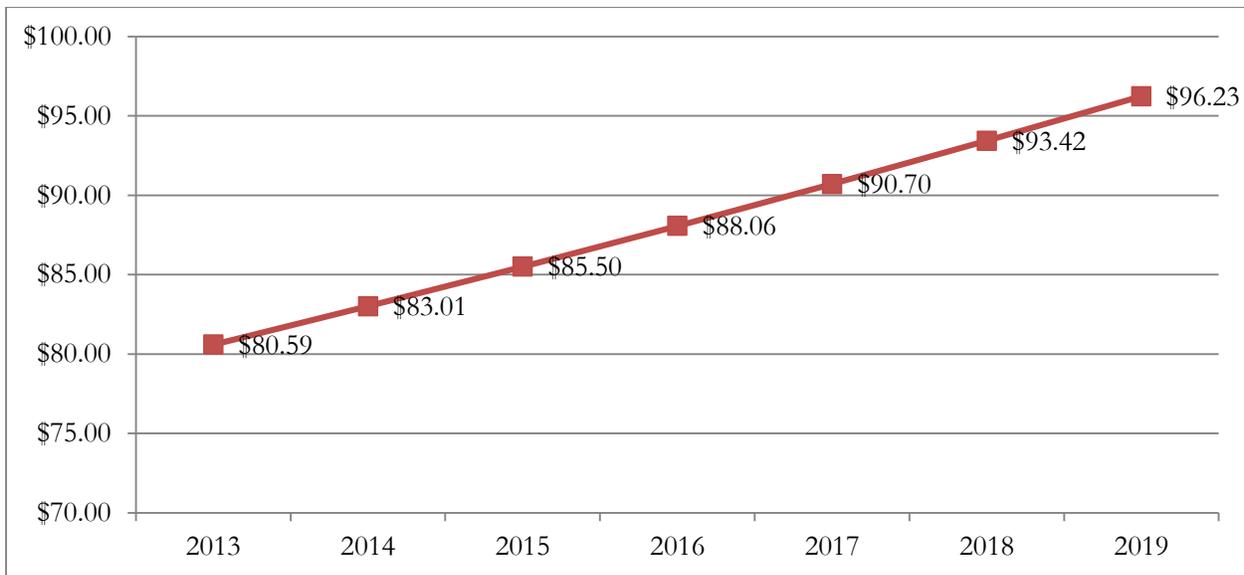


Exhibit 14: Fixed-Route Operating Revenue / Revenue Vehicle Hour Performance Targets

FYE 2019 Target.....\$20.15
 Interim Year TargetsAnnual increase of at least 1.0%

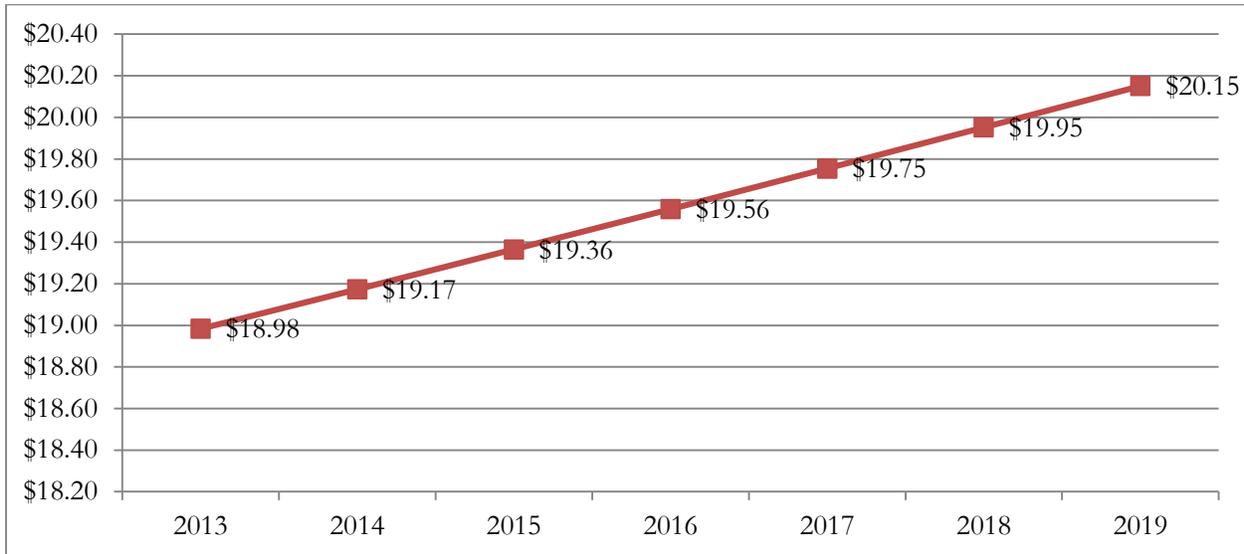
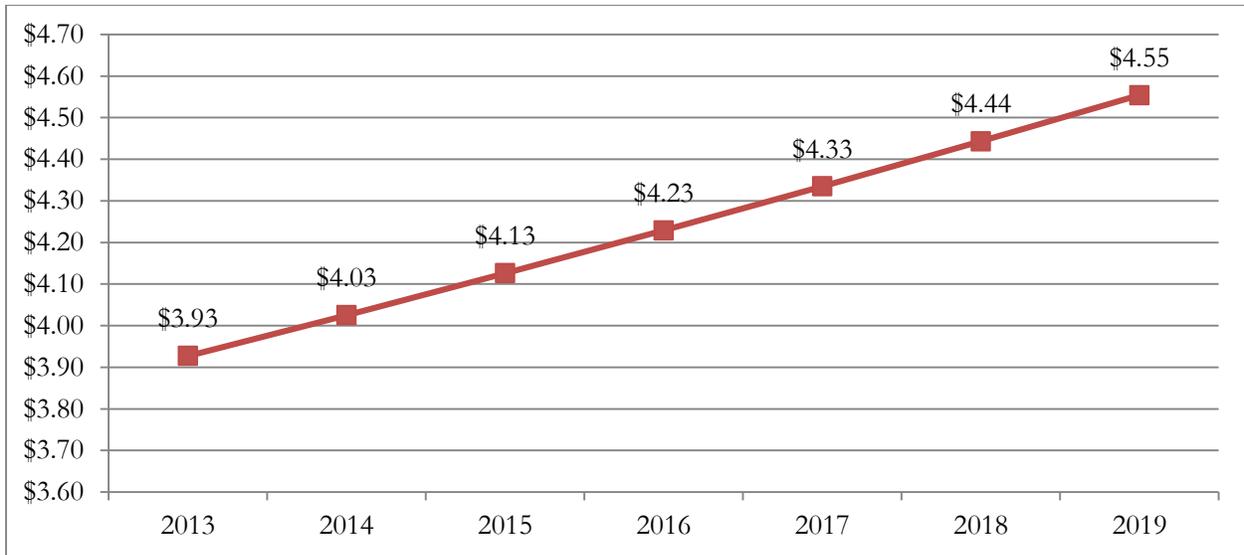


Exhibit 15: Fixed-Route Operating Cost / Passenger Performance Targets

FYE 2019 Target..... \$4.55
 Interim Year Targets Annual increase of no more than 2.5%



FUNCTIONAL REVIEW

Functional reviews are used to determine the reasons behind performance results found in the Act 44 comparisons, to find “best practices” to share with other transit agencies, and to identify opportunities for improvement that should be addressed in the Action Plan (see **Appendix A: Action Plan Improvement Strategies**). A total of 14 functional areas were reviewed through documents received from the agency and interviews conducted on-site. The functional areas are as follows:

1. **Governance** – Responsibilities include setting vision, mission, goals, and objectives; management oversight; recruiting and retaining top management personnel; and advocacy for the agency’s needs and positions.
2. **Management** – Responsible for the day-to-day operations of the agency. Manage, monitor, analyze, direct, and plan for the future with regard to all functional areas. Inform and report to the Governing Body, and implement governing body direction.
3. **Human Resources** – Responsible for employee retention, recruitment, training, performance reviews, grievance procedures, employee benefits, and labor relations.
4. **Finance** – Includes budgeting, accounting, cash flow management, revenue handling, and insurance.
5. **Procurement** – Includes acquisition of rolling stock, vehicle parts, non-revenue capital items (i.e., office equipment) and other operations-related items.
6. **Operations** – Includes management of daily service operations, on-street supervision and control, dispatching, and general route management.
7. **Maintenance** – Includes vehicle and facilities maintenance management, procedures, and performance.
8. **Scheduling** – Includes route and driver scheduling and decision-making, pay premium considerations, general management, procedures, and performance.
9. **Safety and Security** – Includes vehicle and passenger safety, facility security, and emergency preparedness.
10. **Customer Service** – Includes management, procedures, and performance related to current and future customers of the fixed-route system and other topics such as service information and complaint handling processes.
11. **Information Technology** – Includes automated mechanisms for in-house and customer service communication including future plans for new technology.
12. **Capital Program** – Includes assessing and programming current and future capital needs reflecting both funded and unfunded projects. Includes the Transportation Improvement Plan (TIP), 12-Year Capital Plan, 20-Year Long-Range Transportation Plan (LRTP), and Transit Development Plan (TDP).
13. **Marketing** – Includes maximizing current markets and expanding into new markets. Includes managing the perception of the agency by the public at-large to encourage current and future ridership.
14. **Planning** – Includes analysis of information to effectively plan for changes to the system in the short-, medium-, and long-term horizons, to help ensure continued success.

The functional review findings are organized by a brief description of the Act 44 variables guiding the performance review: passengers, fare and other non-subsidy revenues, and operating costs. These 14

areas work together to effectively meet the needs of passengers, to deliver high-quality service in a cost-effective manner and to provide resources that will adapt to changing needs.

The following sections summarize the ways which service can be delivered more efficiently and effectively in ways that are sensitive and responsive to the community's needs, maximize productivity, direct service hours effectively, control operating costs, and achieve optimum revenue hours. The observations garnered during the review process are categorized as *Best Practices* or *Items to Address in the Action Plan*. Best Practices are those exceptional current practices that are beneficial and should be continued or expanded.

Items to Address in the Action Plan are recommendations which have the potential to maximize productivity, to direct service hours effectively, to control operating costs, and to achieve optimum revenue levels which will enhance the system's future performance overall for one or more of the Act 44 fixed-route performance factors. For the convenience of EMTA, Action Plan templates have been included in this document (pp. 34-38). It should be noted that specific actions may partially address the broadly noted opportunities for improvement found in the "**General Findings**" (pp. vi-viii). Some actions will be quickly implementable while others may take several discrete steps to achieve over a longer period of time. The template does however provide 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

Act 44 defines "passengers" as unlinked passenger trips, or passenger boardings, across all routes in the fixed-route transit system. Increases in ridership directly represent how effectively management has matched service levels to current demand for service.

BEST PRACTICES

1. There are several new immigrant communities in Erie including Nepalese for whom EMTA produces materials in the native language. Being aware of and responding to changes in the marketplace will keep EMTA relevant to all its potential customers.

ELEMENTS TO ADDRESS IN PART 2-A OF THE ACTION PLAN (SEE P. 35)

1. EMTA does not regularly conduct surveys of riders and non-riders. It does send out surveys to some agencies but this does not appear to be well-tracked or well-documented. EMTA should **develop a program to conduct regular random surveys of riders** to better understand travel patterns, public perception and opportunities for improvement. The results of the surveys should then be used to inform service planning. Additionally, EMTA should explore the opportunity to conduct non-rider surveys, in coordination with the local MPO, so that new or emerging travel markets can be better understood.
2. While EMTA conducts marketing activities, it does not have a dedicated marketing budget. **An annual marketing budget should be established** and used to promote EMTA's services throughout the region so that the cost of marketing is known and those resources can be used to their maximum effect.
3. EMTA does not provide convenient service to the area's major shopping mall and reports that past efforts to provide marketing materials, schedules and signage to the mall have not been successful. EMTA's marketing staff indicates that mall management states that it does not

want buses in the immediate area as it perceives them to be a deterrent to sales. EMTA management and Board members **should engage mall management to find an acceptable way to provide direct access to the mall.**

4. EMTA does not have an annual or periodic process to assess route productivity and efficiency. This type of assessment is typically conducted during the development or update of a transit development plan (TDP). EMTA should **update its TDP** to determine the productivity of EMTA fixed-route services and assess whether the geographic distribution of service (e.g., between the downtown and the suburbs) and the span of service (e.g., on weekends and weekday evenings) is optimal.
5. EMTA lacks AVL or other similar technologies to track on time performance for most of its routes except for the downtown trolley. On-time performance is a major indicator of reliability and important to overall customer satisfaction. Management should **monitor on-time performance** in a cost effective manner, **establish on-time performance standards** and track trends to insure schedule adherence.
6. EMTA does not conduct direct mail campaigns. Such campaigns typically offer marketing to residents that live along routes to raise awareness of the available service and to provide incentives for these individuals to ride EMTA. Many systems have found this to be a very cost effective tool to help increase ridership. Management should **assess the potential of targeted direct marketing** to increase ridership on corridors where it already provides service.
7. EMTA currently lacks formal, routine, and proactive ways to incorporate customer feedback into the fixed-route service delivery decision-making process. Such feedback can better inform both the community and EMTA so that passenger needs and service are optimized with respect to one another. **EMTA's management and the Board should introduce formal mechanisms** that provide regular feedback on topics that are of concern to customers via a **standing citizens' advisory committee**. The committee should advise EMTA from a passenger's perspective on a variety of topics including service changes, fare changes, branding, community outreach, outreach to employers, and customer satisfaction.

OPPORTUNITIES TO INCREASE FIXED-ROUTE REVENUES

Act 44 defines “revenues” as all non-subsidy revenues generated to help fund the operation of a transit system. The largest contributors to this are typically farebox revenues, route guarantees, interest on accounts, and advertising revenues.

ELEMENTS TO ADDRESS IN PART 2-B OF THE ACTION PLAN (SEE P. 36)

1. Base fixed-route fares were last increased in 1997. EMTA is completing a fare study and is expecting to increase fares modestly in 2014. EMTA should adopt a **formal fare recovery policy** and regularly review fare levels to assure that they are periodically adjusted to keep pace with increases in operating expenses.
2. The public school tripper service constitutes about 30% of vehicles operated in maximum service (VOMS). This service appears to be subsidized by public transportation dollars with the fare recovery “in line” with the general fixed-route recovery ratio. EMTA **should explore**

ways to increase the City's contribution to cover a greater proportion of the actual cost of tripper service delivery.

OPPORTUNITIES TO CONTROL OPERATING COSTS

Act 44 defines “operating costs” as the non-capital costs incurred in the day-to-day operations of a transit system. Labor, maintenance, and operating costs such as fuel, tires and lubricants contribute to this measure in significant ways. Many transit agencies have noted cost increases much higher than the general rate of inflation. Compounding this is the reality that operating subsidies are not likely to increase at a comparable rate. Controlling operating cost increases is one key to maintaining current service levels.

ELEMENTS TO ADDRESS IN PART 2-C OF THE ACTION PLAN (SEE P. 37)

1. Driver overtime costs appears to be high (i.e., greater than 10% of labor costs). Overtime for drivers is based on an 8 hour day overtime rule per the collective bargaining agreement (CBA). Many CBAs have a 40 hour overtime. **Management should attempt to negotiate a 40 hour overtime rule and greater use of part-time drivers** the next time the CBA is negotiated so as to better contain overtime costs.
2. There appears to be little communication between the finance group and other departments within EMTA as many department heads were not aware of their budgets during the onsite interviews. While it isn't necessary for the independent department heads to assist in the budget development in an agency of EMTA's size, **department managers should be made aware of their budget and their progress tracked to meeting it.**
3. EMTA lacks a current cost allocation study. As such, it is unclear if costs are being borne accurately between the fixed-route, shared-ride and non-public transportation services. Management should **periodically conduct a cost allocation study** to ensure that program costs are borne appropriately amongst the services it provides.
4. Scheduling is completed manually by operations management. The CBA has many provisions that make scheduling more complex and less cost-effective than it might be otherwise. These complexities have resulted in arbitration. **Management should evaluate the potential cost savings of using software to do run cutting.** Such software would allow management to develop schedules optimized to reflect seasonal variation in demand such as when schools are out for the summer. It would also help management identify the cost of specific provisions in the CBA. Computerized scheduling can be conducted in-house or outsourced depending on which approach management finds most cost effective.
5. EMTA's average fixed-route fleet age is high, 9.5 years, as compared to the transit industry average of 6 years. To some extent, the age of EMTA's fleet is a conscious decision to keep older vehicles for use in tripper service. However, older vehicles have higher average maintenance costs. EMTA should **assess all of its capital needs and find the optimal timing for fleet replacement.**
6. EMTA management reports attendance issues with drivers. **Management should examine the range of tools at its disposal**, such as attendance bonuses, that can be used **to encourage better driver attendance** as this may reduce the need to maintain a large extraboard.

OTHER FINDINGS THAT IMPACT OVERALL AGENCY PERFORMANCE

“Other Findings” is a collection of findings from the functional review that may, if addressed, improve current or future operations. While not directly tied to Act 44 measures, actions to address these findings will result in a more seamless operation and greater operational efficiencies.

BEST PRACTICES

1. EMTA’s current management has encouraged the development of working relationships between senior staff and the Board. Such relationships give Board members better insight into agency operations and help senior staff gain insight into issues important to the Board.
2. EMTA routinely trains local first responders whenever new equipment is purchased. Training is conducted with the fire department, police, and bomb squads. By closely working with local first responders, EMTA increases passenger safety.
3. The Executive Director recognizes the importance of and encourages good relations with the community and major employers. Maintaining strong relationships with the community and major employers helps EMTA make the case for local matching funds and provides additional opportunities to promote good public relations.

ELEMENTS TO ADDRESS IN PART 3 OF THE ACTION PLAN (SEE P. 38)

1. EMTA’s charter expires in two years. EMTA’s Board should **develop a strategy to promptly renew the charter** as the ability for EMTA to enter into contracts (e.g., union, facilities construction, fuel, tires, etc.) could be at risk.
2. EMTA’s Board has several committees that meet on the same day, just prior to the regularly scheduled Board meeting. Due to the complexity of many issues such as budgeting and human resources, **the committees should evaluate the potential benefits of meeting on different dates** so that members can be assured they have adequate time to fully vet what are often complex issues.
3. While Erie has a Strategic Plan, it is incomplete and does not appear to be used to guide day-to-day decision-making. EMTA **should update its Strategic Plan** to incorporate service standards, targets and thresholds.
4. The issues and challenges confronting the oversight and day-to-day management of transit agencies are constantly changing. **All Board members and management should make plans to attend PennTRAIN⁷ Board training** at least once every few years. In this way, the Board and management will have a common understanding of their respective roles and a better understanding of ways to effectively oversee and manage the agency.
5. EMTA recently (within the last 4 months) started conducting monthly staff meetings. Such meetings help morale and remove barriers to communication that periodically arise. **Management should expand the scope of these staff meetings to address performance standards and budget matters as they relate to each department.**

⁷ See <http://www.penntrain.net/> for more information.

6. **EMTA should conduct annual employee satisfaction surveys** to help identify potential personnel-related issues that need to be resolved and to enhance employee performance, retention and satisfaction.
7. EMTA lacks an employee handbook and current job descriptions for most positions. Employee handbooks are helpful for new hires by clearly spelling out policies. Current job descriptions facilitate succession planning and help experienced staff who fill roles on a temporary basis due to the unexpected absence of an employee. **EMTA should develop and periodically update an employee handbook and job descriptions** for all key positions. Employees should be provided a copy of the employee handbook and their job description so that management and employees both have a clear understanding of expectations and responsibilities.
8. It is recommended that **EMTA develop a formal succession plan** as an abrupt change in management could have a negative impact on EMTA's day-to-day operations. Cross training of important functions should be one element of the succession plan so that unexpected or long-term absences do not cause disruptions in key agency functions.
9. None of EMTA's employees receive employee performance reviews. Employee performance reviews are typically tied to job descriptions and provide an effective means to facilitate communication between employees and their managers regarding expectations and challenges. **EMTA should implement periodic (at least annual) employee performance reviews of all positions** at the first opportunity after concise job descriptions are developed.
10. There is no formal time period when budgeting occurs at EMTA. It has ranged from April to June in recent years. Further, the impacts of the new maintenance facility on operating costs have not be fully recognized in EMTA's current budget. **Management should implement a formal budgeting period and process** that incorporates feedback from all department heads and that addresses the implications of EMTA's capital investment strategy (e.g., new maintenance facility, deferred vehicle replacement, etc.).
11. EMTA does not have a formal variation threshold to investigate fare box discrepancies. As part of its overall quality assurance process, **management should establish a farebox discrepancy threshold** that, when exceeded, would trigger a set of procedures to isolate and remedy the source of the discrepancy.
12. EMTA has had its current solicitor (attorney) for many years and does not have a formal contract. Like all professional services contracts, **the solicitor contract should be formalized and competitively bid at least once every five years** in order to ensure the Board that it is getting the best value from this contracted professional services function.
13. EMTA has started construction on a new facility which will house fixed-route and paratransit (LIFT) divisions. Currently, the two divisions are housed in separate facilities a mile or so apart. The new facility is being sized to their current fleet with no additional capacity. Given the increasing demand for shared-ride service in particular, **EMTA should assess its long-term vehicle storage needs** before fully committing to the design of Phase II construction.

14. Inventory is not secured or monitored via security cameras and is distributed throughout the fixed-route facility. The new **maintenance facility plans should be reviewed to make sure it has a level of security** for the parts room that is consistent with the value of the parts it stores.

15. **EMTA's shared-ride brochures should be checked for accuracy and updated as appropriate.** Brochures available on the EMTA website and in the LIFT lobby have the MATP mileage reimbursement at \$0.25/mile, not the DPW required \$0.12/mile.

FINANCIAL REVIEW

In an era of increasing costs and limited funding opportunities, many transit agencies are entering a difficult period. Many are pressed to reduce service while increasing fares to make ends meet. It is in the interest of the Commonwealth to monitor the financial health of transit agencies before manageable financial problems become much larger challenges. With almost 40 transit agencies in the Commonwealth funded by Act 44, PennDOT needs information to assess financial difficulties so a corrective course of action can be taken before financial challenges seriously impede the ability of local transit agencies to deliver service.

The challenge in assessing the “financial health” and trajectory of transit agencies without first-hand knowledge of day-to-day operations is that much of the information regarding financial indicators is often dated and relies on “end of year” indicators. Furthermore, costs, such as fuel, can vary widely year-to-year or even week-to-week. Funding sources, while more predictable, can change depending on the availability of federal funds, tax collections or funding formulae.

This financial review focuses on “high-level” snapshot and trend indicators to determine if additional scrutiny is warranted by reviewing audited information, other financial reports and budgets. The review assesses the following:

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

HIGH-LEVEL INDICATORS OF FINANCIAL HEALTH

Several high-level indicators of financial health and stability have been examined to determine EMTA’s current state. As shown in **Exhibit 16**, EMTA is not in line with industry goals and targets for all high-level financial indicators. Non-capital cash reserves are very low and are a cause for concern. Capital cash reserves have increased in recent years in response to a need to fund the construction of a new facility that will house both the fixed-route and paratransit (LIFT) divisions. Those funds, which are committed to be expended, provide the source of short-term cash as operating reserves are very low. Management will need to closely monitor EMTA’s cash position as 1513 state operating reserves are much lower than seen in similar-sized transit agencies in the Commonwealth.

Accounts payable and receivable amounts are negligible. EMTA has a small (\$100,000) line of credit that can be used for operating or capital needs. The line of credit remains unused.

Exhibit 16: High-level Financial Indicators

Indicator	EMTA Value ⁸	Assessment Criteria / Rationale	Source
Non-capital Cash Reserves / Annual Operating Cost	3.9%	The combined target should be 25%+. This provides flexibility to account for unexpected cost increases or service changes.	FYE 2013 Audit and dotGrants
State Carryover Subsidies / Annual Operating Cost	2.5%		
Credit available/ Annual Payroll	0.8%		
Actual Local Match / Required Match	100.0%	Target 100%+. Local match that exceeds required minimums gives a transit agency flexibility to change service and to accommodate unexpected cost changes.	dotGrants
Accounts Payable (AP) 90+ days	0.0%	Target should be 0% over 90 days. Larger values indicate cash flow concerns.	AP Aging Report (3/6/14)
Accounts Receivable (AR) 90+ days	0.0%	Target should be 0% over 90 days. Larger values can cause cash flow problems.	AR Aging Report (3/6/14)
Operating Debt / Annual Operating Cost	0.0%	Target should be 0%. Low debt amounts reduce borrowing costs.	FYE 2013 Audit

EMTA receives local contributions that amount to 4.4% of operating costs which equates to an 8.8% match of local funds to state funds (FYE 2013). Local matching funds are sponsored by the local municipalities in EMTA's service area.⁹ In coming years, due to Act 44 requirements, local contribution amounts will steadily increase. Management reports concerns with finding sufficient local match as the City of Erie fiscally challenged. Erie County is in a much stronger financial condition than the City due to revenues from a new casino and may be in a better condition to provide local match.

⁸ Values reported as end of reporting period balances.

⁹ For FYE 2013, the following are the sources of operating fund local match per the Annual Financial Audit Schedule 1: City of Erie (\$250,000), Erie County (\$350,600), Millcreek Township (\$20,000), Washington (\$93,000), North East Township (\$35,000), and advertising (\$32,397).

TOTAL PUBLIC TRANSPORTATION OPERATIONAL EXPENDITURES AND FUNDING

As shown in **Exhibit 17**, EMTA public transportation has grown from a \$15.5 million per year operation in FYE 2008 to a \$16.9 operation in FYE 2013, an 8.9% increase. Approximately 77.1% of EMTA’s net operational expenses are for fixed-route service. The remaining operational expenses are for ADA complementary and shared-ride paratransit service (22.9%), as shown in **Exhibit 18**.

EMTA’s operational funding comes from a variety of sources including state funds, federal funds, local funds and passenger fares. EMTA has used federal funds to finance both its fixed-route and ADA paratransit operations (**Exhibit 19**). Passenger fares and other revenues are an important share of total revenue, accounting for approximately 36% of operating income. State funding remains the largest funding source for EMTA (**Exhibit 20**) accounting for about 42% of total operating income. Local funding is in line with Act 44 requirements. About 4.5% of total operational funding comes from local subsidies.

Exhibit 17: Public Transportation Operating Expense by Service Type (FYE 2008 – FYE 2013)

Expense by Service Type	FYE 2008	FYE 2009	FYE 2010	FYE 2011	FYE 2012	FYE 2013
Fixed Route	\$11.0	\$11.8	\$12.0	\$12.5	\$12.6	\$13.0
Paratransit	\$4.5	\$4.4	\$4.2	\$4.0	\$3.9	\$3.9
Total (\$ millions)*	\$15.5	\$16.2	\$16.2	\$16.5	\$16.5	\$16.9

* May not add due to rounding

Exhibit 18: Share of Public Transportation Operating Expenses by Service Type

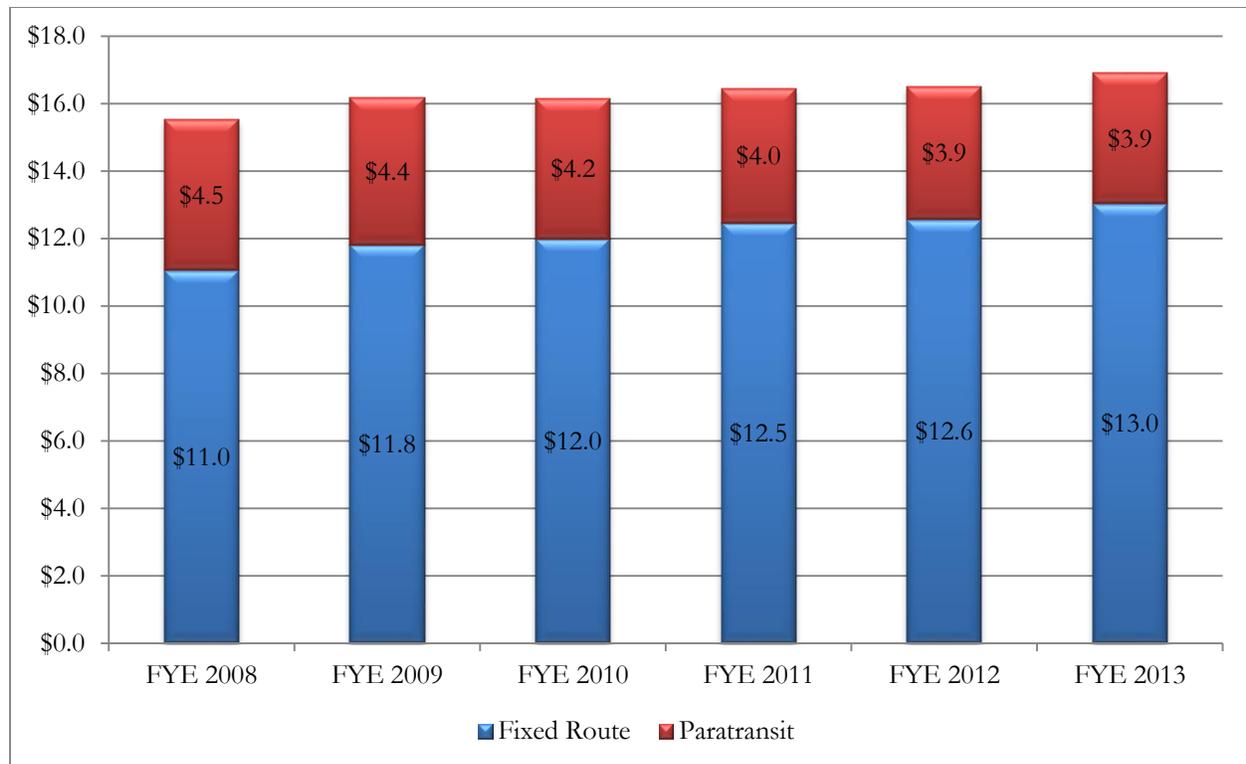
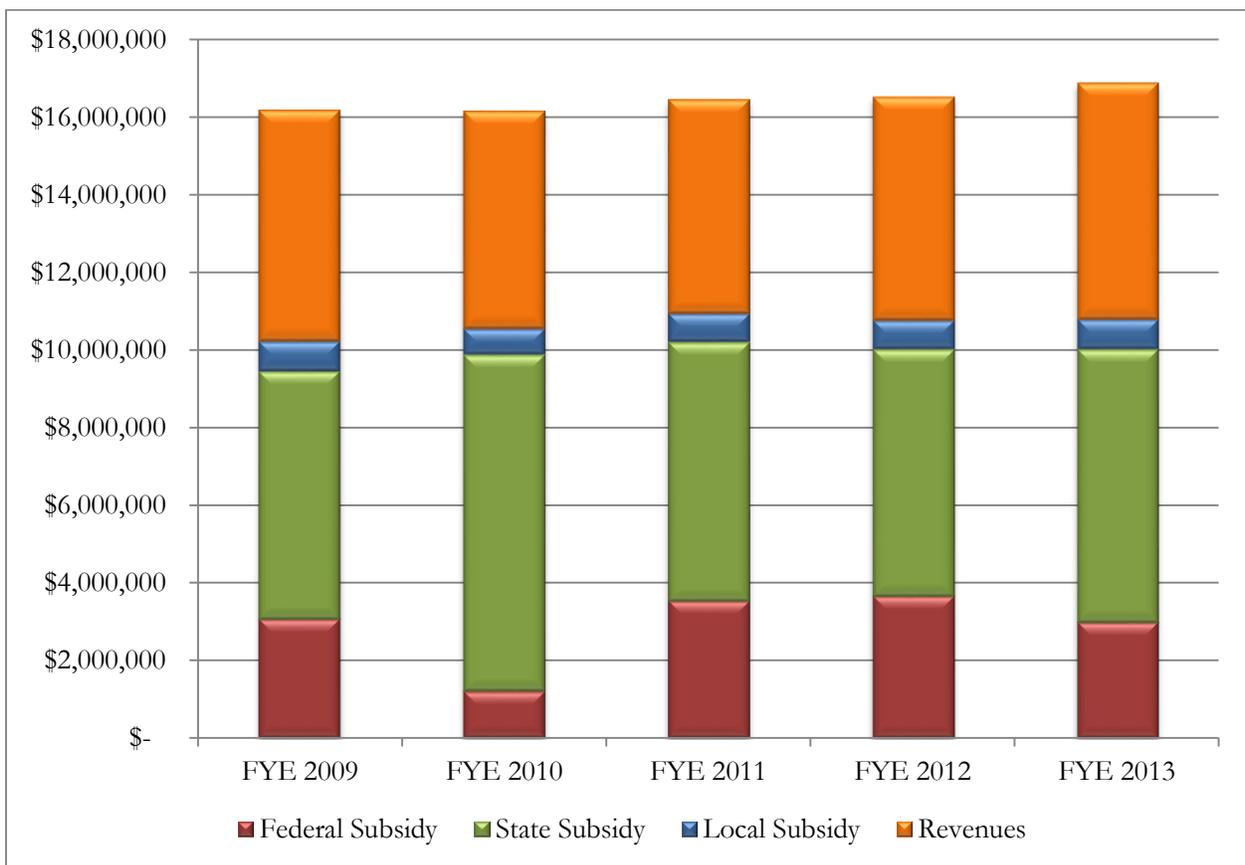


Exhibit 19: Public Transportation Operational Funding by Source (FYE 2009 – FYE 2013)

Share of Funding	FYE 2009	FYE 2010	FYE 2011	FYE 2012	FYE 2013
Federal Subsidy	18.9%	7.5%	21.4%	22.1%	17.6%
State Subsidy	39.6%	53.7%	40.6%	38.6%	41.8%
Local Subsidy	4.8%	4.2%	4.5%	4.5%	4.5%
Other Subsidy (Misc.)	0.0%	0.0%	0.0%	0.0%	0.0%
Revenues (Non-Subsidy)	36.7%	34.7%	33.5%	34.8%	36.1%
Local Subsidy / State Subsidy	12.2%	7.7%	11.0%	11.6%	10.8%

Exhibit 20: Public Transportation (Fixed-Route + Paratransit) Operational Funding



FIXED-ROUTE FUNDING

EMTA's historic and proposed fixed-route funding is derived from general revenues and government subsidies. Direct Passenger fares have covered between 12.26% and 21.8% of total operating revenues (**Exhibit 21**). The sudden drop in passenger fares in 2013 is the result of reclassifying school contract revenue to route guarantee from the way it was reported, as passenger fare, in previous years.

Based on the FYE 2009 to FYE 2013 dotGrants reporting, EMTA operated using current year funding with excess funding being "carried over." No unspent local carryover match funds were available for carryover at the end of FYE 2013. State Section 1513 carryover increased from \$0 in FYE 2011 to \$416,511 in FYE 2013.

Exhibit 21: Fixed-Route Funding

Funding Category ¹⁰	FYE 2009	FYE 2010	FYE 2011	FYE 2012	FYE 2013
Revenues					
Passenger Fares	\$2,616,957	\$2,590,731	\$2,460,744	\$2,546,059	\$1,642,493
Advertising	\$18,678	\$36,835	\$0	\$0	\$74,205
Charter	\$0	\$0	\$0	\$0	\$0
Route Guarantee	\$0	\$0	\$0	\$0	\$1,062,689
Other Contract	\$216,974	\$359,637	\$633,569	\$102,106	\$708,339
Other Interest	\$0	\$0	\$0	\$1,717	\$0
Reconciling Items ¹¹	-\$221,207	-\$361,314	-\$575,477	\$21,897	-\$417,414
Subtotal	\$2,631,402	\$2,625,889	\$2,518,836	\$2,671,779	\$3,070,312
Subsidies					
Federal Operating Grant	\$2,995,059	\$964,360	\$3,304,552	\$3,088,554	\$2,423,961
Act44 (1513) State Prior	\$825,041	\$1,818,605	\$0	\$0	\$398,822
Act44 (1513) Current	\$4,250,672	\$6,564,618	\$5,828,143	\$5,947,311	\$6,167,651
Municipal Prior	\$87,661	\$0	\$0	\$0	\$0
Municipal Current	\$642,529	\$674,655	\$719,584	\$722,426	\$748,600
Act 44 (1513) Advertising	\$0	\$0	\$4,978	\$21,381	\$32,397
Act3 BSG Grant (State)	\$285,475	-\$763,705	\$0	\$0	\$0
Act3 BSG Grant (Local)	\$9,844	-\$26,335	\$0	\$0	\$0
Special-(Federal)	\$63,720	\$92,700	\$59,199	\$112,070	\$129,302
Special-(State)	\$0	\$0	\$1,902	\$1,728	\$51,402
Special (Local)	\$12,730	\$23,175	\$12,898	\$16,499	\$11,743
Subtotal	\$9,172,731	\$9,348,073	\$9,931,256	\$9,909,969	\$9,963,878
Total Funding	\$11,804,133	\$11,973,962	\$12,450,092	\$12,581,748	\$13,034,190
Revenues/ Total Funding	22.3%	21.9%	20.2%	21.2%	23.6%

¹⁰ Source: PennDOT dotGrants Reporting System

¹¹ Reconciling items are insurance rebates removed from income and expenses (i.e., cost net of rebates).

PARATRANSIT FUNDING

Paratransit funding is about 23% of EMTA's public transportation operation and consists of shared ride, MATP, PwD and ADA complementary services. State operating subsidies, federal subsidies and passenger fares are used to finance paratransit operating costs (**Exhibit 22**). The paratransit program has declined from \$4.4 million in FYE 2009 to \$3.9 million in FYE 2013. Most of the decline is attributable to decreases in Lottery and MATP funding.

Exhibit 22: Non-Fixed Route (Paratransit) Funding

Funding Category ¹²	FYE 2009	FYE 2010	FYE 2011	FYE 2012	FYE 2013
Revenues					
1 Passenger Fares	\$193,706	\$158,303	\$165,730	\$143,521	\$141,573
2 Advertising	\$0	\$0	\$0	\$0	\$0
3 Lottery	\$1,137,858	\$1,086,210	\$966,974	\$953,222	\$959,208
4 PwD Reimbursement	\$105,880	\$93,504	\$150,378	\$193,198	\$191,251
9 AAA	\$144,819	\$139,653	\$120,133	\$115,292	\$121,677
10 MH/MR	\$2,927	\$1,183	\$0	\$0	\$0
11 W2W	\$0	\$0	\$0	\$0	\$0
12 MATP	\$1,558,571	\$1,436,614	\$1,508,217	\$1,514,027	\$1,465,539
13 Other- Human Services	\$21,943	\$56,057	\$83,034	\$153,154	\$104,541
14 Other- County Fuel	\$0	\$1,204	\$0	\$0	\$3,175
15 MATP Admin	\$141,612	\$0	\$0	\$0	\$30,000
16 Other Interest	\$1,225	\$719	\$423	\$488	\$629
Subtotal	\$3,308,541	\$2,973,447	\$2,994,889	\$3,072,902	\$3,017,593
Subsidies					
1 Federal Operating Grant	\$0	\$154,700	\$164,182	\$453,607	\$423,709
2 Act 44 (1513) State Prior	\$320,685	\$1,049,395	\$844,301	\$0	\$0
3 Act 44 (1513) State Current	\$0	\$0	\$0	\$420,541	\$428,108
10 Act 3 BSG Grant (State)	\$714,525	\$0	\$0	\$0	\$0
11 Act 3 BSG Grant (Local)	\$24,639	\$0	\$0	\$0	\$0
Subtotal	\$1,059,849	\$1,204,095	\$1,008,483	\$874,148	\$851,817
Total Funding	\$4,368,390	\$4,177,542	\$4,003,372	\$3,947,050	\$3,869,410

BALANCE SHEET FINDINGS

Review of balance sheets from EMTA shows that the agency typically maintains small cash reserves (**Exhibit 23** and **Exhibit 24**) amounting to 11.3% of annual operational expenses in FYE 2011. This margin between current assets and liabilities is much smaller than seen in many other transit agencies in the Commonwealth. It decreased substantially in FYE 2013. The accounts payable and governmental advances amounts shown are largely for ongoing construction activities related to the new joint facility. EMTA maintains a small (i.e., \$100,000) line of credit to cover either major capital or operating expenses.

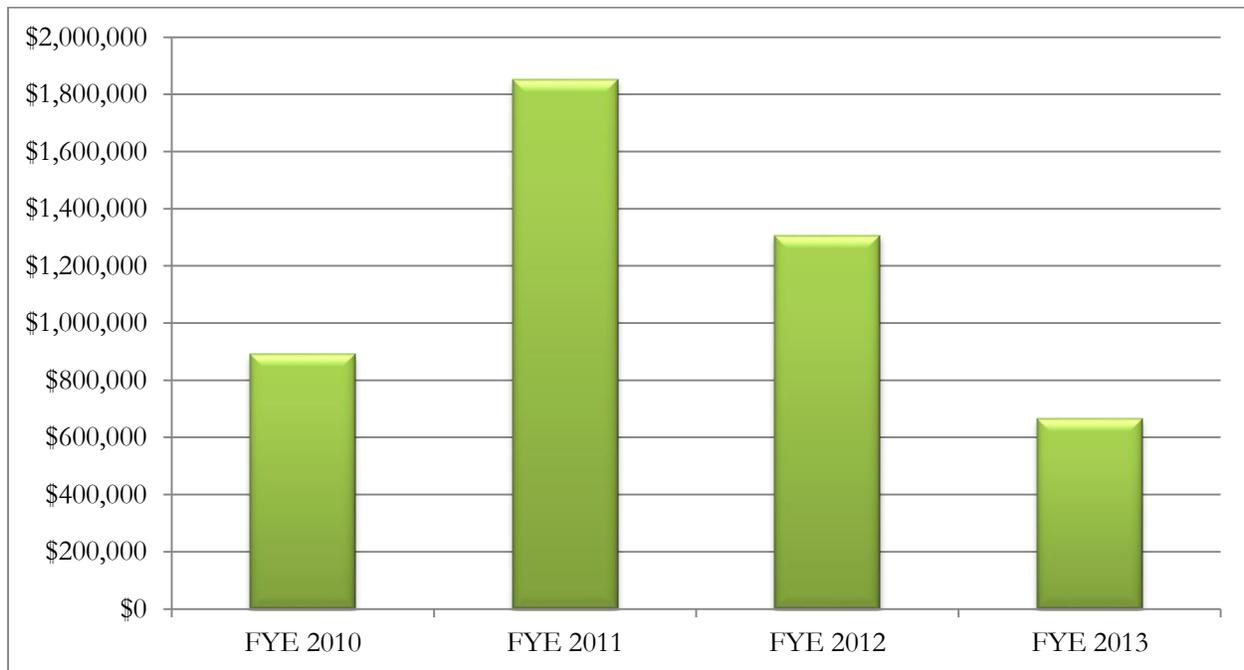
¹² Source: PennDOT dotGrants Reporting System

Exhibit 23: Balance Sheet Summary (FYE 2010 – FYE 2013)

Balance Sheet Report	FYE 2010	FYE 2011	FYE 2012	FYE 2013
Operating Cash Equivalent Balance	\$891,446	\$1,852,587	\$1,307,336	\$664,390
Investments	\$298,255	\$298,557	\$298,712	\$640,727
Grants Receivable (including capital)	\$3,688,565	\$1,223,628	\$2,986,447	\$4,227,612
Other Accounts Receivable	\$167,859	\$201,447	\$176,302	\$154,020
Inventory Value	\$250,553	\$268,298	\$287,663	\$269,093
Prepaid Expenses	\$395,747	\$193,380	\$178,565	\$167,514
Accounts Payable (including capital)	\$2,303,850	\$215,931	\$289,662	\$3,511,556
Accumulated Absences/Payroll	\$1,272,980	\$1,398,903	\$1,686,868	\$1,497,289
Governmental Advances	\$723,290	\$543,339	\$565,732	\$45,803
Deferred Other Revenue	\$17,255	\$17,475	\$168,403	\$69,146
Unredeemed Tokens, Tickets & Passes	\$186,073	\$150,031	\$154,355	\$149,480
Total Operating Expense	\$16,151,504	\$16,453,464	\$16,506,901	\$16,903,600
Cash Eqv. Bal / Total Operating Exp.	5.5%	11.3%	7.9%	3.9%
Line of Credit / Total Operating Exp.	0.0%	0.0%	0.0%	0.6%
Current Assets	\$5,692,425	\$4,037,897	\$5,235,025	\$11,536,585
Current Liabilities	\$4,503,448	\$2,325,679	\$2,865,020	\$10,686,503
Net Current Assets	\$1,188,977	\$1,712,218	\$2,370,005	\$850,082

Source: Annual Audit Reports and dotGrants

Exhibit 24: End-of-Year Cash Equivalent Balance (FYE 2010 – FYE 2013)



CONCLUSIONS

During the FYE 2009 to FYE 2013 period, the local governments in the EMTA service area have contributed to help cover EMTA's operational funding requirements. EMTA has used all of those contributions, plus advertising revenues, to balance its budget and comply with state requirements. Fixed-route farebox, route guarantee and contract revenues together, as a percentage of operating costs, is in line with that of similar-sized transit systems in the Commonwealth, hovering at around 24% in FYE 2013. Fixed-route full fares are low (i.e., \$1.10) for an urban transit system. EMTA has no available local carryover funds and has been very low carryover state 1513 operating funds. The infusion of funding related to the joint facility construction project makes EMTA appear to be in a better cash position than it actually is in FYE 2013 as those funds, while booked, are unavailable to support EMTA's operating needs. PennDOT and EMTA management should carefully monitor EMTA's net current assets and available cash reserves as the joint facility construction progresses. EMTA management should continue to take appropriate actions such as controlling costs, increasing base fares and increasing carryover reserves to improve EMTA's overall financial health.

APPENDIX A: ACTION PLAN IMPROVEMENT STRATEGIES

PART 1- EXECUTIVE SUMMARY FINDINGS TEMPLATE

IMPROVEMENT OPPORTUNITY	EMTA Actions	Estimated Initiation Date	Estimated Completion Date
Assess and address organizational structure (p. vi)			
Institute a culture of proactive customer service (p. vii)			
Reevaluate the balance of capital and operating needs (p. vii)			
Reduce the barriers between the fixed-route and paratransit divisions (p. vii)			
Develop a strategic IT plan (p. vii)			
Develop performance targets for all key agency functions (p. vii)			

Note: Include additional pages as necessary.

PART 2- ACT 44 PERFORMANCE METRIC FINDINGS TEMPLATES

A. ACTIONS TO INCREASE PASSENGERS / REVENUE HOUR TEMPLATE

Recommendation (page)	EMTA Action	Estimated Initiation Date	Estimated Completion Date
Develop a program to conduct periodic passenger surveys (p. 20)			
Establish an annual marketing budget (p. 20)			
Engage mall management to find an acceptable way to provide direct access to the mall (p. 20)			
Update the TDP (p. 21)			
Monitor, track and report on-time performance (p. 21)			
Assess the potential of targeted direct marketing (p. 21)			
Establish a standing citizens' advisory committee for fixed-route service (p. 21)			

B. ACTIONS TO INCREASE OPERATING REVENUE / REVENUE HOUR TEMPLATE

Recommendation (page)	EMTA Action	Estimated Initiation Date	Estimated Completion Date
Adopt a formal farebox recovery policy (p. 21)			
Explore ways to increase the City’s contribution to tripper service to more fully reimburse costs (p. 21)			

C. ACTIONS TO REDUCE OR CONTAIN OPERATING COST / REVENUE HOUR TEMPLATE

Recommendation (page)	EMTA Action	Estimated Initiation Date	Estimated Completion Date
Attempt to negotiate a 40 hour overtime policy and greater use of part-time drivers in the CBA (p. 22)			
Raise awareness of department heads with respect to EMTA's budget and year-to-date expenditures (p. 22)			
Periodically conduct a cost allocation study (p. 22)			
Evaluate the potential cost savings of using automated run cutting software (p. 22)			
Assess all capital needs and find the optimal timing for fleet replacement (p. 22)			
Find ways to improve driver attendance (p. 22)			

PART 3- OTHER ACTIONS TO IMPROVE OVERALL PERFORMANCE TEMPLATE

Recommendation (page)	EMTA Action	Estimated Initiation Date	Estimated Completion Date
Renew EMTA’s charter (p. 23)			
Evaluate the merits of scheduling Board subcommittee meetings on dates different than those scheduled for regular Board meetings (p. 23)			
Update the Strategic Plan (p. 23)			
Conduct periodic Board training (p. 23)			
Add performance and budget reporting to staff meeting agenda (p. 23)			
Conduct annual employee satisfaction surveys (p. 24)			
Develop employee handbooks for all key positions (p. 24)			
Develop a formal succession plan (p. 24)			
Implement annual employee performance reviews (p. 24)			
Implement a formal budget development period and process (p. 24)			
Establish a formal farebox discrepancy threshold (p. 24)			
Formalize and competitively bid solicitor contract (p. 24)			
Assess long-term vehicle storage needs (p. 24)			
Review parts storage component of maintenance facility design plans (p. 25)			
Verify accuracy of shared-ride program brochures (p. 25)			

