



**FINAL MID COUNTY TRANSIT AGENCY
PERFORMANCE REVIEW REPORT**

MARCH 2013

TABLE OF CONTENTS

LIST OF EXHIBITS.....	II
AGENCY PROFILE	III
EXECUTIVE SUMMARY.....	V
Act 44 Performance Determination.....	v
Financial Review	vi
Functional Review Observations.....	vii
Five-Year Performance Standards.....	viii
Next Steps.....	ix
INTRODUCTION.....	1
Purpose.....	1
Performance Review Process.....	1
Agency Description.....	2
ACT 44 PERFORMANCE ASSESSMENT	5
Peer System Selection.....	5
Act 44 Fixed-Route Comparisons.....	6
Fixed-Route Bus Performance Comparisons.....	7
Five-Year Fixed-Route Performance Standards.....	17
FUNCTIONAL REVIEW	21
Opportunities to Increase Ridership.....	22
Opportunities to Increase Revenues.....	23
Opportunities to Control Operating Costs.....	23
Other Observations that Impact Overall Agency Performance.....	25
SHARED-RIDE REVIEW	29
FINANCIAL REVIEW.....	33
High-Level Indicators of Financial Health	33
Total Agency-wide Operational Expenditures and Funding.....	35
Fixed-Route Funding.....	37
Non-Fixed Route Funding.....	38
Balance Sheet Findings	39
Conclusions	40
APPENDIX A: ACTION PLAN IMPROVEMENT STRATEGIES	41
Part 1- Executive Summary Overarching Themes Template.....	41
Part 2- Act 44 Performance Metric Observations Templates.....	42
Part 3- Other Actions to Improve Overall Performance Template.....	45
APPENDIX B: DOCUMENTATION REQUEST TO EXECUTIVE DIRECTOR.....	47

LIST OF EXHIBITS

Exhibit 1: Fixed-Route Passengers and Revenues, FY 2003-04 – 2009-10	3
Exhibit 2: Fixed-Route Revenue Hours and Operating Costs, FY 2003-04 – 2009-10.....	4
Exhibit 3: Act 44 Performance Criteria Summary Table	7
Exhibit 4: Fixed-Route Passengers per Revenue Vehicle Hour, FY 2008-09.....	9
Exhibit 5: Operating Cost per Revenue Vehicle Hour, FY 2008-09	10
Exhibit 6: Operating Revenue per Revenue Vehicle Hour, FY 2008-09	11
Exhibit 7: Operating Cost per Passenger, FY 2008-09	12
Exhibit 8: Five-Year Trend – Passengers per Revenue Vehicle Hour, FY 2003-04 – 2008-09	13
Exhibit 9: Five-Year Trend – Operating Cost per Revenue Vehicle Hour, FY 2003-04 – 2008-09 ...	14
Exhibit 10: Five-Year Trend – Operating Revenue per Revenue Vehicle Hour, FY 2003-04 – 2008-09	15
Exhibit 11: Five-Year Trend - Operating Cost per Passenger, FY 2003-04 – 2008-09	16
Exhibit 12: Fixed-Route Passengers per Revenue Hour Performance Targets.....	18
Exhibit 13: Fixed-Route Operating Cost per Revenue Vehicle Hour Performance Targets	18
Exhibit 14: Fixed-Route Operating Revenue per Revenue Vehicle Hour Performance Targets	19
Exhibit 15: Fixed-Route Operating Cost per Passenger Performance Targets	19
Exhibit 16: Purchased Cost vs. Purchased Trips	29
Exhibit 17: Mid County FY 2007-2011 Legacy Budgets	31
Exhibit 18: Mid County High-level Financial Indicators	34
Exhibit 19: Mid County Total Operating Expense by Service Type, FY 2006-07 – FY 2011-12	35
Exhibit 20: Mid County Share of Agency-wide Operating Expenses by Mode.....	35
Exhibit 21: Agency-wide Audited Operational Funding by Source, FY 2006-07 - FY 2010-11	36
Exhibit 22: Mid County Agency-wide Operational Funding since Act 44’s Passage	36
Exhibit 23: Fixed-Route Funding.....	37
Exhibit 24: Non-Fixed Route Funding.....	38
Exhibit 25: Mid County Balance Sheet Summary, FY 2007-08 - FY 2010-11	39
Exhibit 26: Mid County End-of-Year Cash Equivalent Value, FY 2007-08 – FY 2010-11	39

AGENCY PROFILE

Agency Name	Mid County Transit Authority (Mid County)		
Year Founded	1975		
Reporting Year	FY 2008-09		
Type of Service Provided	Fixed-Route Bus	Demand-Response	
Service Area (square miles)	24.2	654	
Service Area Population	11,837	72,392	
Vehicles Operated in Maximum Service	4	18	
Annual Revenue Miles of Service	151,577	Total	Live
		351,372	247,089
Annual Revenue Hours of Service	10,753	18,460	13,026
Annual Passenger Trips	53,793	35,119	
Employees	24 total		
Total Annual Operating Cost	\$595,216	\$804,275	
Annual Fare Revenues	\$25,666	\$506,127	
Operating Revenue / Total Operating Cost	3.8%	62.9%	
Administrative Cost / Total Operating Cost	26.46%	22.4%	
Operating Cost / Revenue Mile	\$3.93	Total	Live
		\$2.29	\$3.26
Passengers / Revenue Hour*	5.00	1.90	2.70
Operating Cost / Revenue Hour*	\$55.35	\$43.57	\$61.74
Operating Revenue / Revenue Hour*	\$2.59	\$27.41	\$38.85
Operating Cost / Passenger*	\$11.06	\$22.90	

Source: PennDOT DotGrants reporting system

** Denotes Act 44 Performance Metric for Fixed-Route Bus Service*

Note: Fixed route expenses and revenues have been adjusted to account for reporting inconsistencies and errors.

Note: The contents of this report are believed accurate as of December 6, 2012. Data has been updated to reflect the most current financial statements of Mid County and functional observations are based on on-site interviews in June 2011, updated to reflect the current condition. Any changes made by Mid County after the publishing date are not reflected in the report.

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EXECUTIVE SUMMARY

In July 2007, the Pennsylvania General Assembly passed Act 44, establishing a framework for a transit agency performance review process. The purpose of a review is to assess performance and make transit agencies aware of improvement opportunities. The transit review process is an intense, short-duration effort intended to assess a transit system's efficiency, effectiveness, and best practices.

In June 2011, an Act 44 transit performance review was initiated for the Mid County Transit Authority (Mid County), which operates in Armstrong County. The significant delay in publishing this report results from improvements to the transit performance review process including:

- the addition of the shared-ride review
- inclusion of a financial review with high-level indicators to assess agency financial health,
- development and inclusion of action plan templates designed to provide guidance to transit agencies in developing the Act 44 required action plan.

In addition, data collected for this review was inconsistent throughout the period analyzed, requiring significant time and effort to adjust data where reporting error occurred to ensure proper peer analysis and system assessment.

The performance review considered fixed-route and shared-ride service only. While Mid County's "non-public" transportation service for medical assistance and mental health/mental retardation (MH/MR) were included in the financial indicators section of this report, a full review of this service was not completed. This report addresses Act 44 established performance criteria specifically related to fixed-route bus services – Mid County trends and a comparison of Mid County to peers, targets for future performance (performance reviews are conducted on a five-year cycle), and opportunities for improvement, which should assist Mid County in meeting the future targets. This report also addresses the management and general efficiency and effectiveness of services.

After receipt of this performance review report, Mid County shall develop an action plan which identifies the steps Mid County will take to meet the agreed upon Act 44 performance criteria targets by FY 2015-16. 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 Mid County management and its governing board.

A draft action plan is due to the Department within 60 days of receipt of this report. PennDOT will work with Mid County to agree on a plan which requires Mid County Board approval to be submitted as the final action plan. Mid County must report at least quarterly to the governing body and PennDOT on the progress of the action plan, identifying actions taken to date, and actions to be implemented. Mid County's success will be measured in part on meeting five-year performance targets established through this review (see p. 17).

ACT 44 PERFORMANCE DETERMINATION

Act 44 performance factors were analyzed to quantify Mid County's fixed-route bus performance in comparison to its peer agencies in FY 2008-09 and over a five-year trend period from FY 2003-2004 to FY 2008-09. Peers were selected through an analytical process and were agreed to in advance by

Mid County. Act 44 stipulates that performance metrics be assessed as being either “In Compliance” or “At Risk.” The following criteria are used to make the determination:

- In Compliance if within one standard deviation **above** the peer group average for –
 - Single-year and five-year trend for operating cost per revenue vehicle hour
 - Single-year and five-year trend for operating cost per passenger
- In Compliance if within one standard deviation **below** the peer group average for –
 - Single-year and five-year trend for passengers per revenue vehicle hour
 - Single-year and five-year trend for operating revenue per 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 Mid County is “In Compliance” for all eight criteria for fixed-route bus service.** A summary of the specific Act 44 measures and their values are presented in the following table

Performance Criteria		Determination	Rank (of 10)	Comparison to Peer Avg.	Value	Peer Average
Passengers/ Revenue Hour	2008-09	In Compliance	6	Worse	5.00	6.42
	Trend	In Compliance	5	Better	0.91%	-1.37%
Operating Cost/ Revenue Hour	2008-09	In Compliance	7	Worse	\$55.35	\$53.72
	Trend	In Compliance	8	Worse	4.28%	0.49%
Operating Revenue/ Revenue Hour	2008-09	In Compliance	8	Worse	\$2.59	\$4.40
	Trend	In Compliance	7	Worse	-10.89%	-10.20%
Operating Cost/ Passenger	2008-09	In Compliance	9	Worse	\$11.06	\$9.08
	Trend	In Compliance	8	Worse	3.34%	2.10%

Source: PennDOT DotGrants reporting system and the National Transit Database (NTD)

Although in compliance, Mid County performed worse than the peer group average in seven of the eight criteria. Of particular concern is the increasing operating cost and decreasing operating revenue.

FINANCIAL REVIEW

For the FY 2006-07 to FY 2011-12 period, local entities have contributed between \$24,000 and \$85,000 to help cover Mid County’s operational cost. Mid County’s cash reserves remain below 10% of its total operating budget, raising concerns. Mid County has significant operating debt, which puts it in poor financial condition, and management should actively work to improve Mid County’s fiscal health.

Of particular note is the practice of entering into contracts with service providers for which Mid County reimburses the contractor at a higher rate than the established fare structure. This practice has caused Mid County to pay more per trip to subcontractors than received in subsidies, putting Mid County increasingly in debt. A rigorous analysis must be conducted with respect to contract terms and competitive bidding practices to eliminate the practice in the future.

FUNCTIONAL REVIEW OBSERVATIONS

In addition to the macro-level evaluation of Mid County with regard to the eight Act 44 measures, a functional evaluation of the system was performed to provide more insight into the system. The performance evaluation consisted of additional document reviews, an on-site review, and interviews with key staff.

In accordance with Act 44, observations are categorized as “opportunities for improvement” or “best practices.” Opportunities for improvement identify strategies or approaches that may increase the efficiency, effectiveness, and/or quality of service of the agency as well as general management. Best practices are current practices that have a significantly positive impact on efficiency, effectiveness, and/or quality of service and should be shared with other agencies.

Overarching themes have been developed from specific opportunities for improvement identified for Mid County. These themes represent critical issues that, if remedied, will provide the most impact on Mid County’s performance. Actions to address these themes should be prioritized by Mid County and should guide the development of the action plan required by Act 44, detailed below. Major observations are indicated below; detailed recommendations on how these and other issues identified should be addressed are presented in the body of the report.

BEST PRACTICE

1. **Mid County uses targeted marketing and educational materials for special populations such as persons with disabilities, schools, and senior centers.**

OVERARCHING THEMES

1. **Vision, mission, and strategic goals and objectives** – Mid County does not appear to have an established vision and mission for the agency to guide decisions and organizational changes. The vision and mission should be established by the Governing Board, and should outline a high-level direction for future agency actions. Using the established vision and mission, Mid County should also develop an agency-wide strategic plan with high-level goals and objectives. Strategic plans or similar documents set the direction for all agency activities for a prescribed period, generally five years. These plans are developed at the management and Governing Board level and set specific, measurable activities to improve the agency.

In particular, Mid County should set a strategic direction for the provision of shared-ride service that maximizes service efficiencies and recovers the associated expense through the fare structure. Whether that provision is exclusively direct, purchased, or a combination, fundamental operational changes will be required to achieve a successful outcome.

2. **Performance-based management and data-based decision making** – Decision making at Mid County should be based on meeting the prescribed strategic goals and objectives established by the Governing Board and management. Strategic goals and objectives should also be set for the performance of purchased transportation as well. In order to make sound decisions based on data-driven performance, Mid County should consider:
 - Implementing data collection methodology
 - Establishing standards for key agency functions consistent with the strategic goals and objectives as prioritized locally

- Using standards to guide decision making by management and the board, especially to:
 - Restructure routes
 - Evaluate success of changes to the system
 - Identify problem areas
- 3. **Data integrity** – Mid County should make immediate and permanent improvements to its internal and external reporting process from both a content and data integrity perspective. Inaccurate data causes confusion and false analysis that challenges the decision making process. Accurate internal documents and reports should be maintained, cross-referenced, and shared among Mid County staff regarding trips, expenses, revenue, statistics, and purchased services. As adjustment occurs, reports must be updated accordingly.
- 4. **Financial management** – Poor financial oversight, particularly on the shared ride program, continues to threaten the financial viability of Mid County. Demand-response transportation has been routinely billed below cost and has had a continuing deficit averaging 37% over the previous four fiscal years. In addition, \$285,000 in debt remains to be paid off as of November 2012, with no plans in place to increase revenues or decrease operating cost to help pay for the significant debt burden. Mid County must place an emphasis on fiscal health and responsibility, and immediately establish long-term plans to curb spending, increase revenues, and pay down debt.
- 5. **Management** – Management plays a large role in the stabilization and long-term viability of the agency. Since January 2009, Mid County has had three General Managers, contributing to a lack of consistency and direction for the agency. In addition, the lack of overall management of shared ride service delivery, poor contracts, and poor subcontractor purchased service management over many years has led to significant issues in the shared-ride system.
- 6. **Shared-ride system efficiency** – The shared-ride system routinely runs at a significant deficit, partly due to inefficient system design. At the time of the review, Mid County was providing 17 hours of service during weekdays, and 12 on weekends. While it has been reported that these hours have been reduced since the on-site review, as of the date of this report the public website has not been updated to notify the general public of such changes. In addition, trips are scheduled based on passenger preference, not on syncing available resources with demand and promoting ride sharing to reduce costs. Mid County should review current practices and schedule runs focused on promoting ride sharing, maximizing available resources, reducing costs, and improving cost recovery.

FIVE-YEAR PERFORMANCE STANDARDS

This transit agency performance report outlines critical 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 standards have been established and detailed on page 17. These performance standards are required to comply with Act 44 and represent the minimum performance level that Mid County should achieve for each Act 44 performance criteria during the next review cycle, five years from the date of this report.

Performance targets were created using historical data analyzed during the five-year (FY 2003-04 – 2008-09) trend analysis as well as the most current “DotGrants” information available (FY 2010-11). Standards were extrapolated to FY 2015-16 and are designed to be aggressive, yet achievable, and are summarized below:

Performance Criteria	2008-09 Value	2009-10 Value	2010-11 Value	2015-16 Standard	Average Annual Increase
Passengers / Revenue Hour	5.00	4.73	4.95	5.60	2.5%
Operating Cost / Revenue Hour	\$55.35	\$56.62	\$58.90	\$68.28	3%
Operating Revenue / Revenue Hour	\$2.59	\$2.39	\$3.01	\$3.84	5%
Operating Cost / Passenger	\$11.06	\$11.98	\$11.90	\$12.51	1%

Source: PennDOT DotGRANTS reporting system

NEXT STEPS

Upon final transmission of the performance review report, Act 44 regulations stipulate that Mid County “...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 Mid County 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 Mid County.

The template for the Action Plan has been provided as **Appendix A: Action Plan Improvement Strategies**. This template includes three parts:

- **Part 1- Executive Summary Overarching Themes Template** (p. 41) is where Mid County should address its proposed actions to address the “*Overarching Themes*” in the Executive Summary (pp. vii-viii).
- **Part 2- Act 44 Performance Metric Observations Templates** (pp. 42-44) is where Mid County should address its proposed actions to address the “*Opportunities for Improvement*” that directly affect the Act 44 performance metrics (pp. 22-25).
- **Part 3- Other Actions to Improve Overall Performance Template** (pp. 45-46) should be used to address the “*Opportunities for Improvement*” identified starting on page 25. Management should use the format provided in **Appendix A: Action Plan Improvement Strategies** 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 “Overarching Themes” (pp. vii-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 opportunities for improvement. Mid County must select, prioritize and schedule its intended actions using the template.

Mid County 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 Mid County management and the Department. The finalized Action Plan then must be approved by the Mid County Governing Board and formally submitted to PennDOT. Subsequently, Mid County management must report at least quarterly to the governing body 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 General Assembly passed Act 44, establishing 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 Mid County Transit Authority (Mid County).

Performance reviews are conducted to emphasize the importance of good management, 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 June 2011, a transit agency performance review was initiated for Mid County. The performance review proceeded following the steps outlined below:

1. Initial notification of performance review selection and transmission of document request:
 - Available data was reviewed, and “off-the-shelf” information that may not be publicly available was requested from Mid County.
2. Peer selection:
 - A set of peers used for comparative analysis was jointly agreed upon by Mid County 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 June 1 and 2, 2011.
 - An interview guide customized for Mid County’s service characteristics was used for the review.
 - Topics covered during the interview process included:

▪ Background Information	▪ Operations and Scheduling
▪ Governance	▪ Maintenance
▪ Management	▪ Information Technology
▪ Finance	▪ Customer Service
▪ Procurement	▪ Marketing and Public Relations
▪ Safety and Security	▪ Planning
▪ Human Resources/Labor Relations	▪ Capital Programming

5. A shared-ride review was conducted on February 9-10, 2012. Shared-ride accounts for nearly 60% of Mid County's operation, and a fair assessment could not be conducted without reviewing the shared-ride operations and management.

The significant delay in publishing this report is the result of improvements to the transit performance review process including:

- the addition of the shared-ride review,
- inclusion of a financial review with high-level indicators,
- development and inclusion of action plan templates designed to provide guidance to transit agencies in developing the Act 44 required action plan.

In addition, data collected for this review was inconsistent throughout the period analyzed, and significant effort was made to adjust data where reporting error occurred to ensure proper peer analysis and system assessment.

AGENCY DESCRIPTION

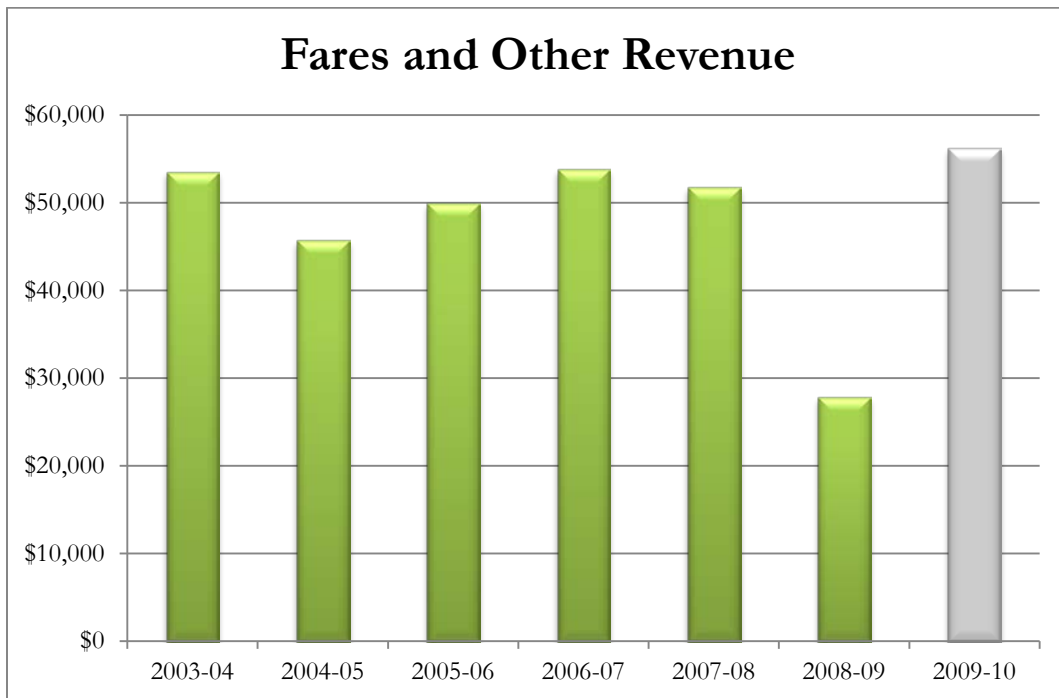
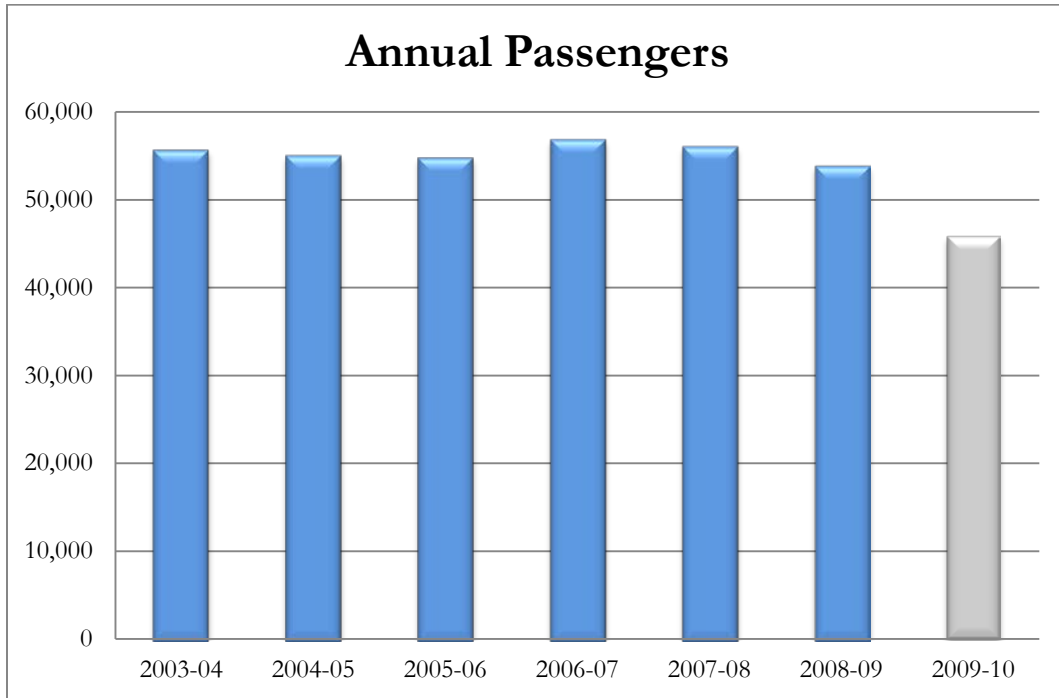
Mid County is a municipal authority, established in 1975, with the full range of powers afforded under the Pennsylvania Municipalities Authorities Act. Mid County was formed by Armstrong County, East Franklin Township, and the Boroughs of Applewood, Ford City, Ford Cliff, West Kittanning, Kittanning, and Manorville. East Franklin Township was not an active participant in the authority for a period of years, but has since rejoined the Board. Manor Township joined the authority in 1998.

The Mid County Board is comprised of members from each municipality, although the Borough of Ford Cliff has informally withdrawn from the agency. Armstrong County contributes a portion of the local funding but is not represented on the Board.

Mid County operates four bus routes from the transit center on McKean Avenue in Kittanning to various locations throughout the Kittanning and Ford City areas. Mid County's fares are based on zones and range from \$1.25 to \$1.50 with \$0.50 transfers.

Exhibit 1 and **Exhibit 2** present fixed-route bus statistics for Mid County derived from PennDOT Legacy Reports (dotGrants). Consistent with the previous five-year analysis requirements of Act 44, information is presented for Fiscal Year (FY) 2003-04 through 2008-09 data, FY 2009-10 data is used for informational purposes only. In developing the performance targets with a FY 2015-16 horizon, FY 2010-11 data from dotGrants was used (comparable information is unavailable for the peer group).

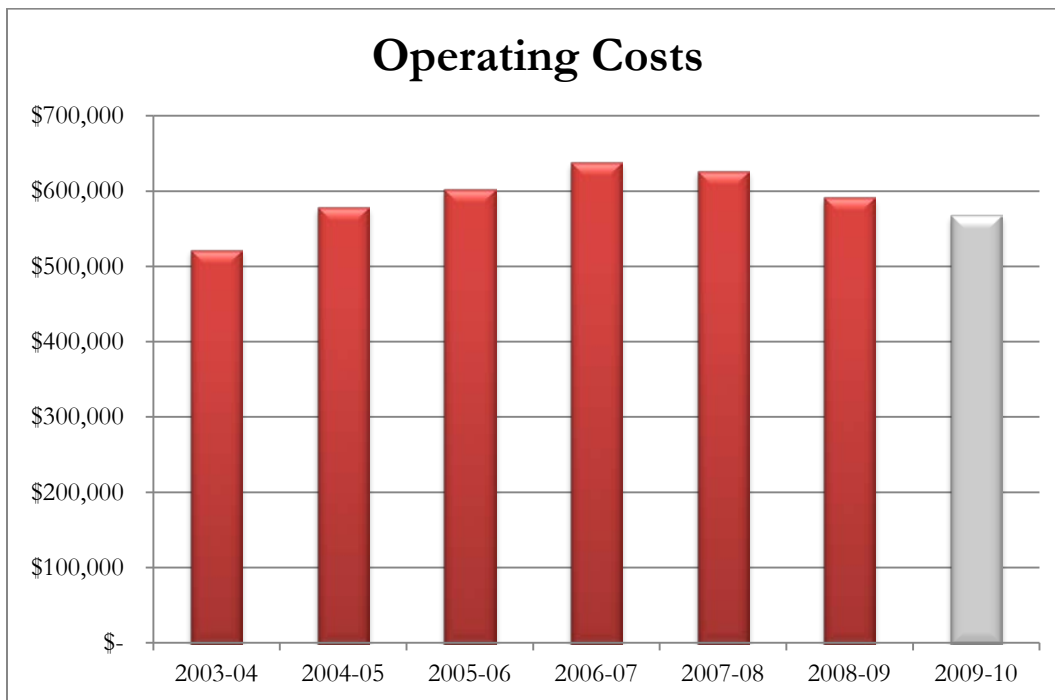
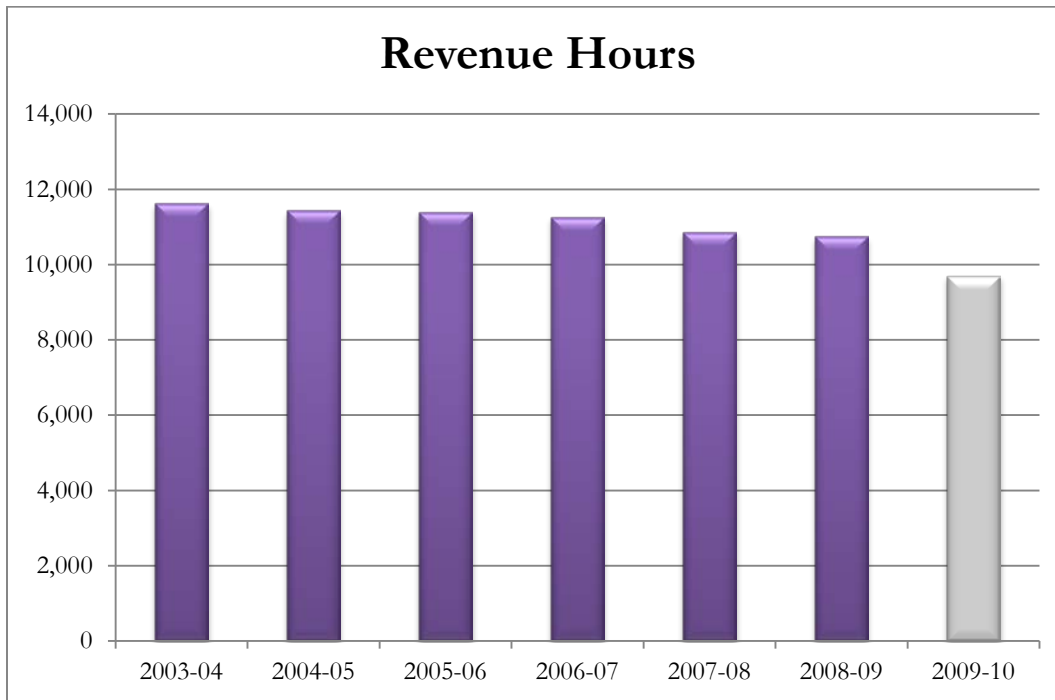
Exhibit 1: Fixed-Route Passengers and Revenues, FY 2003-04 – 2009-10



Source: Legacy Reports, FY 2003-04 – 2009-10 (some adjustments have been made due to incorrect reporting).

Note: FY 2009-10 data is not used for Act 44 analysis and is listed for information purposes only.

Exhibit 2: Fixed-Route Revenue Hours and Operating Costs, FY 2003-04 – 2009-10



*Source: Legacy Reports, FY 2003-04 – 2009-10 (some adjustments have been made due to incorrect reporting).
 Note: FY 2009-10 data is not used for Act 44 analysis and is listed for information purposes only.*

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...”¹

The law sets forth performance criteria to be used to satisfy its objectives:

- Passengers per revenue vehicle hour,
- Operating cost per revenue vehicle hour,
- Operating revenue per revenue vehicle hour,
- Operating cost per passenger, and
- Other items as the PennDOT 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:

- Revenue vehicle hours (car hours for rail and fixed guideway)
- Revenue vehicle miles (car miles for rail and fixed guideway)
- Number of peak vehicles
- 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 performance criteria.

PEER SYSTEM SELECTION

The following list was submitted to Mid County management for review and comment. All nine peer systems, in addition to Mid County, were included in subsequent analyses for peer comparison purposes:

- Dubois, Falls Creek, Sandy Township Joint Transportation Authority (DuFAST), Dubois, PA
- Venango County Transportation, Franklin, PA
- Borough of Mount Carmel, Mount Carmel, PA
- Transit Authority of Warren County (TAWC), Warren, PA
- Twin Cities Area Transportation Authority (TCATA), Benton Harbor, MI
- Brunswick Transit Alternative (BTA), Brunswick, OH

¹ Title 74 Pa. C.S.A. §1513 (e)

- Butler Transit Authority (BTA), Butler, PA
- Port Arthur Transit (PAT), Port Arthur, TX
- Tioga County, Tioga, NY

ACT 44 FIXED-ROUTE COMPARISONS

Mid County was compared to the selected peer systems using two different sources of data depending on system type and location:

- National Transit Database (NTD)
 - All transit systems that receive federal funding as an urban operating system must report to NTD.
- dotGrants
 - All Pennsylvania systems are required to report to PennDOT's dotGrants system.

Public transportation providers are organized into two categories - urban and rural - based largely on service area characteristics as determined by the U.S. Census. Urban transportation organizations receive funding directly from the Federal Transit Administration (FTA), and as a condition of funding must report financial, operating, and other statistics to the National Transit Database (NTD) if qualified by FTA regulations. Rural transportation providers such as Mid County do not submit information directly to NTD. As a result, there is a significant lack of reliable operating statistics for rural systems.

Rural transportation organizations vary widely in service characteristics based on local transportation demands. In Pennsylvania alone, the smallest rural transit agency operates one fixed-route vehicle in maximum operations, while the largest operates 26 vehicles. This wide variance in transportation provided indicates that there are few comparable Pennsylvania rural peers. For this reason, the Act 44 analysis of Mid County supplements rural peers with urban transportation systems that closely match Mid County in operating characteristics.

For all Pennsylvania rural peers and Mid County, dotGrants data was used. For all other systems, NTD data was used for comparison purposes. NTD and dotGrants definitions and reporting statistics are identical, and the data is comparable for the five-year trend analysis window for:

- Passengers per revenue vehicle hour
- Operating cost per revenue vehicle hour
- Operating revenue per revenue vehicle hour
- Operating cost per 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 (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 operation by mode for both directly-operated and purchased transportation.

- Average: Unweighted linear average of all values being measured across all peer transit agencies, including Mid County.
- Standard Deviation: Standard deviation of all values being measured across all peer transit agencies, including Mid County.

Act 44 stipulates that performance metrics be assessed as either “In Compliance” or “At Risk.” The following criteria are used to make the determination:

- In Compliance if within one standard deviation **above** the peer group average for –
 - Single-year and five-year trend for Operating Cost / Revenue Vehicle Hour
 - Single-year and five-year trend for Operating Cost / Passenger
- In Compliance if within one standard deviation **below** the peer group average for –
 - 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 any of the boundaries, it is considered “At Risk” for that criteria and must create an action plan to bring the criteria into compliance prior to the next performance review.

Results of the Mid County analysis and the peer analysis are presented in the Fixed-Route Bus Performance Comparisons section below and are as follows:

Exhibit 3: Act 44 Performance Criteria Summary Table

Performance Criteria	FY 2008-09 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	In Compliance
Operating Cost / Passenger Boarding	In Compliance	In Compliance

FIXED-ROUTE BUS PERFORMANCE COMPARISONS

Data was extracted and summarized for each of the required Act 44 metrics for the nine peer systems plus Mid County. 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 “10th” indicates that it performs the poorest on any given metric.

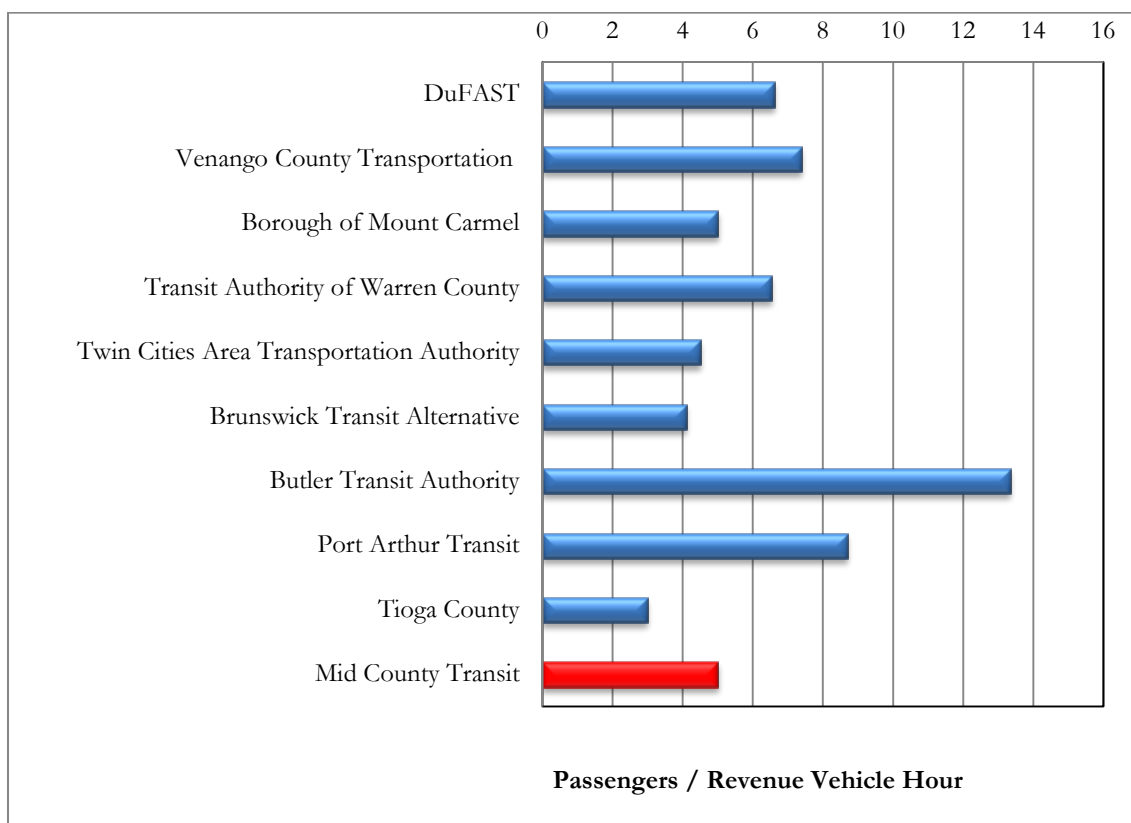
The information presented in the exhibits can be summarized as follows:

- Mid County’s FY 2008-09 **passengers per revenue vehicle hour** ranks 6th out of the 10 transit agencies in the peer group. Passengers per revenue vehicle hour have been slightly increasing over the trend period.

- Mid County's FY 2008-09 **operating cost per revenue vehicle hour** is the 7th most costly out of the 10 peers but is increasing at a rate greater than the peer average.
- Mid County's FY 2008-09 **operating revenue per revenue vehicle hour** is below the peer group average (8th out of 10). The trend between 2004 and 2009 indicates that revenue per revenue vehicle hour is falling at a slightly higher rate than the peer group figure.
- Mid County's FY 2008-09 **operating cost per passenger** ranks 9th out of 10. Mid County's trend indicates that cost per passenger is rising at a slightly higher rate than the peer group average (3.34% and 2.10%, respectively).

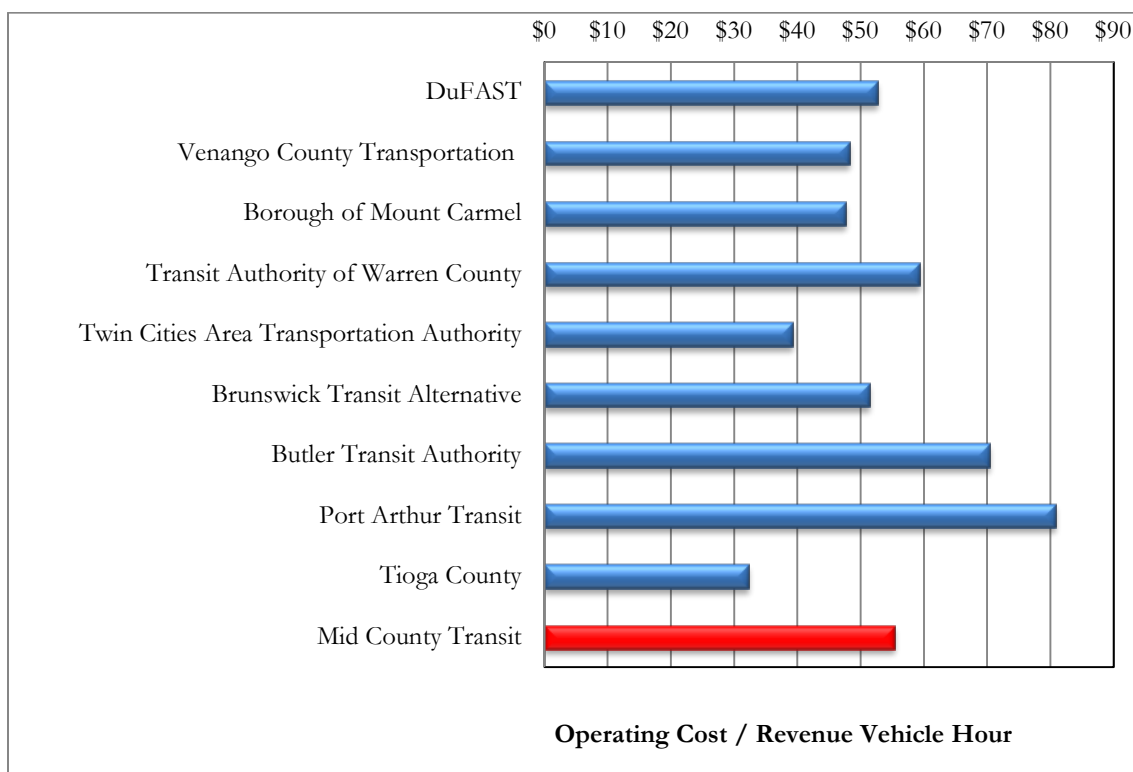
This information provided a basis for further investigation during the on-site interviews and functional area reviews. Those observations are presented in the next section of the report.

Exhibit 4: Fixed-Route Passengers per Revenue Vehicle Hour, FY 2008-09



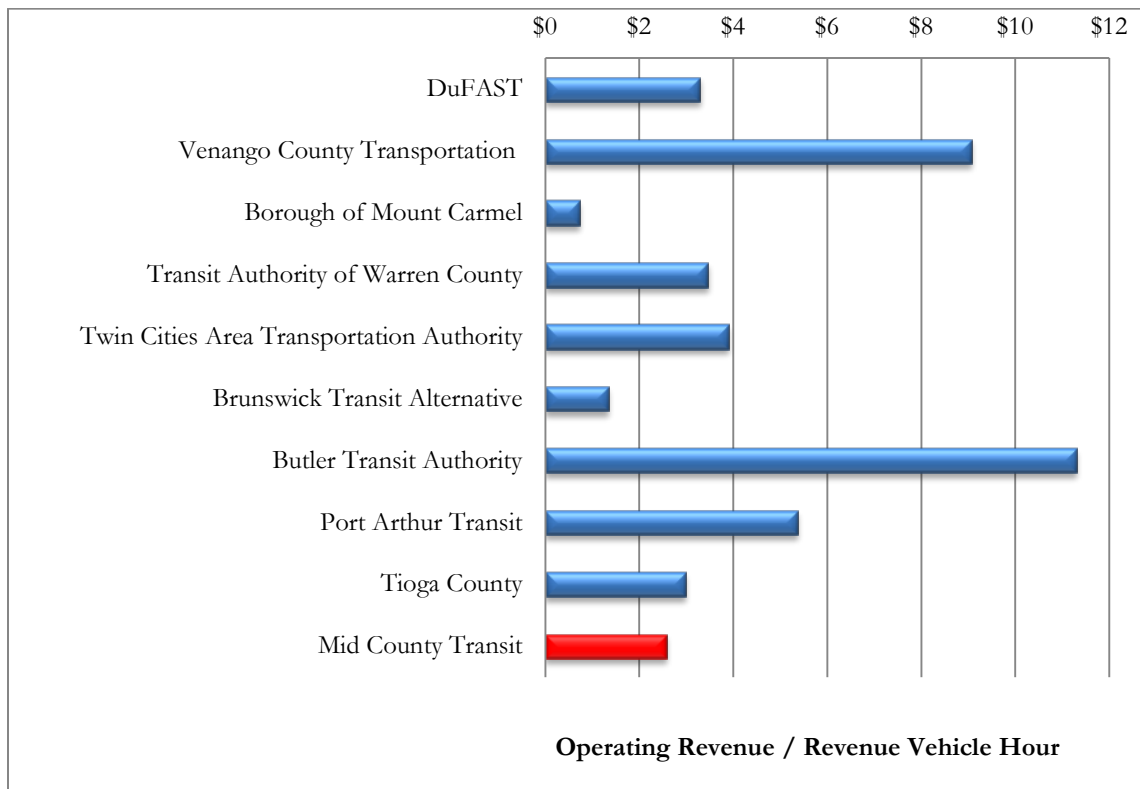
Passengers / Revenue Vehicle Hour		
System	Value	Rank
DuFAST	6.62	4
Venango County Transportation	7.39	3
Borough of Mount Carmel	5.00	6
Transit Authority of Warren County	6.52	5
Twin Cities Area Transportation Authority	4.51	8
Brunswick Transit Alternative	4.10	9
Butler Transit Authority	13.35	1
Port Arthur Transit	8.69	2
Tioga County	2.99	10
Mid County Transit	5.00	6
<i>Average</i>	6.42	
<i>Standard Deviation</i>	2.96	
<i>Average – 1 Standard Deviation</i>	3.45	
<i>Average + 1 Standard Deviation</i>	9.38	
In Compliance with Act 44 Criteria	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 5: Operating Cost per Revenue Vehicle Hour, FY 2008-09



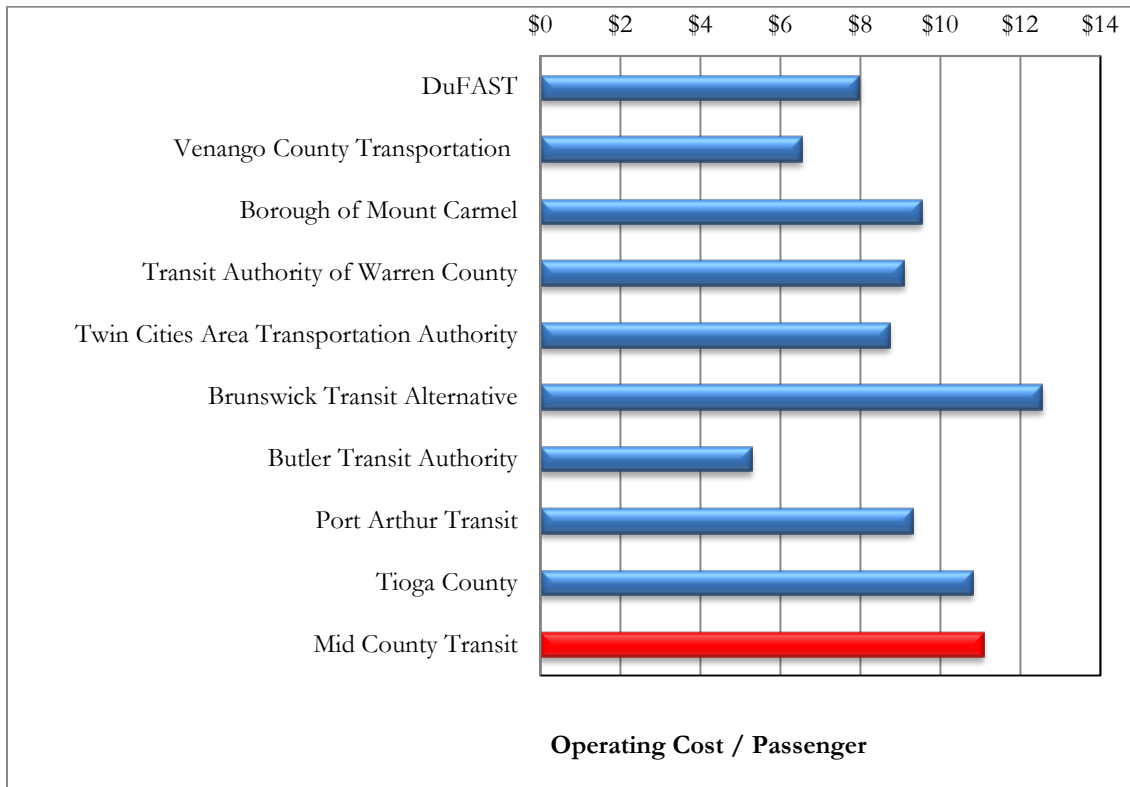
Operating Cost / Revenue Vehicle Hour		
System	Value	Rank
DuFAST	\$52.66	6
Venango County Transportation	\$48.19	4
Borough of Mount Carmel	\$47.67	3
Transit Authority of Warren County	\$59.26	8
Twin Cities Area Transportation Authority	\$39.25	2
Brunswick Transit Alternative	\$51.37	5
Butler Transit Authority	\$70.43	9
Port Arthur Transit	\$80.78	10
Tioga County	\$32.24	1
Mid County Transit	\$55.35	7
<i>Average</i>	\$53.72	
<i>Standard Deviation</i>	\$14.10	
<i>Average – 1 Standard Deviation</i>	\$39.62	
<i>Average + 1 Standard Deviation</i>	\$67.82	
In Compliance with Act 44 Criteria	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 6: Operating Revenue per Revenue Vehicle Hour, FY 2008-09



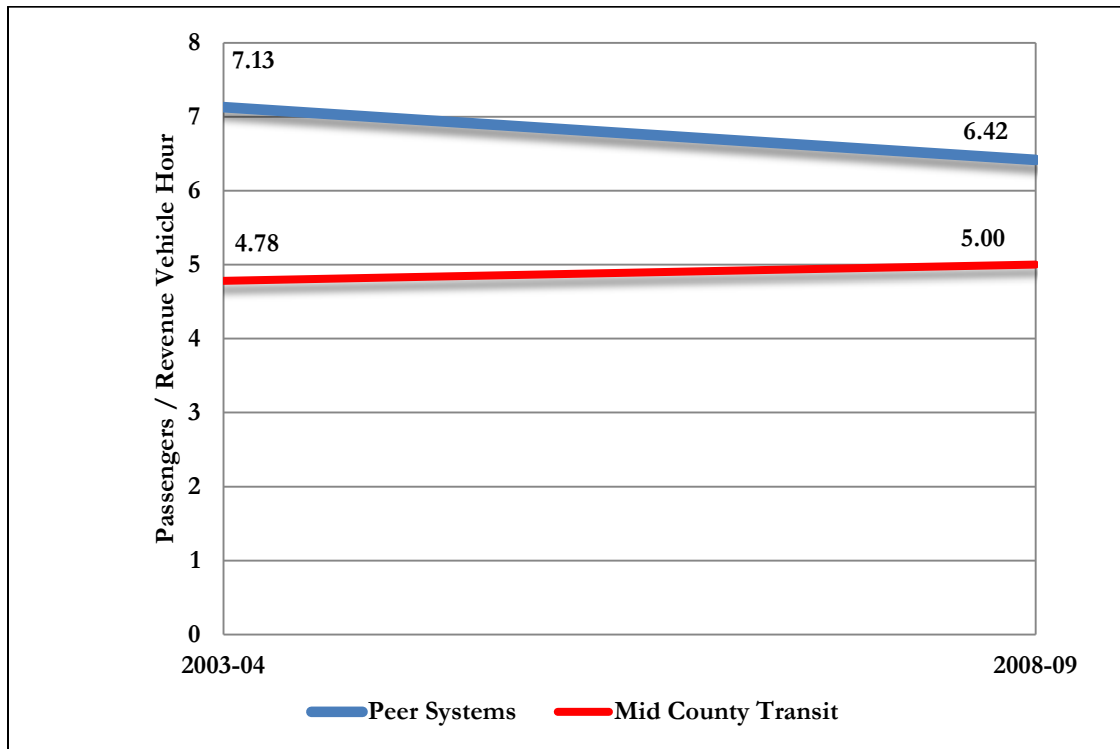
Operating Revenue / Revenue Vehicle Hour		
System	Value	Rank
DuFAST	\$3.29	6
Venango County Transportation	\$9.06	2
Borough of Mount Carmel	\$0.74	10
Transit Authority of Warren County	\$3.46	5
Twin Cities Area Transportation Authority	\$3.90	4
Brunswick Transit Alternative	\$1.34	9
Butler Transit Authority	\$11.31	1
Port Arthur Transit	\$5.37	3
Tioga County	\$2.99	7
Mid County Transit	\$2.59	8
<i>Average</i>	\$4.40	
<i>Standard Deviation</i>	\$3.35	
<i>Average – 1 Standard Deviation</i>	\$1.06	
<i>Average + 1 Standard Deviation</i>	\$7.75	
In Compliance with Act 44 Criteria	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 7: Operating Cost per Passenger, FY 2008-09



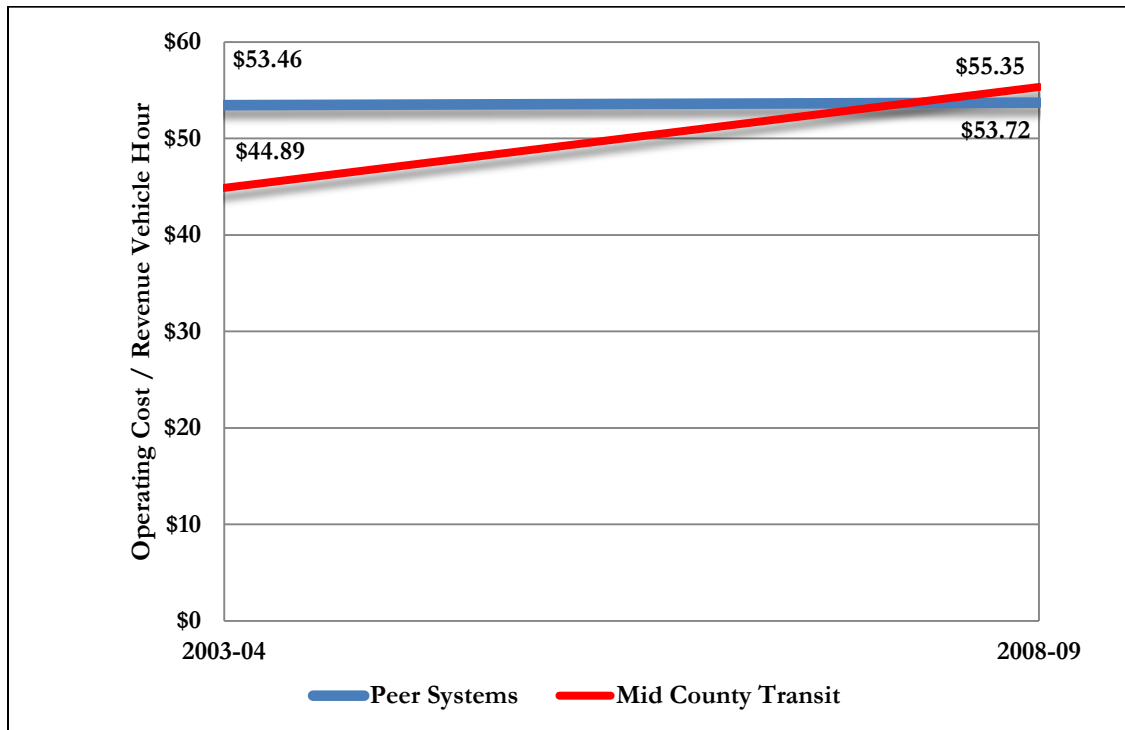
Operating Cost / Passenger		
System	Value	Rank
DuFAST	\$7.96	3
Venango County Transportation	\$6.52	2
Borough of Mount Carmel	\$9.53	7
Transit Authority of Warren County	\$9.09	5
Twin Cities Area Transportation Authority	\$8.71	4
Brunswick Transit Alternative	\$12.53	10
Butler Transit Authority	\$5.28	1
Port Arthur Transit	\$9.30	6
Tioga County	\$10.79	8
Mid County Transit	\$11.06	9
<i>Average</i>	<i>\$9.08</i>	
<i>Standard Deviation</i>	<i>\$2.15</i>	
<i>Average – 1 Standard Deviation</i>	<i>\$6.93</i>	
<i>Average + 1 Standard Deviation</i>	<i>\$11.22</i>	
In Compliance with Act 44 Criteria	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 8: Five-Year Trend – Passengers per Revenue Vehicle Hour, FY 2003-04 – 2008-09



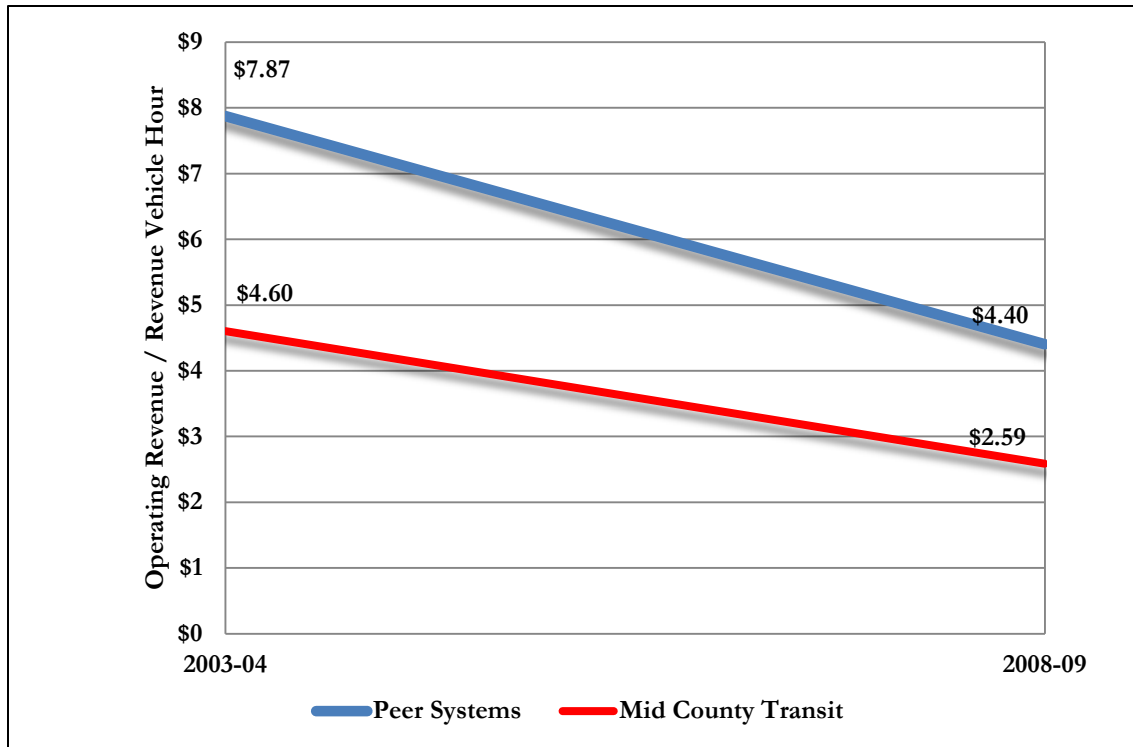
Passengers / Revenue Vehicle Hour		
System	Value	Rank
DuFAST	-6.10%	9
Venango County Transportation	2.03%	4
Borough of Mount Carmel	-17.15%	10
Transit Authority of Warren County	4.12%	2
Twin Cities Area Transportation Authority	-3.67%	7
Brunswick Transit Alternative	8.23%	1
Butler Transit Authority	2.76%	3
Port Arthur Transit	-1.04%	6
Tioga County	-3.77%	8
Mid County Transit	0.91%	5
<i>Average</i>	-1.37%	
<i>Standard Deviation</i>	6.98%	
<i>Average – 1 Standard Deviation</i>	-8.35%	
<i>Average + 1 Standard Deviation</i>	5.61%	
In Compliance with Act 44 Criteria	Yes	
Better or Worse Than Peer Group Average	Better	

Exhibit 9: Five-Year Trend – Operating Cost per Revenue Vehicle Hour, FY 2003-04 – 2008-09



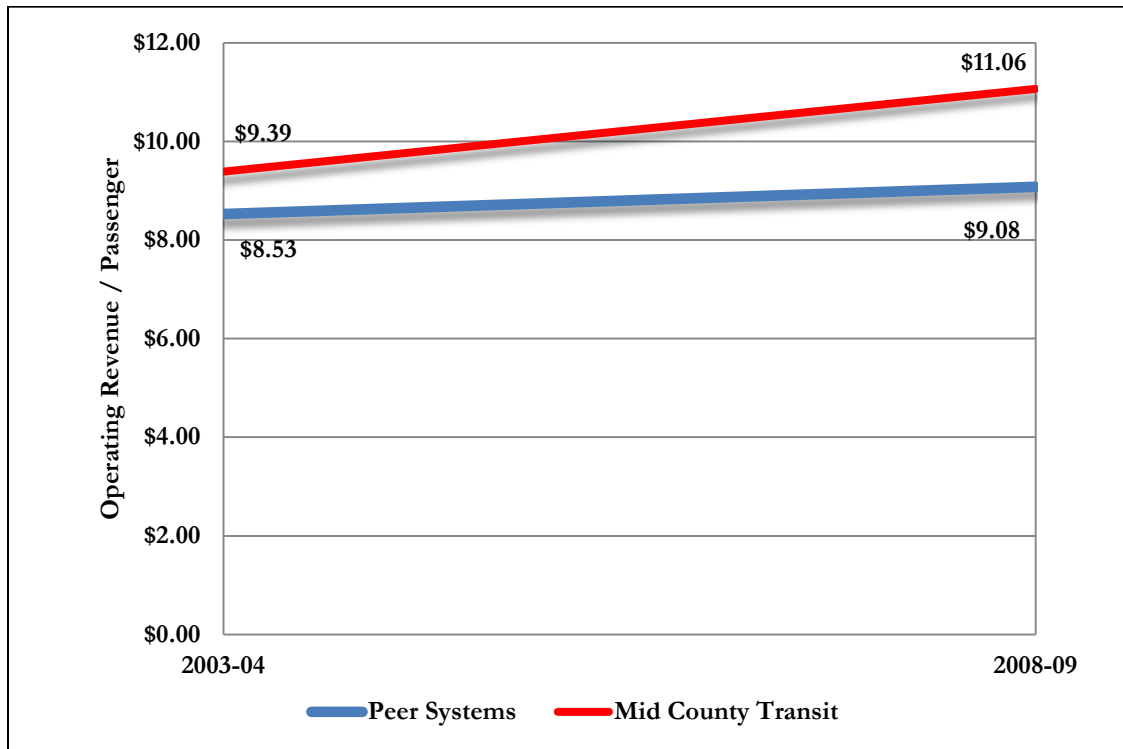
Operating Cost /Revenue Vehicle Hour		
System	Value	Rank
DuFAST	-7.72%	1
Venango County Transportation	8.77%	10
Borough of Mount Carmel	-5.31%	3
Transit Authority of Warren County	6.01%	9
Twin Cities Area Transportation Authority	-1.67%	4
Brunswick Transit Alternative	4.12%	7
Butler Transit Authority	2.09%	6
Port Arthur Transit	-0.13%	5
Tioga County	-5.57%	2
Mid County Transit	4.28%	8
<i>Average</i>	0.49%	
<i>Standard Deviation</i>	5.50%	
<i>Average – 1 Standard Deviation</i>	-5.01%	
<i>Average + 1 Standard Deviation</i>	5.98%	
In Compliance with Act 44 Criteria	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 10: Five-Year Trend – Operating Revenue per Revenue Vehicle Hour, FY 2003-04 – 2008-09



Operating Revenue /Revenue Vehicle Hour		
System	Value	Rank
DuFAST	-18.21%	9
Venango County Transportation	0.81%	2
Borough of Mount Carmel	-48.09%	10
Transit Authority of Warren County	-0.96%	3
Twin Cities Area Transportation Authority	-7.07%	6
Brunswick Transit Alternative	5.80%	1
Butler Transit Authority	-1.57%	4
Port Arthur Transit	-5.60%	5
Tioga County	-16.23%	8
Mid County Transit	-10.89%	7
Average	-10.20%	
Standard Deviation	15.29%	
Average – 1 Standard Deviation	-25.49%	
Average + 1 Standard Deviation	5.09%	
In Compliance with Act 44 Criteria	Yes	
Better or Worse Than Peer Group Average	Worse	

Exhibit 11: Five-Year Trend - Operating Cost per Passenger, FY 2003-04 – 2008-09



Operating Cost / Passenger		
System	Value	Rank
DuFAST	-1.72%	3
Venango County Transportation	6.61%	9
Borough of Mount Carmel	14.29%	10
Transit Authority of Warren County	1.81%	6
Twin Cities Area Transportation Authority	2.07%	7
Brunswick Transit Alternative	-3.80%	1
Butler Transit Authority	-0.65%	4
Port Arthur Transit	0.92%	5
Tioga County	-1.88%	2
Mid County Transit	3.34%	8
<i>Average</i>	2.10%	
<i>Standard Deviation</i>	5.21%	
<i>Average – 1 Standard Deviation</i>	-3.11%	
<i>Average + 1 Standard Deviation</i>	7.31%	
In Compliance with Act 44 Criteria	Yes	
Better or Worse Than Peer Group Average	Worse	

FIVE-YEAR FIXED-ROUTE PERFORMANCE STANDARDS

Act 44 requires that PennDOT and local transit agencies establish five-year performance targets for all fixed-route service for each of the four core metrics defined by the law:

- 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 per 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.

Operating Cost / Revenue Hour quantifies the efficiency of service delivery. To some extent, costs are managed through good governance, proactive management and effective cost containment.

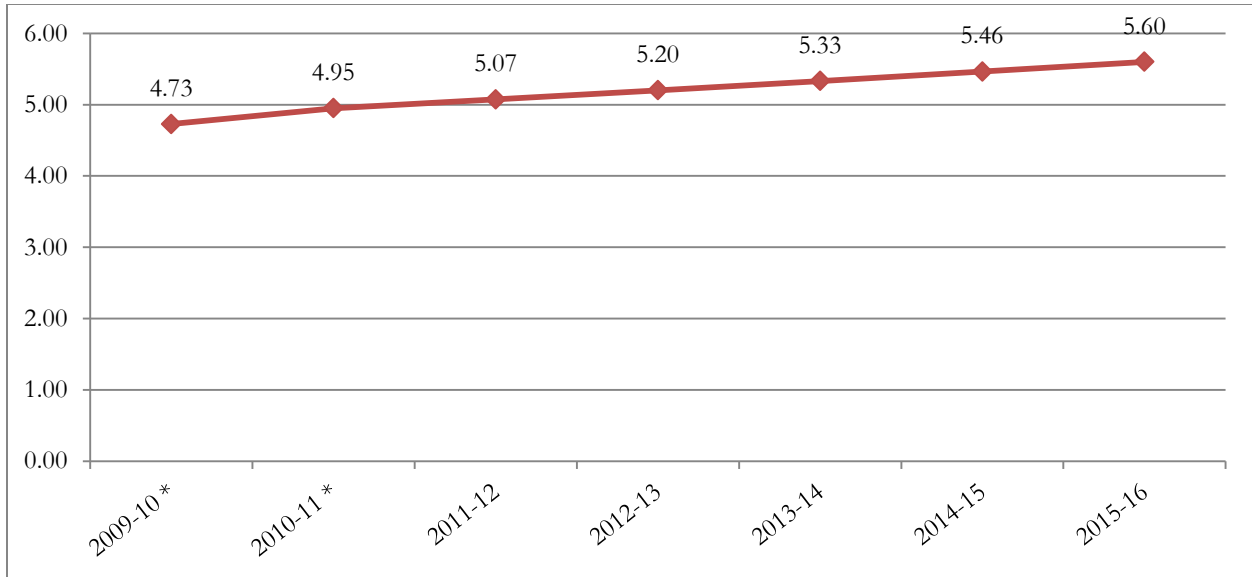
Operating Revenue / Revenue Hour, like operating cost / revenue hour, tries to ensure that an agency remains financially solvent in the long run. Operating revenue is composed of fares and other non-subsidy revenues.

The maximum *Operating Cost / Passenger* target is established as the difference between maximum operating cost / passenger increase less the minimum passengers / revenue hour goal.

These performance standards represent the minimum performance level that Mid County should achieve for each Act 44 criteria during the next performance review cycle, five years from the date of this report. The suggested set of performance targets were created using historical data analyzed during the five-year trend analysis as well as the most current certified audit information available. Standards were extrapolated to FY 2015-16 and are designed to be aggressive, yet achievable. Performance Standards should be mutually agreed upon by PennDOT and Mid County so that expected anomalies are accounted for when setting the goals. The PennDOT suggested five-year performance standards for Mid County’s Act 44 metrics are presented in **Exhibit 12, Exhibit 13, Exhibit 14, and Exhibit 15** for fixed-route bus.

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

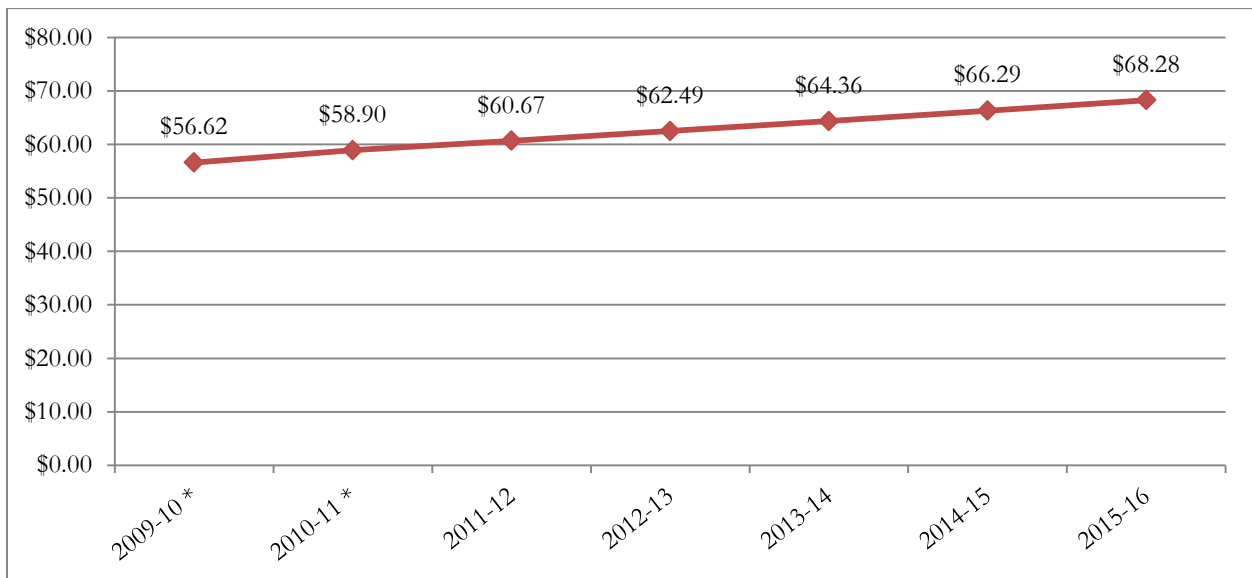
Fiscal Year 2015-16 Target..... **\$5.60**
 Interim Year Targets **Annual increase of at least 2.5%**



* Actual data from DotGrants

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

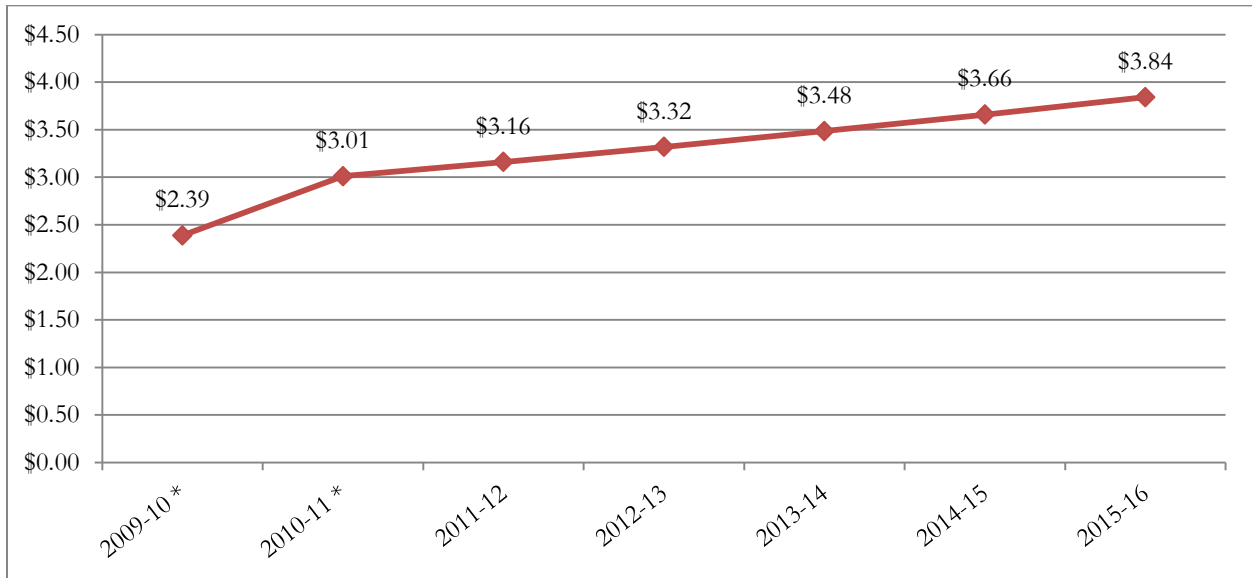
Fiscal Year 2015-16 Target..... **\$68.28**
 Interim Year Targets **Annual increase of no more than 3%**



* Actual data from DotGrants

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

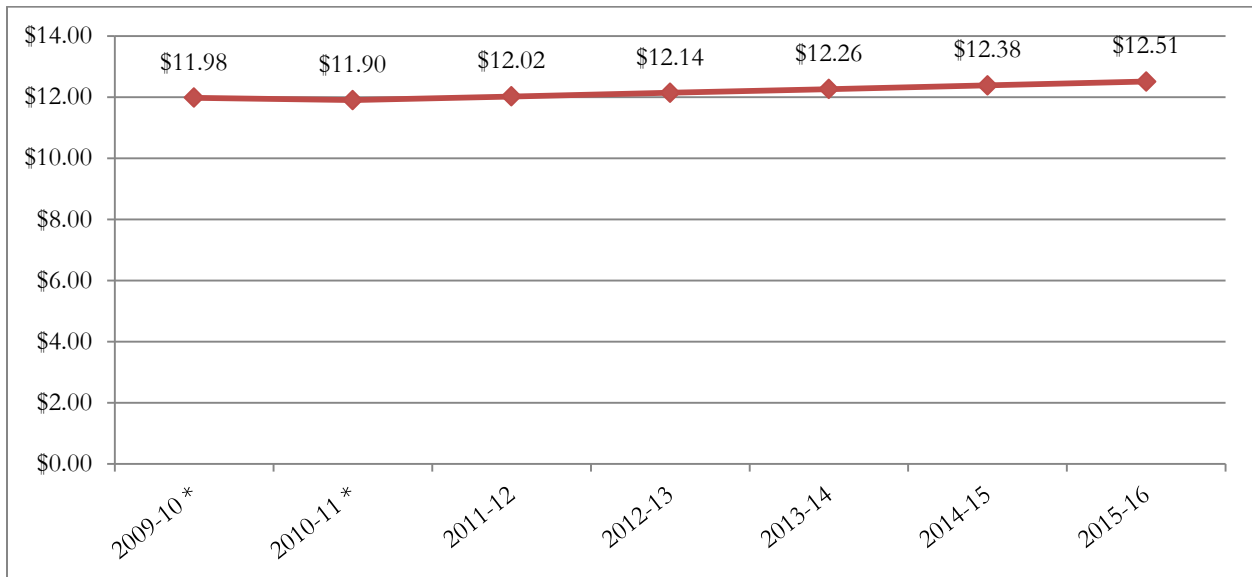
Fiscal Year 2015-16 Target..... **\$3.84**
 Interim Year Targets **Annual increase of at least 5%**



* Actual data from DotGrants

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

Fiscal Year 2015-16 Target..... **\$12.51**
 Interim Year Targets **Annual increase of no more than 1%**



* Actual data from DotGrants

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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. A total of 15 functional areas were reviewed through documents received from the agency (see **Appendix B: Documentation Request to Executive Director**) and interviews conducted on-site. The functional areas are:

- **Governing Body** – Responsibilities include setting the agency’s vision, mission, goals and objectives; management oversight; recruiting and retaining top management personnel; and advocacy for the agency’s needs and positions.
- **Advisory Committees** – Typically provide review and input to the Governing Body and agency staff in specific topic areas ranging from public perceptions to technical reviews.
- **General 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.
- **Human Resources** – Responsible for employee retention, recruitment, training, performance reviews, grievance procedures, employee benefits, and labor relations.
- **Finance** – Includes budgeting, accounting, cash flow management, revenue handling, and insurance.
- **Procurement** – Includes acquisition of rolling stock, vehicle parts, non-revenue capital items (i.e., office equipment), and other operations-related items.
- **Operations** – Includes management of daily service operations, on-street supervision and control, dispatching, and general route management.
- **Maintenance** – Includes vehicle and non-vehicle maintenance management, procedures, and performance.
- **Scheduling** – Includes route and driver scheduling and decision-making, premium pay considerations, general management, procedures, and performance.
- **Safety and Security** – Includes vehicle and passenger safety, facility security, and emergency preparedness.
- **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.
- **Information Technology** – Includes automated mechanisms for in-house and customer service communication, including future plans for new technology.
- **Capital Programming** – Includes assessing and programming current and future capital needs reflecting both funded and unfunded projects. Includes the Transportation Improvement Program (TIP), 12-Year Plan, and Long-Range Transportation Plan.
- **Marketing and Public Relations** – 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.
- **Planning** – Includes analysis of information to effectively plan for changes to the system in the short-, medium-, and long-term horizons, to help assure the continued viability and success of the agency.

The functional review opportunities for improvement 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 15 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 *Elements to Address in the Action Plan*.

Best Practices are those exceptional current practices that are beneficial and should be continued or expanded. *Elements to Address in the Action Plan* are recommendations which have the potential to maximize productivity, to 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 Mid County, Action Plan templates have been included in this document (pp. 41-46). It should be noted that specific actions may partially address the broadly noted opportunities for improvement found in the "Overarching Themes" (pp. vii-vii). 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 opportunities for improvement of this report that should be addressed in the Action Plan.

OPPORTUNITIES TO INCREASE RIDERSHIP

"Passengers," as defined by Act 44, are unlinked passenger trips or passenger boardings across all routes. Increases in ridership directly indicate how effectively management has matched service levels to current demand for service.

BEST PRACTICES

1. **Mid County uses targeted marketing and educational materials for special populations such as the disability community, schools, and senior centers** – Mid County holds a transition day at the high school to promote the bus service to the developmentally challenged population and conducts outreach to the local hospital to encourage employees and visitors to use the bus.

ELEMENTS TO ADDRESS IN PART 2-A OF THE ACTION PLAN (P. 42)

1. Availability of system information and promotion of the system's activities can attract new riders. Specifically:
 - **Timetables should be redesigned to be more appealing and make it easier for customers to more readily understand how to use the system.**
 - **A full system map should be published and placed on the website.**
 - **Staff should move forward with a newsletter to inform riders and make the public aware of the transit agency.**

2. **Mid County management and the Board should investigate the creation of a Citizens' Advisory Committee (CAC) to provide regular customer feedback.** Direct input from riders and potential-riders will inform Mid County management and governing board on improvements to increase ridership.
3. Mid County conducts an annual rider survey which has led to changes in service, a positive practice. **The survey should be compared from one year to the next to better track and analyze service-related customer feedback by category.** This will improve the regular monitoring of empirically measurable strategic goals and objectives relating to customer satisfaction.
4. Fixed-route vehicle cleaning is performed by demand-response drivers between trips on an as-available basis. While this is a good use of staff down time, **a more consistent interior and exterior cleaning schedule should be maintained in order to ensure clean and attractive vehicles.** Transit riders value clean buses, and improvements in cleaning practices may entice higher transit ridership.
5. Mid County should install bus stop signs where appropriate to increase visibility of the system to the general public, including current non-riders.

OPPORTUNITIES TO INCREASE REVENUES

“Revenues,” as defined by Act 44, encompass all non-subsidy income generated to help fund the operation of a transit system. The largest contributors to this are farebox revenues, interest on accounts, and advertising revenues.

BEST PRACTICES

None at this time

ELEMENTS TO ADDRESS IN PART 2-B OF THE ACTION PLAN (P. 43)

1. **Mid County does not have a threshold for investigation when comparing actual farebox revenue to computed revenue from passenger counts.** A threshold should be established and procedures identified and implemented immediately.
2. **Mid County has one of the lowest revenue recovery rates for fixed-route in the Commonwealth at approximately 4%.** Mid County should implement a series of activities focused on increasing fixed-route revenues:
 - **Evaluate current fare practices and create a formal fare policy designed to proportionally increase fare revenue to operating costs.**
 - **Investigate advertising revenue potential.**
 - **Investigate route guarantees, sponsorships, or other creative funding techniques.**

OPPORTUNITIES TO CONTROL OPERATING COSTS

“Operating costs” capture 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 lube 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 a key to maintaining current service levels.

BEST PRACTICES

None at this time

ELEMENTS TO ADDRESS IS PART 2-C OF THE ACTION PLAN (P. 44)

1. As of November 2012, Mid County owed a total of \$132,756.75 for past due purchased service. In addition, as of November 2012 Mid County had no active line of credit, however they were paying on a closed line of credit of \$88,597.11 scheduled to be paid off in August 2015 and a mortgage of \$34,268.60 scheduled to be paid off in August 2013. **Management should prepare a multi-year financial plan to pay off all debt and return to a sustainable financial position.**
2. During the past four fiscal years the shared-ride deficit, as a percentage of total expense, has averaged 36.57%. This high percentage indicates the shared-ride system is being subsidized substantially with other funds. In addition, Mid County has implemented fare increases over the years with no improvement in cost recovery. This indicates core issues with system design, oversight, and decision-making.

Mid County should review and establish a direction for the provision and management of shared-ride service that maximizes service efficiencies and recovers a significantly higher percentage of the associated expense through the fare structure. Whether that provision is exclusively directly provided, purchased, or a combination, fundamental operational changes will be required to achieve a successful outcome. Any purchased service should be competitively bid and proactively managed with strong contract language and performance targets. Furthermore, purchased service must be integrated with other Mid County services.

3. At the time of the shared-ride review, Mid County was providing 17 hours of service during weekdays and 12 on weekends. While it has been reported that these hours have been reduced since the on-site review, as of the date of this report Mid County has not corrected the public website to provide accurate information to the general public.

In addition, trips appear to be scheduled based on passenger preference, not on syncing available resources with demand and promoting ride sharing to reduce costs. **Mid County should review current practices and schedule runs focused on promoting ride sharing, maximizing available resources, controlling costs, and improving cost recovery.**

4. **Board packets should be used to clearly present the financial condition and challenges of the agency to guide decision making.** Financial reporting should include a financial statement that accurately presents all revenue and expenses, including vendors and in-house expenditures, allotments, payouts, and money generated. In addition, **management should expand current board reports to include ridership and established performance measures.**

5. **Mid County should track pay for all drivers on the basis of equivalent straight pay hours.** This would include platform hours (i.e., revenue), overtime, report, turn-in, and paid breaks. Using this information, efficiency measures such as pay-to-platform ratio and percent overtime payments can be computed to assess system performance. While overtime is not currently an issue, tracking these measures would allow Mid County to be proactive to control operating costs.
6. Currently, Mid County uses only prior year information in the budgeting process. This practice is particularly susceptible to one-time anomalies and does not take into account the general trends in costs and revenues. **Mid County should build its budget by examining trends over the preceding five-year period and current year-to-date expenditures and revenues to create realistic future-year budgets.** In addition, Mid County should budget not only for the next year but also for the next four planning years based on justifiable financial and operational plans. This practice will allow Mid County to identify potential funding and revenue issues and plan proactive adjustments over time.
7. Maintenance staff performs certain Preventive Maintenance (PM) cycles more frequently (i.e., within fewer miles) than recommended by the manufacturer. For example, newer vehicles have a manufacturer recommended PM cycle at 7,000 mile intervals while Mid County staff performs PM at 3,000 mile intervals, resulting in more than double the number of preventive maintenance service per vehicle. Staff feel that their policy reduces road calls and results in lower maintenance costs overall. **This practice should be evaluated to determine if more frequent PM performance is actually reducing breakdowns, reducing total maintenance cost, or significantly extending service life.**
8. Current plans call for the use of Port Authority of Allegheny County registering fareboxes, which would permit an accurate verification of farebox revenue. **Mid County should prepare an action plan outlining the training and technical actions needed to implement the new fareboxes.** Until the fareboxes are installed, staff should redesign the form that drivers use to record passenger counts to include all fare categories, rather than the existing practice that does not take zones into account.

OTHER OBSERVATIONS THAT IMPACT OVERALL AGENCY PERFORMANCE

“Other Observations” encompasses items from the functional review that may, if addressed, improve the current or future operations of Mid County. While not directly tied to Act 44 measures, positive actions to address these observations will result in a more seamless operation and greater operational efficiencies.

BEST PRACTICES

None at this time

ELEMENTS TO ADDRESS IN PART 3 OF THE ACTION PLAN (P. 45)

1. Mid County lacks a vision and mission statement for the organization. **Vision and missions statements should be established by the governing board to reflect the needs and priorities of the community balanced by available resources.** Management should then base decisions and actions on the established vision and mission.

2. In addition to the vision and mission statement, the **governing board and management should work together to develop a strategic plan, transit development plan (TDP), or other document to detail the direction for the agency based on the vision and mission statement.** The strategic plan should contain measurable goals and objectives for management to execute.
3. Using the established strategic plan, Mid County **should also develop and monitor performance metrics for all key agency functions and operations² to track improvement.**

Metrics may include (but not be limited to):

- On-time performance
- Route-level performance statistics
- Farebox recovery ratio
- Act 44 criteria
- Improvement in customer satisfaction survey scores
- Number of marketing campaigns per year

Developing a realistic set of measurable objectives that are reported to and reflect the priorities of the Board will be an important step to improve the quality and efficiency of Mid County's operations.

4. Given the agency's long standing financial issues, the Board should take action to increase focus on financial oversight. **One strategy would be to establish a financial subcommittee that regularly reviews all financial transactions, procedures, and budgets of the agency.**
5. **Mid County should increase the use of technology in every facet of the organization.** Technology increases productivity, reduces costs, and ensures appropriate actions based on sound analysis. Opportunities for improvement include:
 - a. **Analysis and identification of trends, performance, and maintenance issues should be more automated.** While Mid County makes good use of the Truck Tracker fleet management system, investigation should occur to determine if more automated reports can be developed to assess vehicle performance and maintenance trends.
 - b. **Mid County should increase the use of technology in the scheduling function.** This increased use of technology should include expanded use of spreadsheets. Spreadsheets that are in use should be more widely available and documented.
 - c. Internal spreadsheets, paratransit software reports, and PennDOT reports cannot be cross-referenced for consistency in trips, expenses, and cost of purchased service in the shared-ride service. **Mid County should make immediate and permanent improvements to its internal and external reporting process from both a content and integrity perspective.** Accurate internal documents and reports should be maintained, cross-referenced, and shared among Mid County staff to track trips, expenses, revenue, statistics, and purchased service.

² Refer to http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_report_88/Guidebook.pdf Chapter 6 for examples of performance metrics typically used to assess and monitor transit agency functions and outcomes.

- d. While cameras are installed on some (but not all) vehicles, the system is not operational because of the lack of software. This not only is a safety concern but also hinders management from verifying customer complaints. **Mid County should formally document a Strategic IT Plan that establishes planned replacement and installation of technology and future investments.**
6. Senior managers perform multiple functions. **To ensure continuity of operations, there should be cross training and documentation of staff functions in the form of desk manuals.**
7. The Mid County facility provides indoor storage for all fixed-route vehicles, which is appropriate given the climate. The site includes additional buildings which are not utilized and are suitable for current operations. While Mid County has retained an architect/engineer to design a new building onsite, **there is a need for a facility master plan to detail the long term use of the facility.**
8. No formal policy for employee evaluation existed at the time of the review. Senior managers (not Board members) should take responsibility for employee training and evaluation and **develop a policy for regular employee evaluations.** After the on-site review, Mid County management has reported that a new employee evaluation policy has been implemented.
9. **Consideration should be given to contracting out paint work.** Painting is currently done in the area designated for bus washing; the ventilation is not adequate for this purpose, representing a workplace hazard.
10. Mid County currently obtains system-wide revenue hours from payroll information and system revenue miles using Route Match software. This practice may raise data accuracy issues. Mid County should **measure daily revenue hours and miles by route and service day** and incorporate into existing ridership reports. This practice would provide an enhancement to Mid County's existing ridership reports and ability to analyze operating statistics and finances.
11. **Mid County should develop a prioritized list of capital needs** that includes both funded and unfunded items for a number of years. Items such as bus shelters and signs should be added to the capital plan.
12. Drivers are an agency's first line of communication with the traveling public, and understand where improvements could be made in daily operations. **Mid County should develop a more formal process to secure input from drivers concerning operations focusing on scheduling and route changes.**
13. While Mid County has an understanding of its role in coordinating activities with 911 first responders, there is no formally documented plan. **A written System Security and Emergency Preparedness Plan (SSEPP) and increased safety training** should be implemented at Mid County.

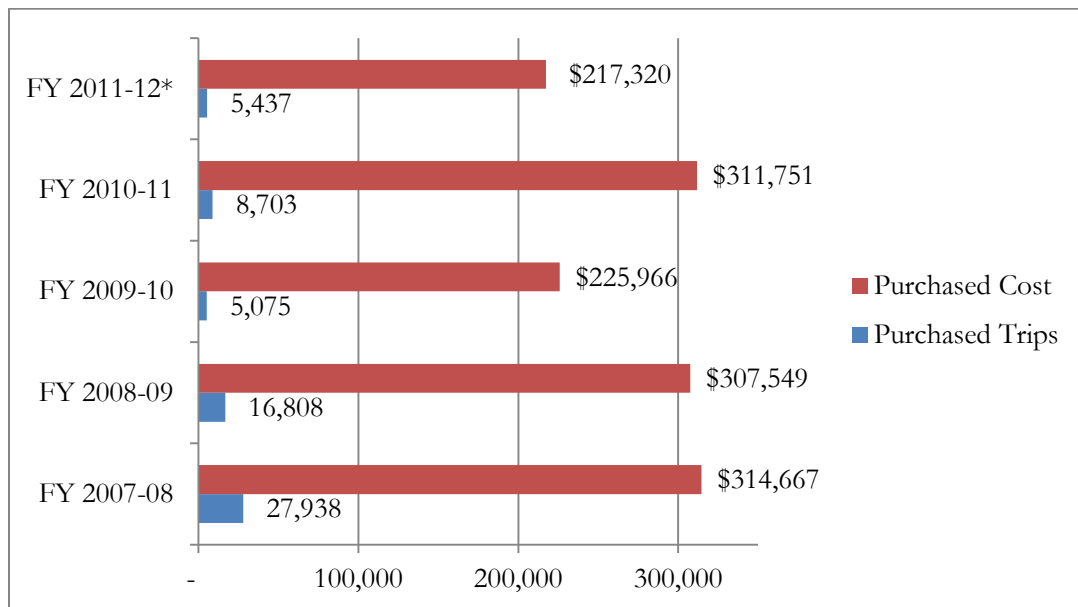
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SHARED-RIDE REVIEW

On February 9 and 10, 2012, a shared-ride assessment was initiated for Mid County. This section outlines the results of that performance review and identifies areas where improvements may be made.

1. **Shared-Ride Coordination** – Mid County is the designated coordinator for shared-ride service in Armstrong County. The defined objectives of the coordinator are:
 - **Determining level of service** – The current shared-ride service structure, as later discussed, exceed the resources of Mid County for direct service provision and the ability to recover costs. During the past four fiscal years, the shared-ride deficit, as a percentage of total expense, has averaged 37 percent and the majority of the shared-ride deficit is offset with fixed route funding. This disproportionate percentage, coupled with fare increases over the years, indicates core issues with system design, oversight, and decision-making (**Exhibit 16**).
 - **Maximize operating efficiency** – Mid County is moving in the direction of reducing purchased transportation service, as shown in Exhibit 16 below. However, the total cost of purchased transportation has remained high, and the total cost per trip for purchased transportation has increased dramatically over the previous 5 years.

Exhibit 16: Purchased Cost vs. Purchased Trips



Cost per Subcontractor/Purchased Trip				
FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12*
\$11.26	\$18.30	\$44.53	\$35.82	\$39.97

**Unaudited Actual
Source: PennDOT DotGRANTS reporting system*

- Due to the lack of sound data collection and analysis, there is little information available to conduct a detailed analysis to determine why costs for purchased transportation are increasing at a high rate. This may be due to the type of trip purchased, distance traveled by subcontractor, or other factors. Mid County must actively document and analyze service information to offer decision makers a sound foundation for making service determinations.
- **Optimize Resources** –A comprehensive plan that evaluates service and resources from a demand and cost perspective with accompanying action steps for implementation should be completed. The planning process should include extensive stakeholder outreach and input. Stakeholder outreach must include a discussion on the impacts of increased services levels on the cost of service and fares.
2. **Human Service Transportation (HST) Coordination** – In Armstrong County, Community Action manages all Medical Assistance Transportation Program (MATP) trips, but does not purchase service from Mid County. The absence of a single MATP trip through the Mid County shared-ride system during the past four operating years reflects a local coordination failure and suggests that there should be a local analysis of fares and MATP costs to Mid County for similar trips.
3. **Service Design**
- **Shared-Ride Hours** – The shared-ride hours listed for Armstrong County and the time of review were 4:00 a.m. to 9:00 p.m. during the week and 6:00 a.m. to 6:00 p.m. on Saturday. As of the date of this report, these hours have reportedly been reduced, although the public website does not reflect the change.
 - **Service Days and Times** – Timing and destinations of trip requests are based on passenger preference, rather than within a framework of an established service schedule. For a rural county with a dispersed population, the shared-ride program lacks defined service times for both intra- and inter-county travel. Current out-of-county service times, which extend from 6:00 a.m. to 2:00 p.m. or 5:00 a.m. to 7:00 p.m., are too broad. Service runs that promote ride sharing, service consistency, demand centers, and resource predictability need to be established. Although Mid County made an adjustment in July 2011 to reduce out-of-county service days, a more comprehensive review and action plan is required to better synchronize resources, demand, cost recovery for shared-ride service, and improve productivity.
4. **Data Integrity and Reporting**
- **Reporting** – Internal spreadsheets, software reports, and PennDOT reporting cannot be easily cross referenced for consistency in trips, expense, and cost of purchased service.
 - **Data Convergence** – Mid County should make immediate and permanent improvement to their internal and external reporting process from both a content and integrity

- perspective. No internal reports from either the Route Match software or reports from fiscal and operational staff could support the FY 2011-12 DotGrants progress report for trips, revenue or purchased service levels. This condition creates potential for inaccurate billing reports to PennDOT.
- **Data Analysis** – Mid County must create accurate and analytical reports that integrate trips, expenses, and revenue, delineating purchased and direct service. This insight will provide valuable feedback and direction for all levels of staff in measuring system performance and establishing operational goals.
5. **Technology** – The software database should be reviewed for improved usefulness. Regardless of automated scheduling or standard reporting issues, significant data is manually entered without an apparent core reporting source for accurate and quantitative analysis.
6. **Financial and Operational Planning**
- **Analysis and Cost Recovery** – Mid County needs to review and set a strategic direction for the provision of shared-ride service that maximizes service efficiencies and recovers the associated expense through the fare structure. Whether that provision is exclusively direct, purchased, or a combination, fundamental operational changes will be required to achieve a successful outcome.

Exhibit 17: Mid County FY 2007-2011 Legacy Budgets

Armstrong County Shared Ride	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Total Shared-Ride Expense	\$ 872,378	\$ 804,275	\$ 835,820	\$ 1,014,128
Total Shared-Ride Revenue	\$ 701,060	\$ 536,970	\$ 490,978	\$ 646,966
OPERATING DEFICIT	\$ (171,318)	\$ (267,305)	\$ (344,842)	\$ (367,162)
Deficit As Percent of Total Expense	-19.64%	-33.24%	-41.26%	-36.20%
Total Shared-Ride Trips	49,014	35,119	26,917	34,810
Lottery Trips as % of Total	90.00%	90.95%	82.94%	68.26%
Percent of SR Purchased Service	57.00%	47.86%	18.85%	25.00%
Cost per Purchased Trip	\$11.26	\$18.30	\$44.53	\$35.82
Cost per Passenger Trip System	\$17.80	\$22.90	\$31.05	\$29.13
Average Fare Per Trip	\$11.58	\$14.08	\$16.77	\$18.45
Deficit Funding per Trip	-\$3.50	-\$7.61	-\$12.81	-\$10.55
Trips per Vehicle Hour System	2.26	1.90	1.36	1.50
	As per Legacy Budgets			

Source: PennDOT DotGRANTS reporting system

Note: Ridership reported in DotGRANTS is inconsistent with PennDOT revenue replacement reports.

7. **Program Stability**

- **Past Due Subcontractor Debt** – As of November 2012, Mid County owed a total of \$132,756.75 for past due subcontracted service. Although current invoices plus \$3,000 is the current payment practice, this liability appears to perpetuate Mid County’s failure to proactively manage subcontracts or alter the current reimbursement structure.

FINANCIAL REVIEW

In an era of increasing costs and limited funding opportunities, many transit agencies are pressed to reduce service while increasing fares just 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 Pennsylvania funded by Act 44, PennDOT needs to be aware of predictable financial difficulties so that a corrective course of action can be taken before financial challenges seriously impede the ability of local transit agencies to deliver high quality service.

The challenge in assessing the “financial health” and outlook of transit agencies without first-hand knowledge of day-to-day operations is that much of the financial indicator data is often dated and relies on “end of year” information. 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 formulas.

This financial review focuses on “high-level” snapshot and trend indicators. It was developed by reviewing audited information where available, other financial reports, and budgets, with the aim of determining whether additional scrutiny is warranted. The review assesses:

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

HIGH-LEVEL INDICATORS OF FINANCIAL HEALTH

Several high-level indicators of financial health and sustainability have been examined to determine Mid County’s current state. Mid County performs poorly according to most indicators. As shown in **Exhibit 18**, Mid County is not in line with industry targets for seven of the high-level indicators. Mid County shows weaknesses in farebox recovery, shared-ride subsidy, cash reserves, accounts payable, operating debt, available credit, and state carryover subsidies. It is critical that management take corrective action to improve these areas as soon as possible.

Exhibit 18: Mid County High-level Financial Indicators

Indicator	Value		Assessment	Source
Farebox recovery ratio – Fixed-route	5%	–	Target should be 20%+ of total operating cost. Lower values indicate poor fare policy or inefficient service.	FY 2011-12 Unaudited Actual
Shared-Ride Subsidy / Annual Operating Cost	34%	–	Target should be 0%. Greater values indicate that fixed-route funding service is being used to subsidize shared-ride service.	FY 2011-12 Unaudited Actual
Cash Reserves/ Annual Operating Cost	7%	–	Target should be 25%+ of the annual operating cost.	FY 2010-11 Audit Report
Accounts Payable (AP) 90+ days	10%	–	Target should be 0% over 90 days. Larger values indicate cash flow concerns.	Interview November 2012
Accounts Receivable (AR) 90+ days	0%	✓	Target should be 0% over 90 days. Larger values can cause cash flow problems.	Interview March 2012
Operating Debt / Annual Operating Cost	7%	–	Target should be 0%. Low debt amounts reduce borrowing costs.	Interview November 2012
Credit Available/ Annual Payroll	0%	–	Target should be 15%+. This gives the ability to cover payroll despite unexpected delays in accounts receivable.	Interview March 2012
State Carryover Subsidies / Annual Operating Cost	0%	–	Target should be 25%+. This provides flexibility to account for unexpected cost increases or service changes.	FY 2011-12 Unaudited Actual
Actual Local Match / Required Match	100%	✓	Target should be 100%+. A local match that exceeds required minimums gives a transit agency flexibility to change service and to accommodate unexpected fluctuations in costs.	FY 2011-12 Unaudited Actual

TOTAL AGENCY-WIDE OPERATIONAL EXPENDITURES AND FUNDING

As shown in **Exhibit 19**, Mid County maintained an operation of approximately \$1.4 million to \$1.6 million per year between FY 2006-07 and FY 2010-11 and is budgeted to be a \$1.7 million operation in FY 2011-12. Approximately two-thirds of Mid County’s operational expenses are for paratransit service. The remaining one-third is for fixed-route service (**Exhibit 20**).

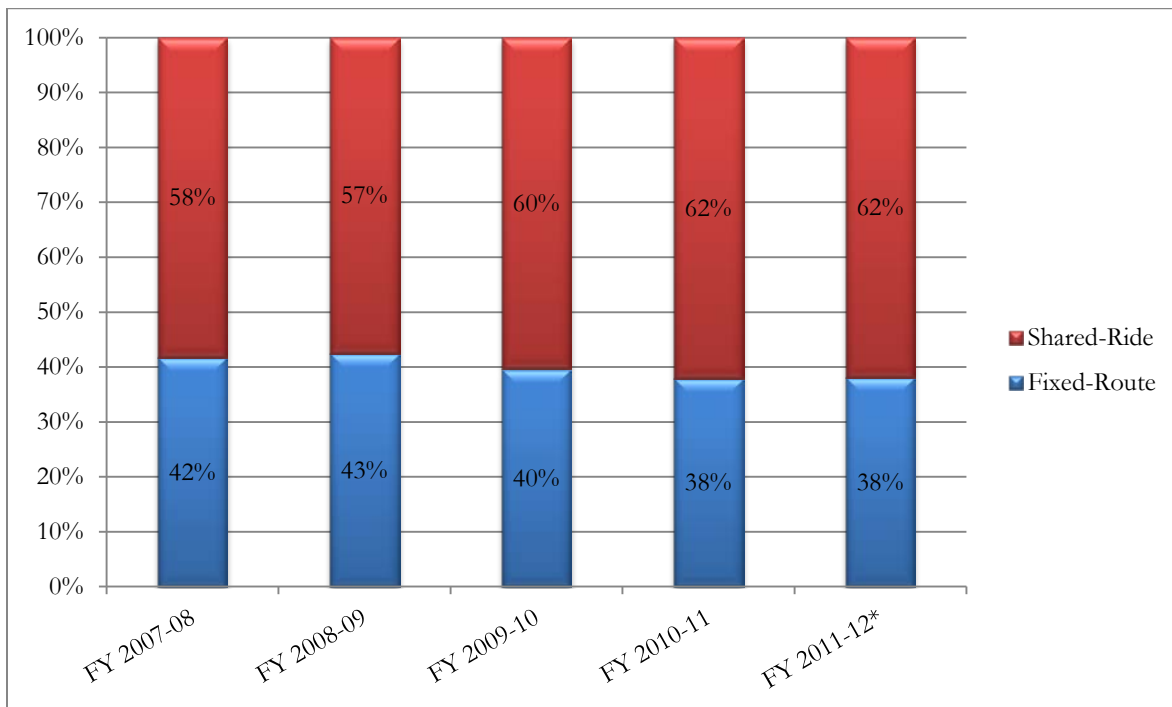
Mid County’s operational funding comes from a variety of sources including federal subsidies, state funds, lottery funds, local funds and passenger fares. Since FY 2006-07, federal and state funds used to finance operations have increased slightly (**Exhibit 21**). Local funding has varied slightly over the years with a noticeable increase in FY 2010-11. State funding remains the largest single funding source for Mid County (**Exhibit 22**).

Exhibit 19: Mid County Total Operating Expense by Service Type, FY 2006-07 – FY 2011-12

Expense by Service Type	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12*
Fixed-Route	\$638,690	\$627,435	\$595,216	\$549,430	\$620,385	\$647,186
Shared-Ride	\$819,787	\$872,378	\$804,275	\$835,820	\$1,014,128	\$1,049,964
Total System	\$1,458,477	\$1,499,813	\$1,399,491	\$1,385,250	\$1,634,513	\$1,697,150

Source: PennDOT DotGrants reporting system
 *Actual Unaudited

Exhibit 20: Mid County Share of Agency-wide Operating Expenses by Mode



Source: PennDOT DotGrants reporting system
 *Actual Unaudited

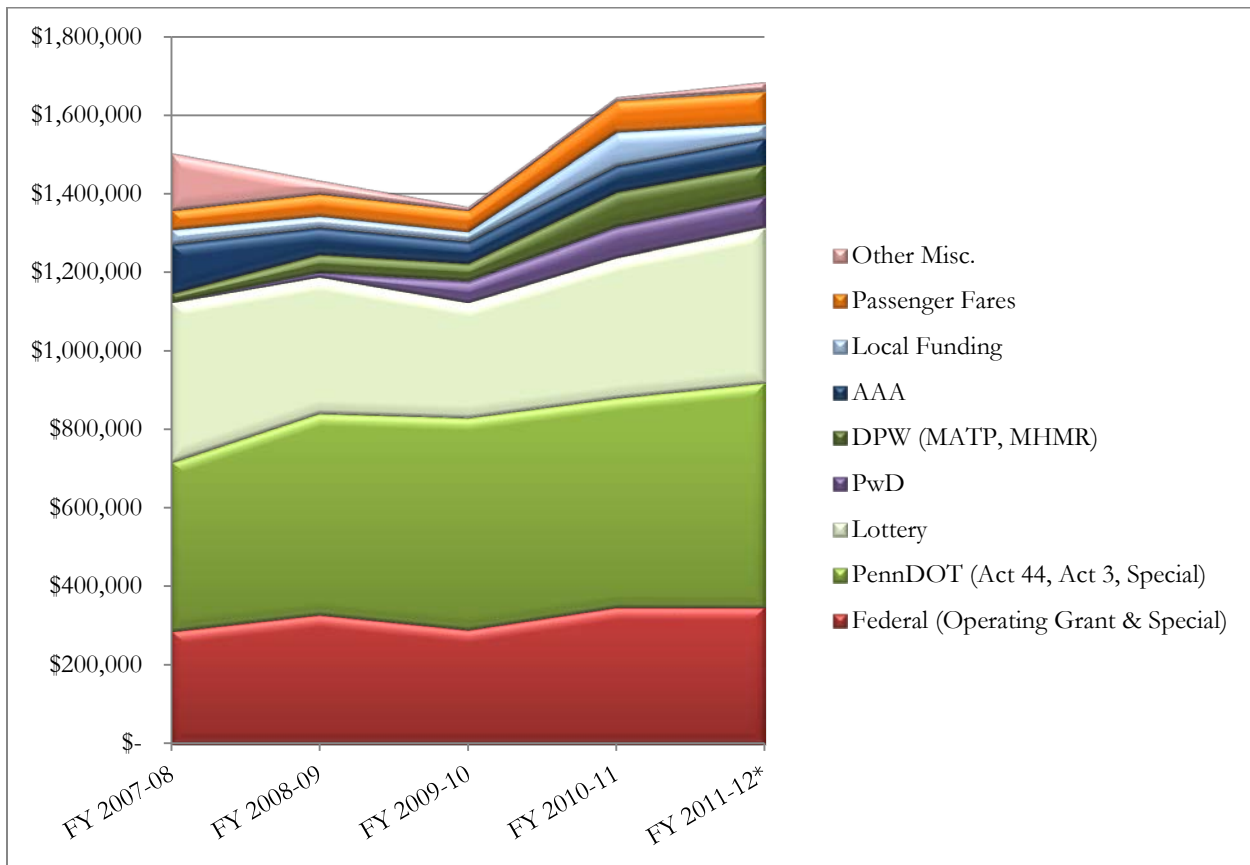
Exhibit 21: Agency-wide Audited Operational Funding by Source, FY 2006-07 - FY 2010-11

Share of Funding	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 2011-12	FY 11-12*
Federal	22.9%	19.1%	23.0%	21.3%	21.2%	21.8%	20.7%
State (PennDOT + Lottery + DPW)	53.8%	57.2%	63.9%	68.1%	64.3%	65.7%	66.9%
Local	1.9%	2.4%	2.1%	1.9%	5.2%	2.2%	2.2%
Other (AAA + misc)	17.9%	18.0%	7.0%	4.7%	4.5%	5.0%	5.2%
Passenger Fares	3.6%	3.4%	4.0%	4.1%	4.9%	5.2%	5.0%

Source: PennDOT DotGrants reporting system

*Unaudited Actual

Exhibit 22: Mid County Agency-wide Operational Funding since Act 44's Passage



FIXED-ROUTE FUNDING

Mid County's historic and proposed fixed-route funding is from general revenues and government subsidies. Passenger fares have covered between four percent and six percent of operating revenues (Exhibit 23).

Exhibit 23: Fixed-Route Funding

Funding Category	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12 *
Revenues					
Passenger Fares	\$ 40,105	\$ 25,666	\$ 22,532	\$ 29,494	\$ 31,675
Advertising, Charter and School Bus	\$ -	\$ -	\$ 370	\$ 2,218	\$ 244
Other	\$ 11,685	\$ 51,095	\$ 93,261	\$ 10,449	\$ 34,478
Adjustments	\$ -	\$ (48,943)	\$ (92,995)	\$ (10,449)	\$ (31,406)
Subtotal	\$ 51,790	\$ 27,818	\$ 23,168	\$ 31,712	\$ 34,991
Subsidies					
Federal Operating Grant	\$ 287,375	\$ 330,234	\$ 165,911	\$ 211,350	\$ 317,619
Act 44 (1513) State Current	\$ 303,426	\$ 245,216	\$ 157,488	\$ 127,836	\$ 152,452
Act 44 (1513) Local Current	\$ 27,290	\$ 29,801	\$ -	\$ -	\$ 21,335
Operating Grant Charged State Prior	\$ -	\$ -	\$ 8,424	\$ -	\$ -
Operating Grant Charged Local Prior	\$ -	\$ -	\$ -	\$ 8,845	\$ -
Special - (Federal)	\$ -	\$ -	\$ 126,238	\$ 137,541	\$ 30,437
Special - (State)	\$ -	\$ -	\$ 50,020	\$ 61,235	\$ 74,451
Special - (Local)	\$ 852	\$ -	\$ 4,008	\$ 53,535	\$ 3,665
Subtotal	\$ 618,943	\$ 605,251	\$ 512,089	\$ 600,342	\$ 599,959
Total Funding	\$ 670,733	\$ 633,069	\$ 535,257	\$ 632,054	\$ 634,950
Passenger Fares/Total Funding	5.98%	4.05%	4.21%	4.67%	4.99%

Source: PennDOT DotGrants reporting system

*Unaudited Actual

NON-FIXED ROUTE FUNDING

Mid County's paratransit funding since the passage of Act 44 has had its largest increases due to MH/MR and PwD funding (**Exhibit 24**). Total paratransit program funding remained steady until FY 2010-11, when it saw a sharp increase from \$829,770 in FY 2009-10 to more than \$1 million in FY 2010-11. The budget for FY 2011-12 shows that funding levels are expected to increase slightly. Because FY 2011-12 appears to include subsidy amounts that are inconsistent with historical funding levels, additional scrutiny of the proposed budget may be necessary to make sure all assumptions are reasonable.

Exhibit 24: Non-Fixed Route Funding

Funding Category	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12 *
Revenues					
Passenger Fares	\$ 10,459	\$ 32,100	\$ 33,264	\$ 51,022	\$ 52,157
Advertising	\$ -	\$ -	\$ -	\$ 46	\$ -
Lottery	\$ 406,926	\$ 347,415	\$ 293,899	\$ 357,064	\$ 396,229
PwD Reimbursement	\$ -	\$ -	\$ 23,152	\$ 78,293	\$ 78,970
PwD Admin	\$ -	\$ -	\$ 8,169	\$ -	\$ -
PwD Marketing	\$ -	\$ -	\$ 6,000	\$ -	\$ -
PwD Software	\$ -	\$ 5,532	\$ 11,316	\$ -	\$ -
PwD Consulting	\$ -	\$ 6,215	\$ 5,800	\$ -	\$ -
AAA	\$ 125,806	\$ 68,247	\$ 55,494	\$ 67,127	\$ 67,003
MHMR	\$ 24,493	\$ 46,618	\$ 45,666	\$ 88,704	\$ 80,255
Other - OEO-CSBG & HSDF	\$ 126,837	\$ -	\$ -	\$ -	\$ -
Other MATP	\$ -	\$ -	\$ -	\$ 174	\$ -
Van Leases	\$ 1,240	\$ 25,023	\$ 1,982	\$ 2,921	\$ 9,717
Local Cash	\$ 5,018	\$ 277	\$ 186	\$ 1,615	\$ 3,934
Other	\$ 281	\$ 5,543	\$ 6,050	\$ -	\$ 4,290
Subtotal	\$ 701,060	\$ 536,970	\$ 490,978	\$ 646,966	\$ 692,555
Subsidies					
Federal Operating Grant	\$ -	\$ -	\$ -	\$ -	\$ -
Act 44 (1513) State Current	\$ 126,837	\$ 267,305	\$ 323,179	\$ 344,416	\$ 345,573
Act 44 (1513) Local Current	\$ 7,914	\$ -	\$ 21,663	\$ -	\$ 11,836
Act 44 (1513) State Prior	\$ -	\$ -	\$ -	\$ -	\$ -
Act 44 (1513) Local Prior	\$ -	\$ -	\$ -	\$ 22,746	\$ -
Subtotal	\$ 134,751	\$ 267,305	\$ 344,842	\$ 367,162	\$ 357,409
Total Funding	\$ 835,811	\$ 804,275	\$ 835,820	\$ 1,014,128	\$ 1,049,964
Passenger Fares/Total Funding	1.25%	3.99%	3.98%	5.03%	4.97%

Source: PennDOT dotGrants Reporting System

*FY 2011-12 revenues are estimated based on the share of revenues by source observed in FY 2010-11

BALANCE SHEET FINDINGS

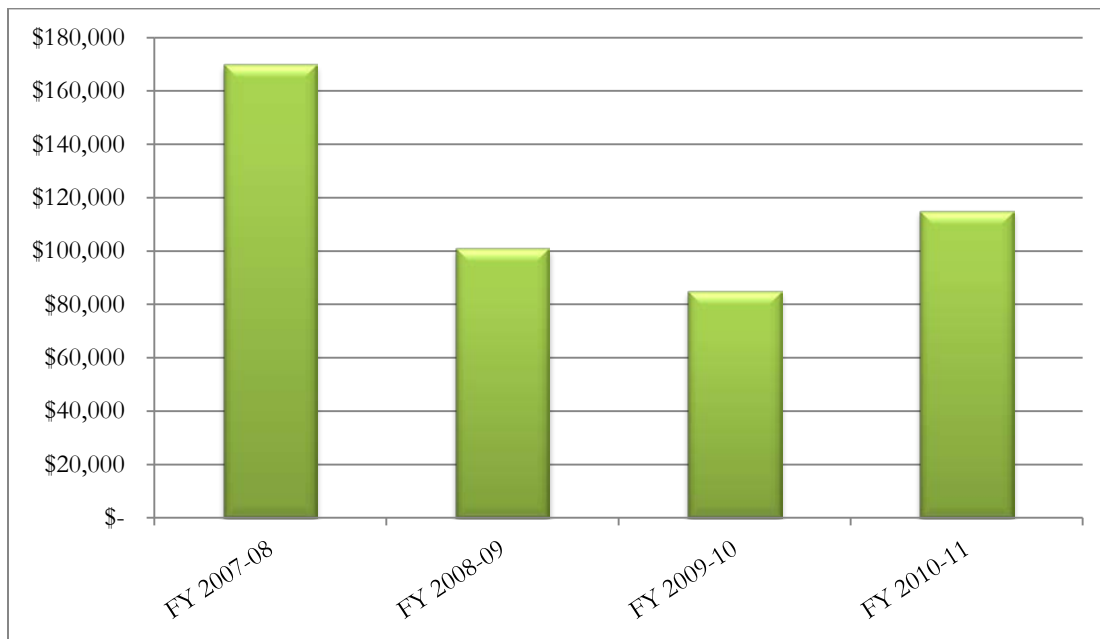
Review of balance sheets from Mid County certified audit reports shows that Mid County has had a fluctuation in available cash for day-to-day operations between FY 2007-08 and FY 2010-11 (**Exhibit 25** and **Exhibit 26**) Cash reserves increased slightly from approximately 6 percent of annual operating costs in FY 2009-10 to approximately 7 percent of annual operating costs in FY 2010-11. Mid County maintained a line of credit through FY 2010-11 but currently has no active line of credit, and is paying down a \$121,195.35 (as of FY 2010-11) closed line of credit which is scheduled to be paid off in August 2015. Mid County’s financial situation raises much concern as its long-term debt seems to be out of proportion with its revenues and is a threat to the operation.

Exhibit 25: Mid County Balance Sheet Summary, FY 2007-08 - FY 2010-11

Balance Sheet Report	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Cash Equivalent Balance	\$ 170,040	\$ 101,219	\$ 85,070	\$ 115,078
Accounts Receivable	\$ 78,458	\$ 192,765	\$ 159,244	\$ 163,905
Accounts Payable	\$ 290,379	\$ 214,501	\$ 216,762	\$ 275,230
Current Liabilities	\$ 483,874	\$ 385,123	\$ 364,172	\$ 467,380
Line of Credit	\$ 200,000	\$ 200,000	\$ 190,000	\$ 149,288
Non-current portion of long term-debt	\$ -	\$ 134,070	\$ 94,659	\$ 52,592
Total Operating Expense	\$ 1,499,813	\$ 1,399,491	\$ 1,385,250	\$ 1,634,513
Cash Eqv. Bal/Total Operating Exp.	11%	7%	6%	7%
Line of Credit/Total Operating Exp.	13%	14%	14%	9%
Cash Eqv - Accts Payable	\$ (120,339)	\$ (113,282)	\$ (131,692)	\$ (160,152)

Source: Audited Financial Statements

Exhibit 26: Mid County End-of-Year Cash Equivalent Value, FY 2007-08 – FY 2010-11



Source: Audited Financial Statements

CONCLUSIONS

For the FY 2006-07 to FY 2011-12 period, local funders contributed between \$24,000 and \$85,000 to help cover Mid County's operational cost. Mid County's cash reserves remain below 10 percent of its total operating budget, raising concerns. Mid County has significant operating debt, which puts it in a poor financial condition and the agency needs to reassess its contracts and revenue sources.

Mid County management should actively pursue options to improve Mid County's fiscal health. Years of paying more for contract service than received through fare revenue reimbursements have created a serious financial threat to the viability of the agency. A rigorous review of contract terms, competitive bidding, and allocation of costs between contractor and in-house operations should be conducted to determine where improvements may be made.

APPENDIX A: ACTION PLAN IMPROVEMENT STRATEGIES

PART 1- EXECUTIVE SUMMARY OVERARCHING THEMES TEMPLATE

IMPROVEMENT OPPORTUNITY	Mid County Actions	Estimated Completion Date	Year					
			2012	2013	2014	2015	2016	2017
1. Create a vision and mission for the entire agency with measurable strategic goals and objectives (p. vii)								
2. Enact performance based management and data-based decision making (p. viii)								
3. Improve data integrity and sharing of internal documents and reports (p. viii)								
4. Enact long-term plans to improve fiscal health and promote active financial management (p. viii)								
5. Stabilize management structure (p. viii)								
6. Improve shared-ride system efficiency (p. viii)								

Note: Include additional pages as necessary.

PART 2- ACT 44 PERFORMANCE METRIC OBSERVATIONS TEMPLATES

A. ACTIONS TO INCREASE PASSENGERS / REVENUE HOUR TEMPLATE

Recommendation (page)	Mid County Action	Estimated Completion Date	Year					
			2012	2013	2014	2015	2016	2017
1. Redesign timetables (p.22) Publish a full system map and place on the website (p. 22) Move forward with an agency Newsletter (p. 22)								
2. Create a Citizens' Advisory Committee (CAC) (p. 23)								
3. Compare annual rider surveys to detect trends (p. 23)								
4. Maintain a more consistent interior and exterior cleaning schedule (p. 23)								
5. Install bus stop signs where appropriate (p. 23)								

B. ACTIONS TO INCREASE OPERATING REVENUE / REVENUE HOUR TEMPLATE

Recommendation (page)	Mid County Action	Estimated Completion Date	Year					
			2012	2013	2014	2015	2016	2017
1. Create and implement a threshold for fare discrepancy investigation w (p. 23)								
2. Evaluate current fare policies and create a formal fare policy (p. 23) Investigate advertising revenue potential (p. 23) Investigate route guarantees, sponsorships, or other creative funding techniques (p. 23)								

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

Recommendation (page)	Mid County Action	Estimated Completion Date	Year					
			2012	2013	2014	2015	2016	2017
1. Prepare a multi-year financial plan to pay off all debt (p. 24)								
2. Establish a direction for the provision of shared-ride service focused on cost recovery (p. 24)								
3. Make service adjustments to shared-ride to retain essential service and lower expenses and deficit (p. 24)								
4. Improve Board reports to include more financial reporting ridership, and route performance (p. 24)								
5. Track pay for all drivers on the basis of straight pay hours (p. 25)								
6. Examine trends in budget creation and implement 5-year budget cycle (p. 25)								
7. Evaluate merits of early PM performance and take appropriate action (p. 25)								
8. Prepare action plan for implementing new fareboxes (p. 25).								

PART 3- OTHER ACTIONS TO IMPROVE OVERALL PERFORMANCE TEMPLATE

Recommendation (page)	Mid County Action	Estimated Completion Date	Year					
			2012	2013	2014	2015	2016	2017
1. Vision and missions statements should be established by the governing board, outlining the high level direction for the future of Mid County (p. 25)								
2. Governing board and management should work together to develop a strategic plan, transit development plan (TDP), or equivalent document (p. 26)								
3. Develop and monitor performance metrics for all key agency functions and operations to track improvement (p. 26)								
4. Develop board committees, particularly a financial committee (p. 26)								
5. Increase the use of technology in the agency: Investigate developing more automated reports in the maintenance function (p. 26) Expand use of spreadsheets in the scheduling function (p. 26) Improve data integrity, using								

<p>technology to cross reference internal and external reporting (p. 26)</p> <p>Formally document a Strategic IT Plan (p. 27)</p>									
6. Document staff functions through desk manuals (p. 27)									
7. Create a facility master plan to detail the long term use of the facility (p. 27)									
8. Create a formal policy for employee evaluation (p. 27)									
9. Consider contracting out paint work and take appropriate action (p. 27)									
10. Measure daily revenue hours and miles by route and service day (p. 27)									
11. Develop a prioritized list of capital needs (p.27)									
12. Formalize a process to obtain input from drivers (p. 27)									
13. Create a written Safety Security and Emergency Preparedness Plan (SSEPP) and increase safety training (p. 27)									

APPENDIX B: DOCUMENTATION REQUEST TO EXECUTIVE DIRECTOR

2011 Transit Performance Review
Data Request
Pennsylvania Department of Transportation
Bureau of Public Transportation



DOCUMENT REQUEST

Please provide the following documents and label as shown for fixed route service only. Information is strongly preferred in electronic format. Please indicate on the below checklist as to the status and availability of the information.

**Denotes information requested from contractors in addition to Agency.

Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
BACKGROUND				
1. Enabling legislation, ordinances, compacts or charter.				
2. Brief history of the agency, including its current and any prior official names, any present nicknames or monikers, and identify any predecessor entities, service days/hours and any other general agency information.	X			
3. Business or Strategic Plans, including adopted Mission and Vision statements.	X			
4. Describe any unique circumstances that have adversely or positively affected the agency (ridership, finances, other).	X			
GOVERNANCE/GENERAL MANAGEMENT				
5. List of current governing body members, with terms and tenure of each member and contact information for each.	X			
6. Governing body minutes and agenda from the last 12 months.	X			
7. Biography, contract terms, and tenure of General Manager / Executive Director.	X			
8. **Organization chart delineating decision authority by roles.	X			
9. Succession plan or equivalent.	X			
10. Any documentation not provided above which delineates the respective roles and responsibilities of management and governing body members.			X	
OVERSIGHT AND REVIEWS				
11. Two most recent annual reports from chief executive officer to governing board.			X	
12. Financial Management Oversight (FMO) reviews, Triennial Reviews, and any other recent outside audits or evaluations in any administrative areas such as: Executive Management, Human Resources, Finance, Legal, Information Management, Resource Management, Internal Audit, Marketing, etc. Include all correspondence between the agency, PennDOT, FTA, auditors, etc.	X			
HUMAN RESOURCES				
13. All collective bargaining agreements as well as any related documents(e.g., letters or memoranda of understanding, letter	X			

2011 Transit Performance Review
Data Request
Pennsylvania Department of Transportation
Bureau of Public Transportation

Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
agreements, side letters that clarify or modify the collective bargaining agreements, etc.)	X			
14. Any strikes or work stoppages over the past 6 years.	X			
15. Any reports filed with the state or federal government regarding union operations, funds management, etc.			X	
16. Cost of benefits (health care, pension/retirement, etc.) broken down by major category for the last year and projected for the next 5 years.				
17. Turnover rate by position for each of the last 5 years.	X			
18. **Operator hiring and performance review procedures.	X			
FINANCE				
19. Operating and Capital Budgets for the current fiscal year (provide separately if not in the Annual Report).	X			
20. Official Bond Statements for the most recent issuances.				X
21. Audited Financial Statement for the most recent fiscal year and Single Audit Statement.	X			
22. Profit/Loss/Cash Flow statements for each of the past 12 months.	X			
23. Year-end cash position for each of the last 2 fiscal years.	X			
24. Operating revenues and expense detail by account for each of the last 2 years. Please provide in as frequent intervals as possible (i.e. monthly, quarterly)	X			
PROCUREMENT				
25. Procurement policy and procedures.	X			
CONTRACTING				
26. Contracts involving purchased transportation.	X			
27. Contracts for the provision of services or special operations agreements to specific agencies, localities, colleges, universities, or other entities.	X			
28. **Contracts for tire services, management services, and professional services over \$25,000 in value.				X
29. Contract management plan.				X
OPERATIONS				
30. **Operations Manual.	X			
31. **Operators Manual.	X			
32. **Emergency and inclement weather (snow, flood, etc.) operational plans and procedures.	X			
33. **Dispatch procedures				X
34. **On-street supervision procedures (incl. AVL, if equipped).	X			
35. **Service standards for existing and new or newly restructured services. Provide description or example of how used in periodic service evaluations and service planning.	X			
36. Significant seasonal variations in service supplied (including school alterations, special routes, etc.).				X

2011 Transit Performance Review
 Data Request
 Pennsylvania Department of Transportation
 Bureau of Public Transportation

Requested Item	Mark Form in which Data to Be Provided			
	Electronic	Paper Mail	Not Available	Not Applicable
37. Identify and provide relevant documents regarding any present & future operational challenges.	X			
FARES AND FARE SECURITY				
38. Listing of fares by type and media (pass, token, cash, etc.)	X			
39. Plans for changes in fare media (e.g. electronic).	X			
40. **Monthly fare revenue by category, and by patron type.	X			
41. **Fare handling policy & procedures (from on-board vehicle to deposit at bank).	X			
42. Commuter choice program description, synopsis of participants, marketing activities, and total revenues derived from program (if applicable).				X
MAINTENANCE				
43. **Maintenance plan, programs and procedures manual.	X			
44. **Fleet roster for fixed route revenue and non-revenue vehicles	X			
45. End of year parts inventory value (\$) for each of past 5 years.	X			
46. Building condition appraisals.	X			
47. Ongoing asset maintenance programs.	X			
OPERATIONAL SCHEDULING/PLANNING				
48. **Scheduling Manual.	X			
49. Maps and schedules (system wide and route specific).	X			
50. Revenue miles, revenue hours & fares from any charter services provided in each of the last 6 years.	X			
51. Short range transit operational plan (i.e., TDP - transit development plan).				
52. Long range transit plan.				
SAFETY AND SECURITY				
53. Summary of Worker Compensation Claims, by year, for each of last 5 years.	X			
54. **Description of accident/incident policy and definitions, including how they are recorded and monitored (separated by employee and patron).	X			
55. **Property collisions and other reportable incidents for each of the past 6 years.	X			
56. **Personal injuries and fatalities for each of the past 6 years.	X			
57. **On-board criminal activities for each of the past 6 years	X			
58. **Property criminal activities for each of the past 6 years	X			
59. **Safety training and Collision reduction plan(s).	X			
60. **Emergency Preparedness / Operations Continuity Plan.	X			
61. **List of any safety or security issues and/or concerns.	X			
62. **Number of vehicles and sites with security monitoring (i.e., camera, patrols).	X			
63. Records of safety meetings for past 2 years.	X			

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CUSTOMER SERVICE				
64. **Fixed route ADA compliance reports for the most recent year.				
65. Two most recent customer service surveys reports and any actions taken to address known issues.	X			
66. **Complaint procedures manual/policy and 2 most recent reports.				
67. Other customer service metrics maintained by the agency.				
INFORMATION TECHNOLOGY				
68. **Computer disaster recovery plan.	X			
69. Computer security procedures now in use.	X			
70. **Data collection technology/programs (i.e., APCs, AVL, scheduling software, financial management software, maintenance software).	X			
CAPITAL PROGRAMMING				
71. Short and Long-term capital programs or plans including: <ul style="list-style-type: none"> • Transit TIP • Agency Specific Plans (additional to TIP): <ul style="list-style-type: none"> ○ Fleet expansion needs/plans for revenue and non-revenue vehicles (if in addition to TIP) ○ State-of-good-repair facility projects for next 5 years (new roof, vehicle overhaul, etc.) ○ New/Expanded facilities projects for next 5 years ○ Replacement/expansion needs/plans for all other capital assets for next 5 years 	X			
72. Contact information for any assets owned, operated, or maintained by others.				
73. Listing of real estate fixed assets (i.e., facilities, transfer locations, etc.) identifying any asset currently not directly used in transit operations and plans for same.				
74. Listing of Real estate plans (purchases, sales, or lease changes) including current or planned construction projects, documenting cost to complete and projected completion date planned for next 5 years	X			
MARKETING AND PUBLIC RELATIONS				
75. Service area demographics, customer profiles, and market research documents (as available).	X			
76. Local news clippings from past 5 years.			X	
77. Copy of current year marketing program and policies.	X			
78. Public involvement plan, and notices and attendance rosters from events from most recent 2 years.	X			
79. Reports, input, recommendations, etc. from ridership committees and/or advocacy groups for the past 2 years.				X