



LANTA Transit System Performance Review

October 27, 2020

# Performance Report

Lehigh and Northampton Transportation Authority  
d.b.a., LANTA

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## PREFACE

**Pennsylvania law requires transit agency performance reviews and five-year performance targets to improve efficiency and effectiveness of service**

**COVID-19: Transit-dependent populations are bearing a heavy burden**

**Transit agencies are navigating new demands, plummeting ridership, and higher costs**

**PennDOT will reevaluate performance targets when long-term impacts of the pandemic are known**

Act 44 of 2007 and Act 89 of 2013 increased funding for public transportation in Pennsylvania. The laws also required transit agencies to improve the efficiency and effectiveness of service delivery through increased ridership, revenue, and cost containment. PennDOT evaluates every fixed-route transit agency in the Commonwealth at least once every five years to determine how well the agency satisfies these requirements through a performance review. Act 44 also requires PennDOT to develop five-year performance targets for each agency as part of the performance review process.

During the spring of 2020, COVID-19 caused significant social and economic disruptions as people sheltered in place to limit the spread of the disease. The adverse impacts throughout the Commonwealth of Pennsylvania were profound. The health and unemployment effects of Covid-19 disproportionately impacted senior, disabled, and low-income populations. These individuals also rely heavily on public transportation to meet their essential travel needs.

The impacts of COVID-19 on the public transportation industry were also numerous. Ridership decreased by more than 90 percent at some agencies during April 2020—the height of the pandemic in Pennsylvania. Revenues dropped as agencies opted to waive fares to limit bus driver interactions and possible disease transmission from the handling of tickets and currency. Agencies increased the frequency and extent of bus cleaning, causing higher operating costs. Some agencies furloughed drivers as they reduced service in response to plummeting passenger demand.

While transit agencies have begun to stabilize from the initial impacts of COVID-19, the long-term effects remain unknown. Social distancing guidelines could cause transit agencies to limit the number of passengers on buses and rail for years. Ridership, revenue, and operating cost trends used to develop this transit performance review report, including five-year performance targets, rely on information that predates the pandemic. PennDOT will continue to monitor the impacts of COVID-19 and reassess the transit agency's five-year performance targets when the long-term effects of the epidemic become known. If the performance targets are revised, they will be published as an addendum to this report.

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**PUBLIC TRANSPORTATION SERVICE SUMMARY**  
**Fiscal Year 2018-2019**

Agency	Lehigh and Northampton Transportation Authority (d.b.a. LANta)		
Year Founded	1972		
Reporting Fiscal Year End (FYE)	2019		
Service Area (square miles)	230		
Service-Area Population	485,712		
Annual Operating Statistics*	Fixed-Route	Paratransit (Shared-Ride + ADA + DAS**)	Total (Fixed-Route + Paratransit)
Vehicles in Maximum Service (VOMS)	76	95	171
Operating Cost	\$26,978,741	\$9,078,488	\$36,057,229
Operating Revenues	\$4,783,685	\$5,943,725	\$10,727,410
Operating Subsidies	\$22,195,056	\$2,530,320	\$24,725,376
Total (Actual) Vehicle Miles	3,308,471	3,173,505	6,481,976
Revenue Miles of Service (RVM)	3,061,461	N/A	N/A
Total Vehicle-Hours	276,297	193,686	469,983
Revenue Vehicle-Hours (RVH)	240,672	N/A	N/A
Total Passenger Trips	4,368,566	364,004	4,732,570
Senior Passenger (Lottery) Trips	580,073	148,661	728,734
Act 44 Performance Statistics			
Passengers / RVH	18.15	N/A	N/A
Operating Cost / RVH	\$112.10	N/A	N/A
Operating Revenue / RVH	\$19.88	N/A	N/A
Operating Cost / Passenger	\$6.18	\$24.94	\$7.62
Other Performance Statistics			
Operating Revenue / Operating Cost	17.73%	65.47%	29.75%
Operating Cost / Total Vehicle-Hours	\$97.64	\$46.87	\$76.72
Operating Cost / Total Vehicle-Miles	\$8.15	\$2.86	\$5.56
Total Passengers / Total Vehicle-Hours	15.81	1.88	10.07
Operating Cost / RVM	\$8.81	N/A	N/A
RVM / Total Vehicle-Miles	92.53%	N/A	N/A
RVH / Total Vehicle-Hours	87.11%	N/A	N/A
Operating Subsidy / Passenger Trip	\$5.08	\$8.61	\$5.35

\*Source: dotGrants 2019 reporting

\*\*Department Approved Service

## EXECUTIVE SUMMARY

Act 44 of 2007 increased state funding for public transportation operations by about 50 percent (from \$535 million per year to \$800 million per year) by the end of its first year. The funding was provided to address the dire financial needs of local public transportation organizations across the Commonwealth. The public transportation organizations on the verge of major service cuts and/or significant fare increases were thus able to maintain existing service and fares and, with a predictable and growing source of operating assistance, plan service changes.

Act 44 also ushered in requirements for accountability, performance improvement, and maximizing return on investment. It established a framework for PennDOT to work with local public transportation organizations to:

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

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

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

Act 44 regulations address PennDOT actions regarding performance reviews, and the financial penalties for public transportation organizations that fail to meet performance targets. Section 427.12., Performance Reviews, states:

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

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

PennDOT conducted a transit performance review for the Lehigh and Northampton Transportation Authority (d.b.a. LANTA) in November 2014. Based on that review, PennDOT developed a performance report in June 2015 that established five-year performance targets and agreed to LANTA’s Action Plan to meet those targets. In July 2020, PennDOT reassessed LANTA to determine whether LANTA met its targets and what actions it took to improve the agency’s performance and management practices to maximize the return on investment of Commonwealth funding. This report summarizes PennDOT’s findings.



## IMPORTANT CHANGES SINCE THE 2015 PERFORMANCE REVIEW

PennDOT conducted the initial review of LANTA in November 2014. Since finalizing LANTA's 2015 report, the following factors impacted LANTA's operations and finances:

1. **Organizational Changes** – Since 2015, the executive director hired dedicated staff for human resources (HR), compliance, safety, and planning. LANTA also brought shared-ride scheduling in-house and hired former contractor staff. These organizational changes increased the overall cost of administering LANTA operations. Currently, total administrative costs account for approximately 6.4 percent of total operating costs, and are within industry standards for a large transit system.
2. **Expanded LANtaBus Service** – Since 2015, LANTA increased fixed-route service to accommodate a growing service area. LANTA secured revenue agreements with Amazon and FedEx for expanded service on existing routes. LANtaBus service was expanded due to population growth in the Lehigh Valley. However, anticipated gains in ridership and revenue did not materialize despite a 7.4 percent increase in revenue vehicle-hours between FYE 2015 and FYE 2019. The associated operating costs per revenue vehicle-hour increased 3.6 percent on average between FYE 2015 and FYE 2019.
3. **LANtaFlex, as Department-Approved Service** – LANTA began operating a reservation-based flex service in 2011. LANtaFlex operates within two geographically defined zones where passengers can travel throughout the zone or transfer to fixed-route bus service. From FYE 2011 through FYE 2018, LANTA reported its flex service as fixed-route purchased transportation. As of FYE 2019, LANTA reported LANtaFlex as a Department-Approved Service (DAS) under demand-response purchased transportation.
4. **Carbon Transit Management Fees** – LANTA has a longstanding relationship with Carbon County to manage Carbon Transit (CT). In July 2020, CT owed about \$545,000 to LANTA, with some invoices as old as 2017. PennDOT worked with LANTA and its auditor to use existing grants to balance CT's debt to LANTA.

## 2015 PERFORMANCE REVIEW DETERMINATIONS AND FINDINGS

The 2015 performance review compared LANTA with a group of peer agencies based on the four performance criteria required by Act 44. LANTA was “In Compliance” for seven performance criteria and “At Risk” for one. LANTA performed better than the peer group for **operating revenue per revenue vehicle-hour** for the trend and single-year determinations.

Performance Criteria	FYE*	Determination	Peer Rank (of 13)	Relation to Peer Average	Value	Peer Average
Passengers / Revenue Vehicle-Hour	2012	In Compliance	5	Better	22.43	19.55
	Trend	In Compliance	12	Worse	-4.65%	0.17%
Operating Cost / Revenue Vehicle-Hour	2012	In Compliance	9	Worse	\$93.80	\$89.05
	Trend	In Compliance	6	Worse	2.61%	2.11%
Operating Revenue / Revenue Vehicle-Hour	2012	In Compliance	5	Better	\$21.55	\$19.09
	Trend	In Compliance	8	Better	3.03%	2.19%
Operating Cost / Passenger	2012	In Compliance	6	Better	\$4.18	\$4.97
	Trend	<b>At Risk</b>	12	Worse	7.61%	2.12%

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

LANTA developed an Action Plan to address opportunities for improvement identified in the 2015 performance review report. LANTA did the following to improve its performance:

1. Developed a long-term strategy to increase cash reserves and transition away from credit-based financing.
2. Evaluated the implications of Bus Rapid Transit (BRT) on overall operating costs to determine the long-term fiscal impacts of the proposed service. LANTA decided BRT was too expensive to implement and decided to pursue Enhanced Bus Service (EBS) instead.
3. Coordinated with PennDOT staff to consistently account for LANTA Flex Service in dotGrants and NTD reporting.

PennDOT, in consultation with LANTA’s management, established the following performance targets that the agency was to attain before its next performance review:

- Increasing passengers per revenue vehicle-hour by at least 2.0 percent per year on average;
- Increasing operating revenue per revenue vehicle-hour by at least 2.0 percent per year on average;
- Containing increases in operating cost per revenue vehicle-hour to no more than 3.0 percent per year on average; and,
- Containing increases in operating cost per passenger to no more than 1.0 percent per year on average.

The performance targets established in 2015 used the most accurate data available at that time.

Performance Criteria	2019 Target	2019 Actual	Met Target
Passengers / Revenue Vehicle- Hour	24.98	18.15	No
Operating Cost / Revenue Vehicle-Hour	\$111.58	\$112.10	No
Operating Revenue / Revenue Vehicle-Hour	\$23.69	\$19.88	No
Operating Cost / Passenger	\$4.47	\$6.18	No

LANTA experienced increases in fixed-route operating costs from investments in administrative staff and enhanced service. LANTA successfully established revenue agreements to offset the cost for expanded service on existing routes to large-scale warehousing operations. LANTA also expanded LANTaBus service in sync with population growth in the Lehigh Valley. However, ridership gains did not materialize as anticipated. Despite experiencing a decline in overall ridership since 2015, LANTA performs better than the peer group in passengers per revenue vehicle hour.

## 2020 PERFORMANCE REVIEW DETERMINATIONS AND FINDINGS

The 2020 performance review compared LANTA with a group of peer agencies based on the four Act 44 performance criteria. LANTA was “In Compliance” with all performance measures.

Performance Criteria	FYE*	Determination	Peer Rank (of 13)	Relation to Peer Average	Value	Peer Average
Passengers / Revenue-Hour	2018	In Compliance	3	Better	19.24	17.43
	Trend	In Compliance	5	Better	-2.81%	-4.14%
Operating Cost / Revenue-Hour	2018	In Compliance	7	Better	\$110.72	\$116.79
	Trend	In Compliance	8	Worse	3.45%	2.57%
Operating Revenue / Revenue-Hour	2018	In Compliance	6	Worse	\$20.09	\$20.52
	Trend	In Compliance	5	Worse	-0.91%	-0.03%
Operating Cost / Passenger	2018	In Compliance	5	Better	\$5.76	\$6.66
	Trend	In Compliance	6	Better	6.44%	7.13%

\*Note: Single-year and five-year trend peer comparisons are based on NTD information that was current at the time of peer review. Therefore, these factors differ from those presented on the Agency Profile page, which uses FYE 2019 data.

LANTA performed better than the peer group in passengers per revenue vehicle hour in both the single-year FYE 2018 determination and the five-year trend. LANTA performed better than the peer group in operating costs per revenue-hour for the single-year determination, but not over the five-year trend. LANTA performed slightly worse than the peer group average for increasing operating revenue per revenue-hour for both the single-year determination and the five-year trend. LANTA performed better than the peer group for operating cost per passenger for both the single-year determination and the five-year trend.

The 2020 performance review also identified steps that LANTA can take to improve overall agency performance, including:

1. Identifying long-term strategies to achieve a fiscally sustainable business model;
2. Developing a strategy to achieve its on-time performance goal; and,
3. Coordinating with local municipalities to implement transit signal priority (TSP) to support Enhanced Bus Service (EBS).

PennDOT also identified additional opportunities for improvement during the 2020 performance review. The complete list of opportunities for improvement will serve as the basis for LANTA’s Board-approved Action Plan.

## 2024 PERFORMANCE TARGETS

As required by Act 44, PennDOT and LANTA management developed new five-year performance targets. Performance targets are designed to be aggressive yet achievable. LANTA should work to

achieve these targets, shown in the following table, over the next five years to ensure continued eligibility for full Section 1513 funding.

Performance Criteria	Fiscal Year End (FYE)			Target Annual Increase
	2018 Actual	2019 Actual	2024 Target	
Passengers / Revenue Vehicle-Hour	19.24	18.15	18.61	0.5%
Operating Cost / Revenue Vehicle-Hour	\$110.72	\$112.10	\$129.95	3.0%
Operating Revenue / Revenue Vehicle-Hour	\$20.09	\$19.88	\$23.04	3.0%
Operating Cost / Passenger	\$5.76	\$6.18	\$6.99	2.5%

## FINANCIAL REVIEW

LANTA currently has a balanced operating budget. Its cash equivalent balance has increased since 2015. Noteworthy elements of LANTA's FYE 2019 financial condition are:

- LANTA had \$1,974,529 in state carryover funds.
- LANTA reported a negative local carryover balance of \$57,506 that arose from receiving inadequate capital match in prior years.
- Combined carryover subsidies were equal to 5.2 percent of total operational funding.
- LANTA had a cash balance equal to 7.3 percent of total annual operating expenses.
- LANTA had accounts receivable (AR) greater than 90 days equal to 3.0 percent of total operating costs.
- Accounts payable (AP) amounts were negligible.
- Current assets exceeded current liabilities.
- LANTA had \$7,654 remaining in long-term debt.

Management should continue taking appropriate actions to manage costs (containing growth within 3.0 percent annually), achieve farebox recovery goals, and increase cash reserves to preserve LANTA's overall financial health. Financial planning should also address the impacts of a potential merger of CT into LANTA.

## NEXT STEPS

LANTA's management and Board will develop an Action Plan in response to the complete list of "Opportunities for Improvement" identified in this performance review report. Some actions will be quickly implementable, while others may take several discrete steps to achieve over a more extended period. LANTA's management must report to the Board and PennDOT quarterly on progress toward accomplishing the Action Plan and meeting its performance targets.

# INTRODUCTION

## PURPOSE

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

Act 44 also ushered in critical requirements for accountability, performance improvement, and maximizing return on investment. It established a framework for PennDOT to work with local public transportation organizations to:

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

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

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

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PennDOT conducted a transit performance review for LANTA in November 2014. Based on that review, PennDOT developed a performance report in June 2015 that established five-year performance targets and agreed to LANTA’s Action Plan to meet those targets. In July 2020, PennDOT reassessed LANTA to determine whether LANTA met its targets and the actions taken to improve the agency’s performance and management practices to maximize the return on investment of Commonwealth funding. This report summarizes PennDOT’s findings.

## AGENCY DESCRIPTION

The Lehigh and Northampton Transportation Authority (d.b.a. LANta) was established in 1972 in Lehigh and Northampton counties to provide fixed-route bus service for the Lehigh Valley Area (i.e., Allentown, Bethlehem, and Easton). A 10-member Board of Directors governs LANTA; Lehigh and Northampton counties appoint five directors each. Currently, the Board is at full membership. LANTA also manages Carbon Transit (CT) through a longstanding arrangement between LANTA and the Carbon County Board of County Commissioners. LANTA contracts with Easton Coach for demand-response service in Lehigh and Northampton counties and for fixed-route and demand-response service in Carbon County.

LANTA directly operates fixed-route service (i.e., LANtaBus) for Lehigh and Northampton counties and contracts with Easton Coach for demand-response services (LANtaVan). LANTA's fleet consists of 176 vehicles that include 84 heavy-duty buses for LANtaBus and 92 light-duty vans for LANtaVan.

In 2011, LANTA launched its LANtaFlex service—a reservation-based service operating in a geographically defined zone allowing passengers to travel throughout the area or transfer to LANtaBus fixed-route service. LANtaFlex service operates in two distinct zones:

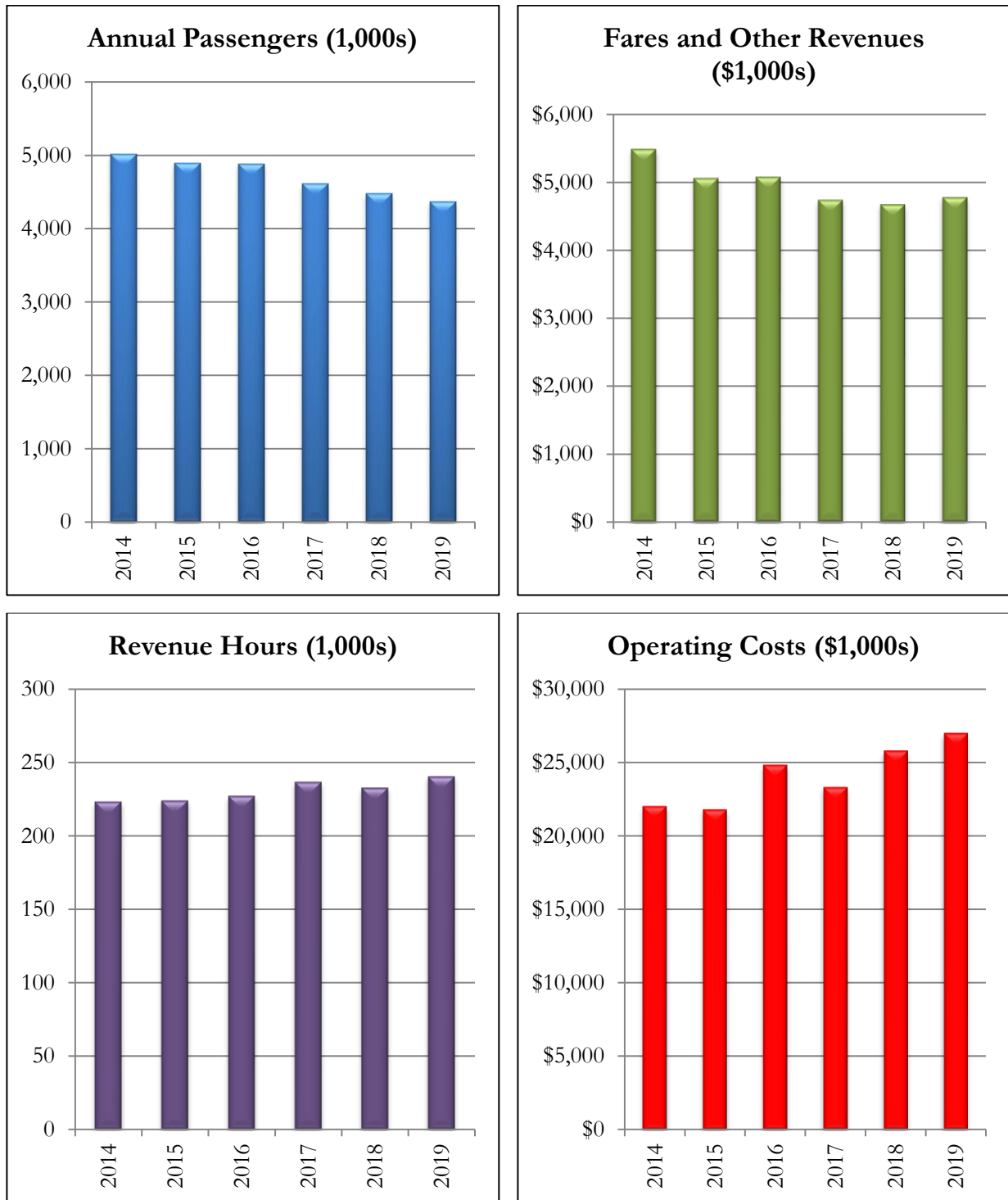
- Slate Belt Flex Zone for service in Wind Gap, Pen Argyl, Bangor, and Roseto; and
- Macungie/Alburtis Flex Zone southwest of Allentown.

In 2015, LANTA brought shared-ride scheduling in-house and hired former contractor staff to support the LANtaVan division. LANTA also experienced significant management turnover and increased its administration in response to new policies and standard operating procedures aimed to improve operational efficiencies.

LANTA developed a plan for Enhanced Bus Service (EBS) in response to community interest in rapid transit in the Lehigh Valley. The EBS plan includes two routes designed to operate seven days a week, and as frequently as possible given existing and potential ridership to maximize the span of service. EBS will begin on a north-south corridor and an east-west corridor. Bus routes will converge on these corridors in 2021, effectively reducing headways. LANTA plans to operate EBS within its existing service standards for LANtaBus.

Currently, LANTA has 35 LANtaBus fixed routes in Lehigh and Northampton counties. LANtaBus provided 4,368,566 fixed-route passenger trips in FYE 2019, with 76 vehicles operating in maximum service (VOMS). **Exhibit 1** presents fixed-route bus statistics for LANTA. **Appendix A: Data Adjustments** on page 21 documents data discrepancies between NTD and dotGrants, and how values were reconciled.

**Exhibit 1: LANTA Fixed-Route Bus Service Annual Performance Trends (2014–2019)**



Source: NTD and PennDOT Legacy Reporting System (dotGrants)

## PERFORMANCE REVIEW PROCESS

In July 2020, PennDOT initiated an Act 44-mandated performance review for LANTA. The following outlines the review process:

1. Notify LANTA of performance review schedule and transmit a document request.
2. Review available data and request additional information.
3. Agree upon a set of peer agencies for comparison (LANTA and PennDOT).
4. Review of the most recent customer satisfaction survey (CSS).
5. Assess Act 44 variables, including current performance, targets from the previous 2014 review, and Action Plan implementation.
6. Perform Act 44 performance criteria analysis.
7. Conduct onsite review, interviews, and supplementary data collection/reconciliation.
8. Evaluate performance, financial condition, and operations.
9. Report results and determine agency compliance with performance requirements.
10. Finalize the performance review report.
11. Develop, implement, and monitor a five-year Action Plan (LANTA).
12. Provide technical assistance, if required, to help meet five-year performance targets.

These steps in the performance review process assess LANTA's unique challenges, changes since the previous performance review, the accuracy and reliability of reported data, implemented practices, additional opportunities for improvement, and realistic goals to attain before the next performance review.

## CUSTOMER SATISFACTION SURVEY

LANTA conducted a customer satisfaction survey (CSS) between December 26, 2017, and March 2, 2018. The CSS consisted of 15 questions addressing customer satisfaction, rider characteristics, and patterns in service usage. LANTA collected 546 responses. Based on survey results, LANTA has between 10,000 and 17,000 unique riders. The survey's margin of error is less than 4.5 percent. Results from the survey show:

1. Ninety-three (93) percent of respondents indicated they were "satisfied" or "very satisfied" with LANTA service, an increase from 86 percent reported in LANTA's 2015 survey.
2. Ninety-one (91) percent of respondents indicated they would continue to ride LANTA.
3. Eighty-nine (89) percent of respondents indicated they would recommend LANTA to others.

Riders rated a total of 19 performance measures addressing topics such as driver and staff performance, safety, capacity, frequency of service, schedule adherence, and clarity of bus schedules (**Exhibit 2**). The top-rated measures were:

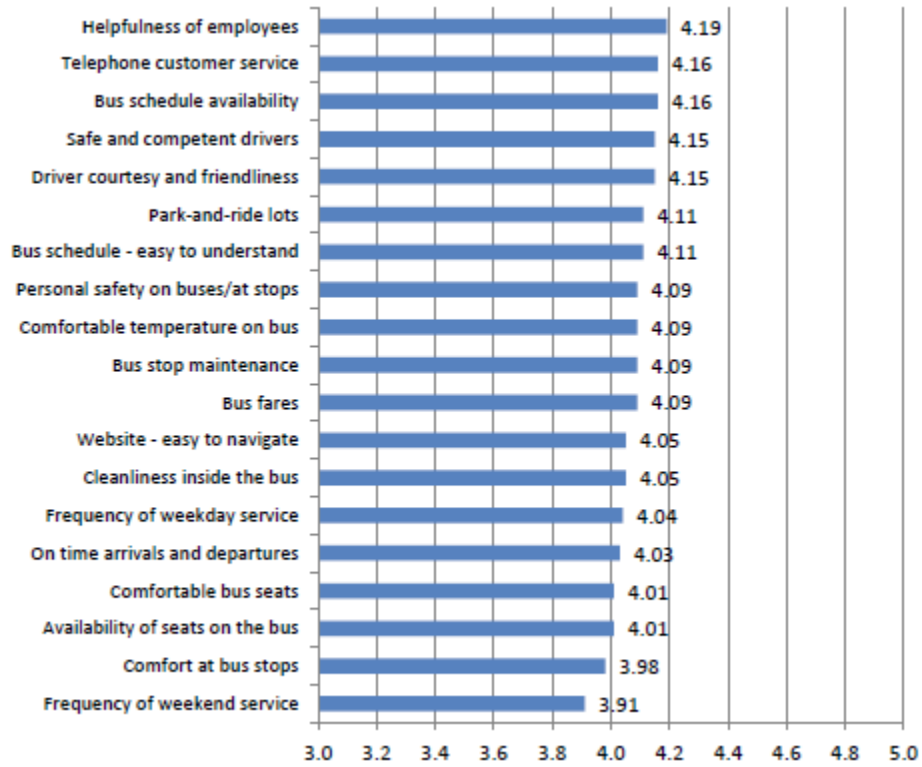
1. Helpfulness of employees.
2. Telephone customer service.
3. Bus schedule availability.

Measures that received the lowest average scores were:

1. Availability of seats on the bus.
2. Comfort at bus stops.
3. Frequency of weekend service.



Exhibit 2. Average Customer Satisfaction Score by Performance Measures



## 2015 ACT 44 PERFORMANCE ASSESSMENT

### PRIOR REVIEW DETERMINATIONS AND FINDINGS

The 2015 performance review compared LANTA to a group of peer agencies based on the four performance criteria required by Act 44. LANTA was “In Compliance” for seven performance criteria and “At Risk” for operating cost per passenger for the five-year trend determination (Exhibit 3). Overall, LANTA performed better than its peers in half of the criteria.

### Exhibit 3: Previous LANTA Performance Review Act 44 Comparison Summary

Performance Criteria	FYE*	Determination	Peer Rank (of 13)	Relation to Peer Average	Value	Peer Average
Passengers / Revenue Vehicle-Hour	2012	In Compliance	5	Better	22.43	19.55
	Trend	In Compliance	12	Worse	-4.65%	0.17%
Operating Cost / Revenue Vehicle-Hour	2012	In Compliance	9	Worse	\$93.80	\$89.05
	Trend	In Compliance	6	Worse	2.61%	2.11%
Operating Revenue / Revenue Vehicle-Hour	2012	In Compliance	5	Better	\$21.55	\$19.09
	Trend	In Compliance	8	Better	3.03%	2.19%
Operating Cost / Passenger	2012	In Compliance	6	Better	\$4.18	\$4.97
	Trend	<b>At Risk</b>	12	Worse	7.61%	2.12%

\*Note: Single-year and five-year trend peer comparisons are based on current NTD information at the time of the peer review.

### ACTION PLAN AND PERFORMANCE TARGETS

In the 2015 performance review LANTA developed an Action Plan to address opportunities for improvement and took the following steps to improve performance:

1. Developed a long-term strategy to increase cash reserves and transition away from credit-based financing.
2. Evaluated the implications of BRT on overall operating costs to determine the long-term fiscal impacts of the proposed service. LANTA decided BRT was too expensive to implement and decided to pursue Enhanced Bus Service (EBS) instead.
3. Coordinated with PennDOT staff to account for LANTA Flex Service consistently in dotGrants and NTD reporting.

The complete list of LANTA’s previous Action Plan items and LANTA’s progress in addressing previously identified opportunities for improvement is provided in Appendix B: 2015 Performance Review Action Plan Assessment. For LANTA’s complete Action Plan please reference page 23.

PennDOT and LANTA established the following five-year performance targets in 2015:

- Increasing passengers per revenue vehicle-hour by at least 2.0 percent per year on average;
- Increasing operating revenue per revenue vehicle-hour by at least 2.0 percent per year on average;
- Containing increases in operating cost per revenue vehicle-hour to no more than 3.0 percent per year on average; and,
- Containing increases in operating cost per passenger to no more than 1.0 percent per year on average.

As shown in **Exhibit 4**, LANTA did not meet the performance targets established during the 2015 performance review.

#### **Exhibit 4: 2019 LANTA Performance Targets**

<b>Performance Criteria</b>	<b>2019 Target</b>	<b>2019 Actual</b>	<b>Met Target</b>
Passengers / Revenue Vehicle-Hour	24.98	18.15	No
Operating Cost / Revenue Vehicle-Hour	\$111.58	\$112.10	No
Operating Revenue / Revenue Vehicle-Hour	\$23.69	\$19.88	No
Operating Cost / Passenger	\$4.47	\$6.18	No

#### **ASSESSMENT**

Since finalizing LANTA's 2015 report, the following factors impacted LANTA's operations and finances:

1. **Organizational Changes** – Since 2015, the executive director hired dedicated staff for human resources (HR), compliance, safety, and planning. LANTA also brought shared-ride scheduling in-house and hired former contractor staff. These organizational changes increased the overall cost of administering LANTA operations. Currently, total administrative costs account for approximately 6.4 percent of total operating costs and are within industry standards for a large transit system.
2. **Expanded LANtaBus Service** – Since 2015, LANTA increased fixed-route service to accommodate a growing service area. LANTA secured revenue agreements with Amazon and FedEx for expanded service on existing routes. LANtaBus service was expanded due to population growth in the Lehigh Valley. However, anticipated gains in ridership and revenue did not materialize despite a 7.4 percent increase in revenue vehicle-hours between FYE 2015 and FYE 2019. The associated operating costs per revenue vehicle-hour increased 3.6 percent on average between FYE 2015 and FYE 2019.
3. **LANtaFlex, as Department-Approved Service** – LANTA began operating a reservation-based flex service in 2011. LANtaFlex operates within two geographically defined zones where passengers can travel throughout the zone or transfer to fixed-route bus service. This service allowed LANTA to eliminate relatively unproductive fixed-route service at the end of a few routes. From FYE 2011 through FYE 2018, LANTA reported its flex service as fixed-route purchased transportation. As of FYE 2019, LANTA began reporting LANtaFlex as a Department-Approved Service (DAS) under demand-response purchased transportation.
4. **Carbon Transit Management Fees** – LANTA has a longstanding arrangement with Carbon County to manage CT. In July 2020, CT owed about \$545,000 to LANTA, with some invoices as old as 2017. PennDOT worked with LANTA and its auditor to use existing grants to balance CT's debt to LANTA.

Although LANTA did not achieve its performance targets, the authority took steps to expand ridership, eliminate relatively unproductive service by replacing fixed-route with flex service, increase revenue, and manage operating costs. Management should continue to contain operating costs as the authority seeks to implement EBS and oversee operations for CT given plans to expand fixed-route operations and introduce demand-response flex service in Carbon County.

## 2020 ACT 44 PERFORMANCE ASSESSMENT

The 2020 performance review compared LANTA to a group of peer agencies based on the four performance criteria required by Act 44.

### PEER AGENCY COMPARISONS

Twelve peer agencies were identified through a collaborative process between PennDOT and LANTA using criteria defined in Act 44 and data from the most recently available National Transit Database (NTD)—FYE 2018. The systems identified for peer comparisons were:

1. Birmingham-Jefferson County Transit Authority\* (Birmingham, AL)
2. Metropolitan Tulsa Transit Authority\* (Tulsa, OK)
3. County of Volusia, d.b.a. VOTRAN (South Daytona, FL)
4. Central Contra Costa Transit Authority\* (Concord, CA)
5. SunLine Transit Agency\* (Thousand Palms, CA)
6. Santa Cruz Metropolitan Transit District (Santa Cruz, CA)
7. Capital Area Transit System (Baton Rouge, LA)
8. Charleston Area Regional Transportation Authority\* (Charleston, SC)
9. Mountain Metropolitan Transit (Colorado Springs, CO)
10. San Joaquin Regional Transit District (Stockton, CA)
11. Corpus Christi Regional Transportation Authority\* (Corpus Christi, TX)
12. Cumberland Dauphin-Harrisburg Transit Authority,\* (Harrisburg, PA)

\* Denotes an agency that was also a peer in the previous performance review.

**Exhibit 5** presents the results of the 2020 LANTA analysis and peer comparison. LANTA was “In Compliance” for all measures. The detailed data used to develop the peer comparison summary is presented in **Appendix C: Peer Comparisons**.

### Exhibit 5: Current Performance Review Act 44 Peer Comparison Summary

Performance Criteria	FYE*	Determination	Peer Rank (of 13)	Relation to Peer Average	Value	Peer Average
Passengers / Revenue Hour	2018	In Compliance	3	Better	19.24	17.43
	Trend	In Compliance	5	Better	-2.81%	-4.14%
Operating Cost / Revenue Hour	2018	In Compliance	7	Better	\$110.72	\$116.79
	Trend	In Compliance	8	Worse	3.45%	2.57%
Operating Revenue / Revenue Hour	2018	In Compliance	6	Worse	\$20.09	\$20.52
	Trend	In Compliance	5	Worse	-0.91%	-0.03%
Operating Cost / Passenger	2018	In Compliance	5	Better	\$5.76	\$6.66
	Trend	In Compliance	6	Better	6.44%	7.13%

### ASSESSMENT

The 2020 review found LANTA to be “In Compliance” for all eight metrics. LANTA performed better than the peer group in managing ridership losses on a per revenue hour basis, in both the single-year FYE 2018 determination and the five-year trend period. LANTA performed better than the peer group in restricting growth operating costs per revenue hour for the single-year determination, but not over the five-year trend. LANTA performed slightly worse than the peer group average for increasing operating revenue per revenue hour for both the single-year determination and the five-year trend. LANTA performed better than the peer group in terms of operating cost per passenger for both the single-year determination and the five-year trend.

## 2024 PERFORMANCE TARGETS

Act 44 requires PennDOT, in consultation with agency management, to establish five-year performance targets for each of the four Act 44 metrics for fixed-route service. Setting performance targets for these metrics and regularly reevaluating performance are practices intended to improve both the effectiveness and efficiency of service delivery. Act 89 requires agencies to maintain a policy to adjust fares for inflation to keep pace with increases in operating costs. PennDOT uses the most recent audited and agency-verified values for passengers, operating costs, and operating revenues as the baseline for developing the targets. Five-year targets reflect realistic and achievable expectations of improvement.

The 2020 performance review noted that LANTA managed ridership declines and restricted increases in operating costs better than most peer systems despite not achieving anticipated growth in ridership from service expansions to increase passengers per revenue vehicle-hour. LANTA should achieve its FYE 2024 targets, focusing on efforts to increase ridership and containing operating costs.

PennDOT established the following performance targets in consultation with LANTA:

- Increase passengers per revenue vehicle-hour by at least 0.5 percent per year on average.
- Contain operating cost per revenue vehicle-hour increases to no more than 3.0 percent per year on average.
- Increase revenue per revenue vehicle-hour by at least 3.0 percent per year on average.
- Contain operating cost per passenger trip increases to no more than 2.5 percent per year on average.

PennDOT based LANTA’s future-year performance targets on the most recently available fiscal year-end data (i.e., FYE 2019). LANTA must work to achieve these targets, listed in **Exhibit 6**, over the next five years to ensure continued eligibility for full Section 1513 funding.

### Exhibit 6: FYE 2024 Act 44 Performance Targets

Performance Criteria	Fiscal Year End (FYE)			Target Annual Increase
	2018 Actual	2019 Actual	2024 Target	
Passengers / Revenue Vehicle-Hour	19.24	18.15	18.61	0.5%
Operating Cost / Revenue Vehicle-Hour	\$110.72	\$112.10	\$129.95	3.0%
Operating Revenue / Revenue Vehicle-Hour	\$20.09	\$19.88	\$23.04	3.0%
Operating Cost / Passenger	\$5.76	\$6.18	\$6.99	2.5%

## FUNCTIONAL REVIEW

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

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

Elements to Address in the Action Plan are recommendations that have the potential to maximize productivity, control operating costs, and achieve optimum revenue levels, which will enhance the system's future performance for one or more of Act 44's fixed-route performance factors.

For LANTA's convenience, Action Plan templates are included in **Appendix D: Action Plan Template** (see pg. 33). Some actions will be quickly implementable, while others may take several discrete steps to achieve over a more extended period. The template provides a simple-to-follow order of findings of this report that the Action Plan should address.

### OPPORTUNITIES TO INCREASE FIXED-ROUTE RIDERSHIP

#### **BEST PRACTICE**

1. LANTA has a memorandum of understanding (MOU) in place with the Lehigh Valley Planning Commission that provides LANTA the opportunity to suggest changes to proposed site plans, which may benefit transit access.

#### **ELEMENTS TO ADDRESS IN PART 1 OF THE ACTION PLAN**

1. LANTA's fixed-route on-time performance in January 2020 was 73 percent. On-time service reliability is a determinant of customer satisfaction and maintaining ridership. LANTA should **evaluate its schedules and automatic vehicle locator (AVL) results, then develop a strategy to achieve on-time performance goals.**
2. LANTA developed a plan for Enhanced Bus Service (EBS) in response to community interest for rapid transit in the Lehigh Valley. EBS will begin on a north-south corridor and an east-west corridor. Bus routes will converge on these corridors in 2021, effectively reducing headways. LANTA plans to operate EBS within its existing service standards for LANTaBus. LANTA should **work with local municipalities to implement transit signal priority (TSP) as a part of the EBS project** to maximize service reliability on these critical corridors.
3. LANTA has established successful partnerships with high growth municipalities in Lehigh and Northampton counties for a review of site developments for transit considerations. LANTA provides comment as part of the municipal site and land development approval process. LANTA should **continue to work with municipalities, especially those experiencing**

high rates of growth and development, to require LANTA review of development plans along key corridors and to require that development plans address LANTA comments.

## OPPORTUNITIES TO INCREASE FIXED-ROUTE REVENUES

### BEST PRACTICES

1. LANTA successfully negotiated revenue agreements that recover 100 percent of the marginal cost of additional service to large employment centers if farebox revenue alone does not justify the extra bus service.
2. LANTA receives a revenue guarantee as part of its agreement for contracted advertising on the authority's bus shelters and fleet. The agreement yields a minimum of \$400,000 per year in advertising revenue, starting on January 1, 2021.

### ELEMENTS TO ADDRESS IN PART 2 OF THE ACTION PLAN

1. None.

## OPPORTUNITIES TO CONTROL OPERATING COSTS

### BEST PRACTICE

1. None.

### ELEMENTS TO ADDRESS IN PART 3 OF THE ACTION PLAN

1. Since 2015, LANTA increased administrative staffing levels and expanded fixed-route service, which contributed to an increase in total operating costs by 3.4 percent annually from \$31.6 million in FYE 2015 to \$36.1 million in FYE 2019. Management stated LANTA increased staffing to meet the authority's administrative needs, effectively establishing a new baseline for general administrative expenses as of FYE 2019, and LANTA expanded bus service to match growth in its service area. These new spending levels led to a decline in the authority's reserves.

Previously, LANTA relied on credit for short-term financing to support cash flow. Management has since ended the practice of credit-based financing and planned to allocate federal funds historically used for fleet replacement to supplement operating subsidies for the next two years. In addition to the \$21.9 million in CARES Act funding LANTA received in FY 2019-20, the authority anticipates a reserve of approximately \$5 to \$7 million from reprioritizing federal funds by FYE 2021. Management should **continue to identify and implement measures to achieve a long-term, fiscally, sustainable business model**. The goals will be to maintain 25 percent in carryover operating funds, to align capital and operating expenditures with reasonably expected funding levels, and to maintain assets in a state of good repair.

2. LANTA implemented Optibus transit-scheduling and run-cutting software in 2019. Run-cutting software minimizes operating costs by optimizing driver schedules as constrained by the terms of collective bargaining agreements (CBA) and service plans. Software users can test variables to see how operating costs would change if CBA rules or service plans were changed.

LANTA should use Optibus to **evaluate the costliness of labor rules in its CBA to inform future negotiations.** Examples of labor rules that can increase the cost of service include limitations on the number of straight/split runs, paying for eight hours of time when an employee works less than eight hours, or overtime pay based on an eight-hour day (vs. 40 hour work week).

## **OTHER OPPORTUNITIES TO IMPROVE PERFORMANCE**

### **BEST PRACTICES**

1. Management developed a dashboard report as part of monthly Board meetings to ensure Board members are well-informed on operating statistics, finance, performance measures, and fleet needs to support effective decision-making.
2. The Executive Director assessed agency administrative weaknesses and hired personnel with the appropriate qualifications and experience in planning, finance, human resources, and compliance. He also brought shared-ride scheduling in-house to improve customer service.

### **ELEMENTS TO ADDRESS IN PART 4 OF THE ACTION PLAN**

1. LANTA has a multi-year contract with Carbon County to manage CT for a fee. Given plans to expand CT fixed-route service and introduce flex service in Carbon County, LANTA should **assign a dedicated staff member responsible for overseeing all aspects of CT service.** This position will ensure CT operates efficiently and remains financially sustainable.
2. LANTA's Section 1513 carryover funds dropped from \$4.4 million in FYE 2018 to \$1.9 million in FYE 2019. LANTA also posted -\$57,506 in local carryover in the FYE 2019 certified audit. Management stated this is the result of a negative capital match carried forward from previous years; LANTA now proactively manages local match for future capital projects. Management should **take steps to eliminate the local match deficit in future budgets.**
3. Lehigh and Northampton counties formed LANTA in 1972 under the Municipality Authorities Act of 1945. The enabling charter expires in 2022; however, an active charter is required to enter into contractual relationships. LANTA should **renew the enabling charter as soon as practical while considering modifications necessary to accommodate a long-term solution for the management of CT.**
4. LANTA's fixed-route and demand-response operating statistics reported to dotGrants and NTD have significant differences between FYE 2014 and FYE 2018. Management attributes these differences to various staff members completing each of the reports. LANTA should **institute formal quality control mechanisms to ensure dotGrants and NTD reports are completed accurately and as consistently as possible.**



## FINANCIAL REVIEW

This financial review considers high-level snapshot data and trend indicators to determine whether additional follow-up by PennDOT is warranted. It is based on the examination of audit reports, other financial reports, and budgets. This review assesses the agency based on:

- High-level indicators of financial health
- Total public transportation operational expenditures and funding
- Fixed-route funding
- Paratransit funding
- Balance sheet findings

### HIGH-LEVEL INDICATORS OF FINANCIAL HEALTH

As shown in **Exhibit 6**, LANTA has carryover subsidies (cash reserves) equal to 5.2 percent of total annual operating costs. These reserves provide liquidity in case of unexpected cost increases. Prior to the 2015 review, LANTA used available credit to supplement short-term operational cash flow. Following the review, LANTA developed a cash management strategy to minimize credit-based financing. LANTA has \$1.9 million in carryover subsidies as of FYE 2019. LANTA should build a reserve of carryover subsidies with a target of at least 25 percent of annual operating costs. LANTA maintains a \$6 million line of credit with \$0 balance and has \$7,645 remaining in long-term debt from a Commonwealth loan of \$2.5 million as of FYE 2019.

LANTA received its required local match to state operating funds. However, the authority reported a negative local carryover balance of -\$57,506 for FYE 2019 due to local capital match shortfalls from previous years. Management should take steps to eliminate the local match deficit in future budgets.

As of FYE 2019, LANTA had accounts receivable (AR) more than 90 days past due equal to 3.0 percent of total operating costs. Carbon County owed approximately \$540,000 to LANTA for management services for CT. In Fiscal Year 2020-21, LANTA and PennDOT developed a strategy to eliminate Carbon County's overdue debt using previously awarded grants.

### TOTAL PUBLIC TRANSPORTATION OPERATIONAL EXPENDITURES AND FUNDING

LANTA's total operating budget increased from approximately \$31.6 million in FYE 2015 to \$36.1 million in FYE 2019 (**Exhibit 8**). In FYE 2019, 74.8 percent of LANTA's operational expenses were for fixed-route service. The remaining operating costs (25.2 percent) were for demand-response service, as shown in **Exhibit 9**. LANTA's total operating budget grew since 2015, primarily from fixed-route service expansions, increased wages and related fringe benefits for drivers, and new administrative hires.

Agency-wide operating funds come from a variety of sources, including state funds, federal funds, local funds, passenger fares, and advertising. Federal and state subsidies are the largest share of income for LANTA, accounting for 66.9 percent of total operating income. Local subsidy and revenues (e.g., passenger fares, organization-paid fares, advertising, etc.) are the remaining funding sources, representing 33.1 percent of total operating income, as shown in **Exhibit 10** and **Exhibit 11**. LANTA received its required local match to its Section 1513 state operating subsidy.

**Exhibit 7: High-Level Financial Indicators**

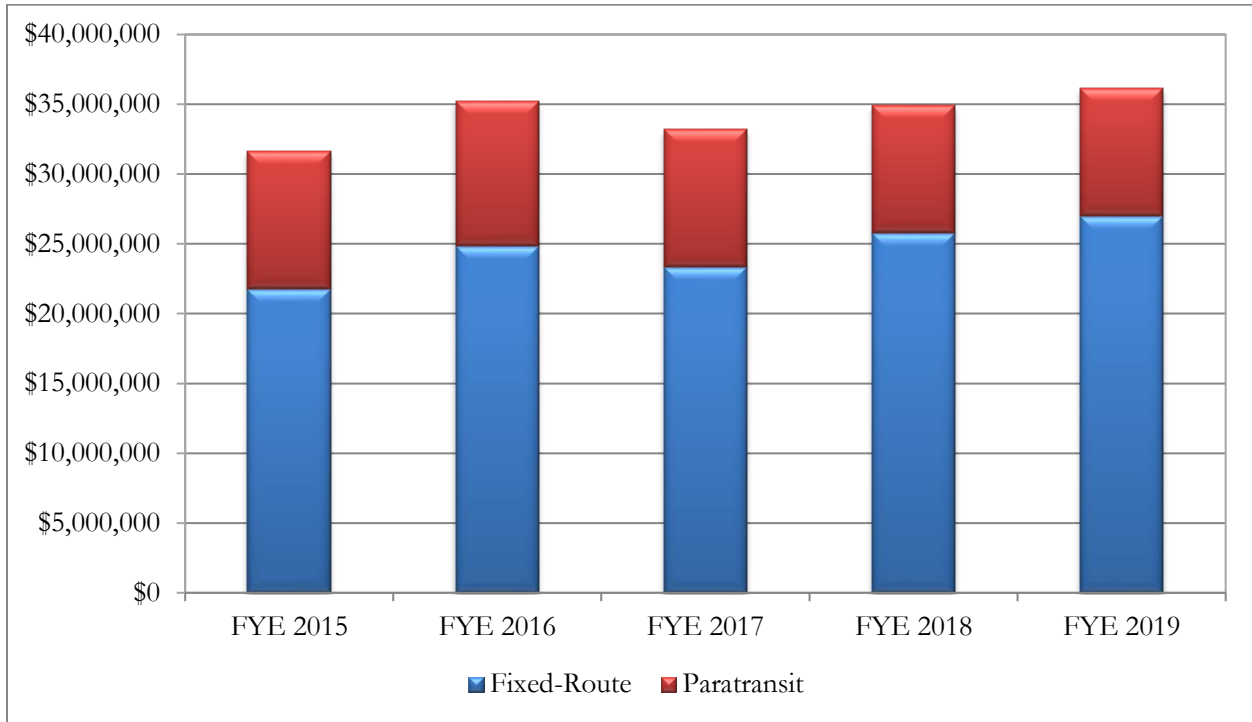
FYE 2019 Indicator	Value	Assessment Criteria / Rationale	Source
Total Carryover Subsidies / Annual Operating Cost	5.2%	Combined target $\geq$ 25%. This provides liquidity to cover unexpected cost increases or service changes without incurring interest fees from loans.	FYE 2019 Audit
Available Credit/ Annual Payroll	44.6%	Only necessary if combined carryover subsidies are less than 25% of annual operating costs. This ensures that the agency maintains sufficient cash flow and liquidity to pay all current bills.	FYE 2019 Audit and PennDOT dotGrants
Actual Local Match / Required Match	100.0%	Target $\geq$ 100%. Local match that exceeds required minimums gives a transit agency flexibility to change service, accommodate unexpected cost changes, and make capital investments.	PennDOT dotGrants 2019
Accounts Payable (AP) 90+ days	0.0%	Target should be 0% over 90 days. Larger values indicate cash flow concerns.	LANTA reported value
Accounts Receivable (AR) 90+ days	3.0%	Target should be 0% over 90 days. Larger values can cause cash flow problems.	LANTA reported value
Debt / Annual Operating Cost	0.0%	Target should be 0%. Low debt amounts reduce interest costs.	FYE 2019 Audit

**Exhibit 8: Public Transportation Operating Expense by Service Type (In Millions)**

Service Type*	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019
Fixed-Route	\$21.8	\$24.8	\$23.3	\$25.8	\$27.0
Paratransit (ADA, Shared-Ride & DAS)	\$9.9	\$10.4	\$9.9	\$9.1	\$9.1
<b>Total</b>	<b>\$31.6</b>	<b>\$35.2</b>	<b>\$33.2</b>	<b>\$34.9</b>	<b>\$36.1</b>

\*May not add due to rounding.

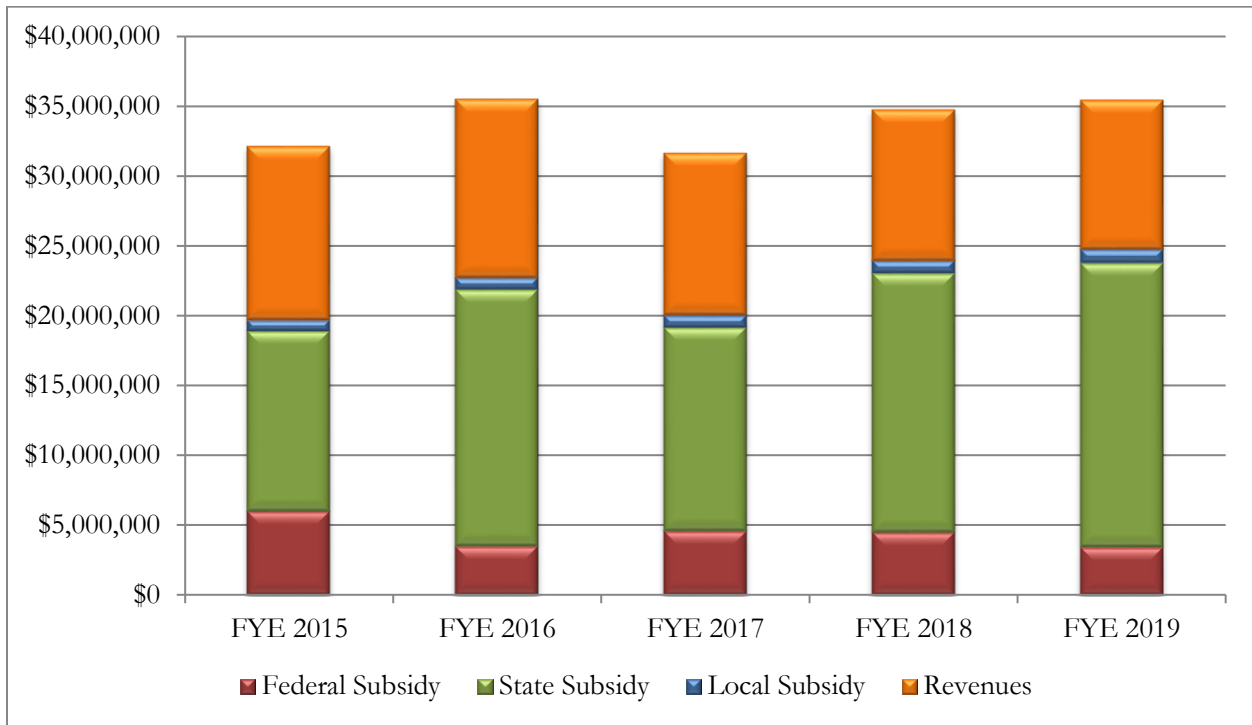
**Exhibit 9: Public Transportation Operating Expense Trends by Service Type**



**Exhibit 10: Percentage of Total Public Transportation (Fixed-Route + Paratransit) Operating Budget by Funding Source and Fiscal Year**

Funding Source	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019
Federal Subsidy	18.6%	9.8%	14.5%	12.9%	9.7%
State Subsidy	40.1%	51.6%	46.0%	53.2%	57.2%
Local Subsidy	2.6%	2.4%	2.9%	2.8%	2.8%
Revenues	38.7%	36.1%	36.7%	31.2%	30.3%
Local Subsidy / State Subsidy	6.4%	4.7%	6.3%	5.2%	5.0%

**Exhibit 11: Total Public Transportation (Fixed-Route + Paratransit) Operating Budget and Funding Sources by Fiscal Year**



## FIXED-ROUTE FUNDING

Fixed-route service, funded by general revenues and government subsidies, accounts for 74.8 percent of LANTA's public transportation operating expenses. Between 2015 and 2019, direct passenger fares and organization-paid fares represented between 16.2 percent and 21.9 percent of LANTA's total operating funding (**Exhibit 12**). Based on the FYE 2015 to FYE 2019 dotGrants reporting, LANTA operated using current-year funding with \$1,947,529 in state funds carried over in FYE 2019.

### Exhibit 12: Fixed-Route Funding

Funding Source	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019
<b>Revenues</b>					
Passenger-Paid Fares	\$4,706,074	\$4,739,756	\$4,433,762	\$3,938,537	\$3,974,095
Organization-Paid Fares*	\$56,994	\$103,350	\$69,004	\$359,490	\$390,552
Advertising	\$162,861	\$180,531	\$181,383	\$240,846	\$257,930
Total Recoveries	\$0	\$0	\$0	\$55,287	\$63,989
Other – Rental Income	\$0	\$0	\$600	\$24,000	\$36,001
Other – CT Management Fee	\$108,525	\$58,000	\$58,000	\$58,000	\$58,000
Other – Corp Credit Card Rebate/Vending	\$0	\$0	\$0	\$1,307	\$1,743
Other – Reduced Fare Card Replacement	\$0	\$0	\$0	\$1,348	\$1,375
Other – Misc	\$29,264	\$3,968	\$2,830	\$2	\$0
<b>Subtotal</b>	<b>\$5,063,718</b>	<b>\$5,085,605</b>	<b>\$4,745,579</b>	<b>\$4,678,817</b>	<b>\$4,783,685</b>
<b>Subsidies</b>					
Federal Operating Grant	\$0	\$0	\$0	\$96,926	\$0
Federal Capital Grant for Preventative Maintenance	\$4,000,000	\$2,828,173	\$3,343,921	\$3,694,429	\$2,654,433
Federal Capital Grant for Assoc. Capital Maintenance Costs	\$1,088,024	\$0	\$0	\$0	\$60,000
Federal Capital Grant for Operating Costs (Planning/Safety)	\$0	\$0	\$552,311	\$0	\$30,304
Act 44 (1513) – State Prior	\$0	\$2,371,406	\$0	\$1,397,564	\$2,485,635
Act 44 (1513) – State Current	\$10,789,484	\$13,647,740	\$11,632,904	\$14,954,667	\$15,959,362
Act 44 (1513) – Local Current (Municipal)	\$827,400	\$868,434	\$911,856	\$957,450	\$1,005,322
Special Operating Grants – Federal Share (5311)	\$0	\$0	\$0	\$0	\$0
Special Operating Grants – State Share	\$0	\$0	\$0	\$0	\$0
<b>Subtotal</b>	<b>\$16,704,908</b>	<b>\$19,715,753</b>	<b>\$16,440,992</b>	<b>\$21,101,036</b>	<b>\$22,195,056</b>
<b>Total Funding</b>	<b>\$21,768,626</b>	<b>\$24,801,358</b>	<b>\$21,186,571</b>	<b>\$25,779,853</b>	<b>\$26,978,741</b>
<b>Passenger Fares + Organization-Paid Fares / Total Fixed-Route Funding</b>	<b>21.9%</b>	<b>19.5%</b>	<b>21.3%</b>	<b>16.7%</b>	<b>16.2%</b>

Source: PennDOT dotGrants Reporting System.

\*Prior to FYE 2018, organization-paid fares were reported separately as charter and route guarantees.

## PARATRANSIT FUNDING

Paratransit (i.e., shared-ride, DAS, and ADA complementary service), funded by state subsidies and passenger fares, accounts for 25.3 percent of LANTA's public transportation operating expenses (**Exhibit 13**). LANTA's paratransit program funding decreased from \$10,386,819 in FYE 2015 to \$8,474,045 as of FYE 2019. Total paratransit trips decreased from 423,607 in FYE 2015 to 364,004 in FYE 2019 (**Exhibit 14**). It should be noted that the paratransit operating statistics presented in Exhibit 14 vary from those reported to the National Transit Database for FYE 2015 through FYE 2018.

### Exhibit 13: Paratransit Funding by Source

Category	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019
<b>Revenues</b>					
Passenger Fares	\$602,418	\$827,376	\$1,081,813	\$758,056	\$612,443
Shared-Ride Lottery Trip Reimb.	\$2,702,340	\$2,921,382	\$3,045,663	\$2,814,142	\$2,653,028
PwD Reimbursement	\$306,506	\$487,466	\$439,133	\$264,327	\$207,702
PwD Passenger Fares	\$54,893	\$86,023	\$91,090	\$46,584	\$36,627
AAA	\$189,732	\$217,248	\$180,781	\$161,680	\$165,725
MH/MR	\$396,295	\$422,718	\$0	\$0	\$0
MATP	\$3,122,606	\$2,780,260	\$1,979,235	\$1,801,856	\$1,558,163
Other – CT Mgmt. Fee	\$12,000	\$0	\$62,000	\$62,000	\$62,000
Other – Donations	\$0	\$0	\$0	\$0	\$323
Other – Easter Seals, Sam Inc, AR, PDA Waiver	\$0	\$0	\$0	\$201,599	\$647,714
Other – Certification SVC	\$0	\$0	\$0	\$49,384	\$0
<b>Subtotal</b>	<b>\$7,386,790</b>	<b>\$7,742,473</b>	<b>\$6,879,715</b>	<b>\$6,159,628</b>	<b>\$5,943,725</b>
<b>Subsidies</b>					
Federal Operating Grant	\$881,590	\$664,000	\$680,000	\$680,000	\$680,000
Act 44 (1513) State Current	\$2,118,439	\$2,318,192	\$2,918,944	\$2,147,953	\$1,850,320
<b>Subtotal</b>	<b>\$3,000,029</b>	<b>\$2,982,192</b>	<b>\$3,598,944</b>	<b>\$2,827,953</b>	<b>\$2,530,320</b>
<b>Total Funding</b>	<b>\$10,386,819</b>	<b>\$10,724,665</b>	<b>\$10,478,659</b>	<b>\$8,987,581</b>	<b>\$8,474,045</b>

Source: PennDOT dotGrants Reporting System

### Exhibit 14: Paratransit Operating Statistics

Operating Category	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019
<b>Paratransit Operating Statistics</b>					
Total Paratransit Trips	423,607	485,247	472,134	311,229	364,004
Total Miles	4,844,643	4,200,000	4,039,248	3,739,198	3,173,505
Total Hours	288,730	287,800	230,026	268,013	193,686
VOMS	95	95	96	100	95

Source: PennDOT dotGrants Reporting System. Note, these values differ from those reported to NTD.

## BALANCE SHEET FINDINGS

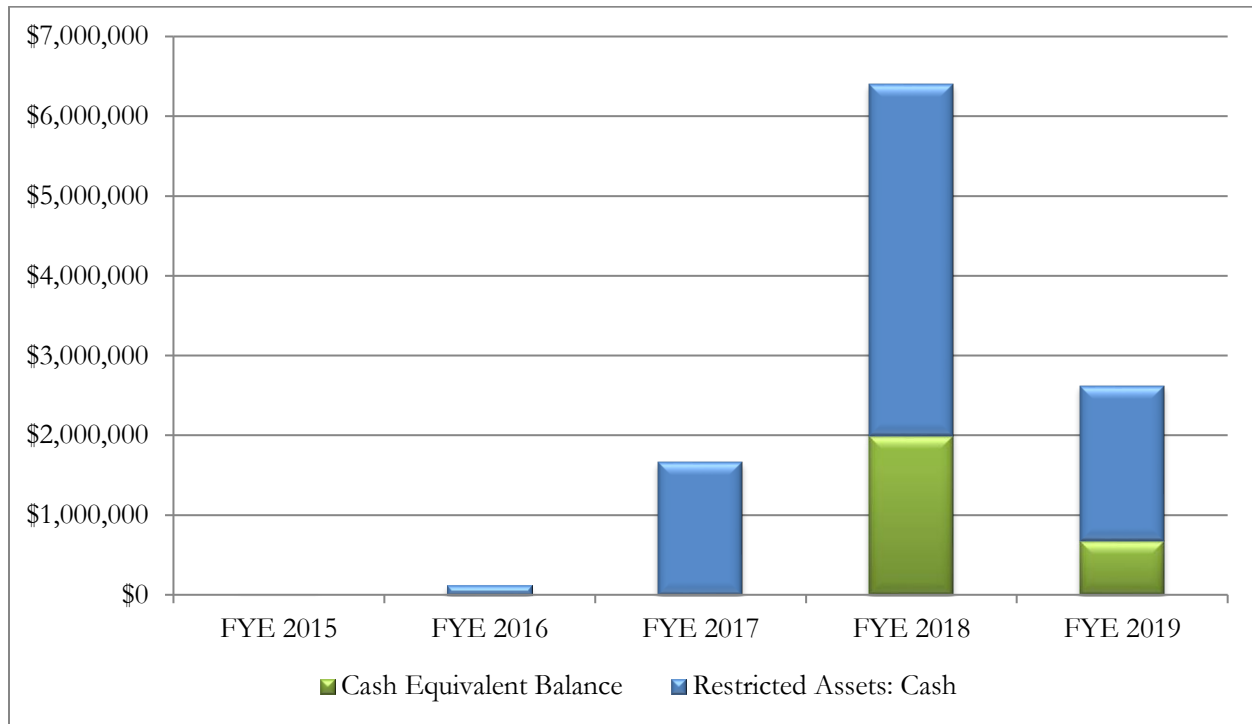
A review of balance sheets shows that between FYE 2015 and FYE 2019, LANTA increased its available cash on hand (**Exhibit 15** and **Exhibit 16**). Net current cash equivalent balance reported was \$670,238, and restricted cash was \$1,947,520. As of FYE 2019, LANTA maintained a balance of cash and restricted cash equal to 7.3 percent of total operating expenses. From FYE 2015 to FYE 2017, LANTA had low cash and restricted cash recorded at the time of the audit while awaiting grants and other accounts receivable.

During Fiscal Year 2017-18, LANTA borrowed \$2,802,716 against its \$6,000,000 line of credit for capital improvements and related financing activities. LANTA owed \$0 against its revolving line of credit as of FYE 2019. The authority continued to pay down its long-term debt from a \$2,000,000 Commonwealth note and reported a balance of \$7,654 as of FYE 2019.

### Exhibit 15: Balance Sheet Summary (FYE 2015–FYE 2019)

Balance Sheet Report	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FYE 2019
<b>Current Assets</b>					
Cash Equivalent Balance	\$1,525	\$1,525	\$1,525	\$1,985,506	\$670,238
Grants Receivable (incl. capital)	\$10,743,389	\$11,893,239	\$6,846,821	\$4,845,156	\$2,547,476
Other Accounts Receivable	\$1,765,198	\$2,229,280	\$996,675	\$703,160	\$666,894
Restricted Assets: Cash	\$0	\$113,979	\$1,661,091	\$4,415,321	\$1,947,520
Inventory Value	\$568,364	\$592,588	\$693,740	\$528,508	\$564,535
Pre-paid Expenses	\$311,037	\$465,270	\$308,216	\$242,949	\$195,693
<b>Current Liabilities</b>					
Accounts Payable	\$2,625,203	\$6,715,848	\$1,975,583	\$2,432,989	\$2,799,626
Accrued Expenses	\$1,374,639	\$1,498,859	\$1,425,200	\$1,697,298	\$1,522,813
Deferred Revenue	\$6,279,619	\$3,908,213	\$5,812,975	\$4,635,884	\$2,180,479
Line of Credit	\$0	\$0	\$0	\$2,802,716	\$0
Current Maturities of Long-term Debt	\$491,877	\$499,870	\$507,991	\$516,333	\$7,645
<b>Total Operating Expense</b>	<b>\$31,645,737</b>	<b>\$35,207,626</b>	<b>\$33,223,818</b>	<b>\$34,927,424</b>	<b>\$36,057,229</b>
Cash Eqv. Bal + Restricted Cash / Total Operating Expense	0.0%	0.3%	5.0%	18.3%	7.3%
Line of Credit/Annual Payroll	69.4%	62.2%	60.3%	48.4%	44.6%
Current Assets	\$13,389,513	\$15,295,881	\$10,508,068	\$12,720,600	\$6,592,356
Current Liabilities	\$10,771,338	\$12,622,790	\$9,721,749	\$12,085,220	\$6,510,563
<b>Net Current Assets</b>	<b>\$2,618,175</b>	<b>\$2,673,091</b>	<b>\$786,319</b>	<b>\$635,380</b>	<b>\$81,793</b>

Source: Annual Audit Reports and dotGrants

**Exhibit 16: End-of-Year Cash Balance (FYE 2015–FYE 2019)****ASSESSMENT**

LANTA currently has a balanced operating budget. Its cash equivalent balance has increased since 2015. Noteworthy elements of LANTA's FYE 2019 financial condition are:

- LANTA had \$1,974,529 in state carryover funds.
- LANTA reported a negative local carryover balance of \$57,506 that arose from receiving inadequate capital match in prior years.
- Combined carryover subsidies were equal to 5.2 percent of total operational funding.
- LANTA had a cash balance equal to 7.3 percent of total annual operating expenses.
- LANTA had accounts receivable (AR) greater than 90 days equal to 3.0 percent of total operating costs.
- Accounts payable (AP) amounts were negligible.
- Current assets exceeded current liabilities.
- LANTA had \$7,654 remaining in long-term debt.

Management should continue taking appropriate actions to manage costs (containing growth within 3.0 percent annually), achieve farebox recovery goals, and increase cash reserves to preserve LANTA's overall financial health. Financial planning should also address the impacts of a potential merger of CT into LANTA.



## APPENDIX A: DATA ADJUSTMENTS

There were discrepancies in operating statistics reported between NTD and dotGrants that required adjustments for reconciliation. LANTA attributed prior-year inconsistencies to former finance staff no longer employed with the authority. LANTA has not reported any variances greater than 2 percent since FYE 2018.

<b>Fixed-Route Ridership</b>	<b>FYE 2014</b>	<b>FYE 2015</b>	<b>FYE 2016</b>	<b>FYE 2017</b>	<b>FYE 2018</b>
NTD reported ridership	5,018,764	4,933,486	4,923,795	4,664,755	4,495,258
dotGrants reported ridership	5,018,764	4,895,730	4,886,412	4,610,511	4,479,330
Adjustment	-	(37,756)	(37,383)	(54,244)	(15,928)
Reconciled ridership	5,018,764	4,895,730	4,886,412	4,610,511	4,479,330

<b>Fixed-Route Operating Costs</b>	<b>FYE 2014</b>	<b>FYE 2015</b>	<b>FYE 2016</b>	<b>FYE 2017</b>	<b>FYE 2018</b>
NTD reported operating costs	\$22,509,080	\$22,111,580	\$25,761,275	\$23,235,384	\$25,773,586
dotGrants reported operating costs	\$21,999,762	\$21,768,626	\$24,801,358	\$23,289,234	\$25,779,853
Adjustment	(\$509,318)	(\$342,954)	(\$959,917)	\$53,850	\$6,267
Reconciled operating costs	\$21,999,762	\$21,768,626	\$24,801,358	\$23,289,234	\$25,779,853

<b>Fixed-Route Revenue</b>	<b>FYE 2014</b>	<b>FYE 2015</b>	<b>FYE 2016</b>	<b>FYE 2017</b>	<b>FYE 2018</b>
NTD reported revenue	\$5,972,789	\$5,076,038	\$5,147,605	\$6,570,463	\$4,787,998
dotGrants reported revenue	\$5,491,754	\$5,063,718	\$5,085,605	\$4,745,579	\$4,678,817
Adjustment	(\$481,035)	(\$12,320)	(\$62,000)	(\$1,824,884)	(\$109,181)
Reconciled revenue	\$5,491,754	\$5,063,718	\$5,085,605	\$4,745,579	\$4,678,817

<b>Fixed-Route Revenue Vehicle-Hours</b>	<b>FYE 2014</b>	<b>FYE 2015</b>	<b>FYE 2016</b>	<b>FYE 2017</b>	<b>FYE 2018</b>
NTD reported revenue vehicle hours	223,459	224,132	226,265	228,818	230,307
dotGrants reported revenue vehicle hours	223,459	224,132	227,433	236,816	232,848
Adjustment	-	-	1,168	7,998	2,541
Reconciled revenue vehicle hours	223,459	224,132	227,433	236,816	232,848

The following Act 44 performance metrics were calculated for LANTA.

<b>Act 44 Performance Metrics</b>	<b>FYE 2014</b>	<b>FYE 2015</b>	<b>FYE 2016</b>	<b>FYE 2017</b>	<b>FYE 2018</b>
Passengers/RVH	22.46	21.84	21.49	19.47	19.24
Revenue/RVH	\$24.58	\$22.59	\$22.36	\$20.04	\$20.09
Operating Cost/RVH	\$98.45	\$97.12	\$109.05	\$98.34	\$110.72
Operating Cost/Passenger	\$4.38	\$4.45	\$5.08	\$5.05	\$5.76

## APPENDIX B: 2015 PERFORMANCE REVIEW ACTION PLAN ASSESSMENT

Last updated in the fourth quarter of calendar year 2018

Category	Suggested Action	Corrective Action	Status
1. Ridership	Establish a process to conduct routine passenger surveys once every two years.	LANTA will develop a market research strategy which will include conducting passenger surveys at least every two years. LANTA completed its most customer satisfaction survey in 2018.	Completed
1. Ridership	Work with PennDOT staff to identify a method for consistently accounting for flex service in dotGrants and NTD reporting.	LANTA will continue to work with PennDOT to determine the best method of accounting for the flex service in LANTA's required reporting. From FYE 2015 to FYE 2018, LANTA reported flex service as fixed-route purchased transportation. LANTA received approval from PennDOT to report LANtaFlex as DAS for FYE 2019.	Completed
1. Ridership	Establish a citizen's advisory committee (CAC) for fixed-route service.	The Executive Committee of the Partnership for a Disability Friendly Lehigh Valley agreed to act as the CAC.	Completed
2. Revenue	None	None	N/A

Category	Suggested Action	Corrective Action	Status
3. Operating Costs	Develop a long-term strategy to increase cash reserves and transition away from credit-based financing.	LANTA developed a cash flow management strategy to minimize the use of credit. Additional staff was trained on grants entry and invoicing to ensure timely award of federal and state grants and submission of MATP reports per DHS to ensure consistent cash flow. LANTA paid off most interest expenses as of FYE 2017.	Completed
3. Operating Costs	Explore opportunities to centrally manage facilities maintenance records electronically.	LANTA conducted a needs assessment for its fleet and facilities maintenance information systems with the goal of maintaining all such records electronically. LANTA determined that the desired functionality can be obtained by upgrading its current fleet and facilities maintenance information system. LANTA completed a comprehensive asset inventory, upgraded maintenance software, and began using the capital planning tool.	Completed
3. Operating Costs	Review the payment terms of future service delivery contracts to better align costs and payment terms with how LANTA receives payments from customers.	Based on changes in trip volume, LANTA commenced contract modification discussions with Easton Coach; modified terms began in FY 2019-20.	Completed
3. Operating Costs	Integrate conversion to CNG-fueled vehicles into five-year capital and operating plans.	LANTA incorporated the use of the CNG fueling facility into its operations. LANTA currently uses 24 CNG-powered buses and anticipates the delivery of ten additional CNG buses in January 2019. LANTA also plans to award a purchase order for eight to ten additional CNG buses by FYE 2018.	Completed

Category	Suggested Action	Corrective Action	Status
4. Other	Work with Lehigh and Northampton counties to ensure that the LANTA Board of Directors make-up is reflective of the community at large.	LANTA significantly increased the diversity of its Board, including women and minority participation based on outreach and recommendations to Lehigh and Northampton counties.	Completed
4. Other	Evaluate the implications of proposed BRT service on LANTA's operating cost structure.	LANTA's Enhanced Bus Plan was designed to be implemented incrementally with the intent of moving from one phase to the next only as demand warrants and if productivity projections demonstrate that system-wide performance would not fall below targets. Internal planning continued as of FYE 2018 for the implementation of Phase 1 of the Enhanced Bus Service Plan.	Ongoing
4. Other	Reassess LANTA's organizational structure to see if there are cost-effective ways to better distribute administrative responsibilities.	LANTA made several changes to its organizational structure and has enhanced staffing levels or skills to achieve this goal. A significant development is the addition of a Human Resources Coordinator and enhanced staffing levels in the Finance and Paratransit departments to allow for more effective allocations of responsibilities throughout the organization and to ensure multiple staff persons are able to perform critical tasks.	Completed

## APPENDIX C: PEER COMPARISONS

Comparison of LANTA with the selected peer systems was completed using NTD-reported data and PennDOT dotGrants Legacy statistics. Due to its consistency and availability for comparable systems, the NTD FYE 2018 Reporting Year database was selected as the primary data source used in the calculation of the five-year trend Act 44 metrics:

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

The variables used in the calculations are defined as follows:

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

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

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

## Passengers / Revenue Vehicle-Hour

Passengers / Revenue-Hour (MB)					
System	FYE 2018 Single-Year		Five-Year Change Since FYE 2013		
	Value	Rank of 13	2013 Value	Annual Rate	Rank of 13
Birmingham-Jefferson County Transit Authority	14.96	11	12.22	4.13%	1
Metropolitan Tulsa Transit Authority	14.10	13	16.89	-3.54%	6
County of Volusia, dba: VOTRAN	16.44	8	23.60	-6.98%	11
Central Contra Costa Transit Authority	14.96	12	14.89	0.09%	2
SunLine Transit Agency	17.03	7	23.26	-6.05%	9
Santa Cruz Metropolitan Transit District	25.81	1	27.83	-1.50%	3
Capital Area Transit System	15.45	9	27.99	-11.20%	13
Charleston Area Regional Transportation Authority	15.39	10	23.28	-7.94%	12
Mountain Metropolitan Transit	17.17	6	22.93	-5.62%	8
San Joaquin Regional Transit District	20.12	2	22.77	-2.45%	4
Corpus Christi Regional Transportation Authority	18.70	4	25.62	-6.10%	10
Cumberland Dauphin-Harrisburg Transit Authority	17.22	5	21.00	-3.89%	7
<b>Lehigh and Northampton Transportation Authority</b>	<b>19.24</b>	<b>3</b>	<b>22.18</b>	<b>-2.81%</b>	<b>5</b>
<i>Average</i>	<i>17.43</i>		<i>21.88</i>	<i>-4.14%</i>	
<i>Standard Deviation</i>	<i>3.09</i>		<i>4.69</i>	<i>3.88%</i>	
<i>Average – 1 Standard Deviation</i>	<i>14.34</i>		<i>17.20</i>	<i>-8.02%</i>	
<i>Average + 1 Standard Deviation</i>	<i>20.52</i>		<i>26.57</i>	<i>-0.27%</i>	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>		<b>In Compliance</b>		
<b>Compared to the Peer Group Average</b>	<b>Better</b>		<b>Better</b>		

## Operating Cost / Revenue Vehicle-Hour

Operating Cost / Revenue-Hour (MB)					
System	FYE 2018 Single-Year		Five-Year Change Since FYE 2013		
	Value	Rank of 13	2013 Value	Annual Rate	Rank of 13
Birmingham-Jefferson County Transit Authority	\$126.32	9	\$99.67	4.85%	12
Metropolitan Tulsa Transit Authority	\$81.37	3	\$77.35	1.02%	2
County of Volusia, dba: VOTRAN	\$83.64	4	\$77.88	1.44%	3
Central Contra Costa Transit Authority	\$131.08	10	\$118.30	2.07%	6
SunLine Transit Agency	\$113.08	8	\$93.75	3.82%	10
Santa Cruz Metropolitan Transit District	\$195.15	13	\$163.14	3.65%	9
Capital Area Transit System	\$100.67	6	\$93.36	1.52%	4
Charleston Area Regional Transportation Authority	\$81.28	1	\$69.04	3.32%	7
Mountain Metropolitan Transit	\$81.30	2	\$96.46	-3.36%	1
San Joaquin Regional Transit District	\$179.49	12	\$141.80	4.83%	11
Corpus Christi Regional Transportation Authority	\$94.10	5	\$85.81	1.86%	5
Cumberland Dauphin-Harrisburg Transit Authority	\$140.04	11	\$110.00	4.95%	13
<b>Lehigh and Northampton Transportation Authority</b>	<b>\$110.72</b>	<b>7</b>	<b>\$93.45</b>	<b>3.45%</b>	<b>8</b>
<i>Average</i>	\$116.79		\$101.54	2.57%	
<i>Standard Deviation</i>	\$37.20		\$26.52	2.25%	
<i>Average – 1 Standard Deviation</i>	\$79.59		\$75.02	0.32%	
<i>Average + 1 Standard Deviation</i>	\$153.99		\$128.06	4.82%	
<b>Act 44 Compliance Determination</b>	<b>In Compliance</b>		<b>In Compliance</b>		
<b>Compared to the Peer Group Average</b>	<b>Better</b>		<b>Worse</b>		



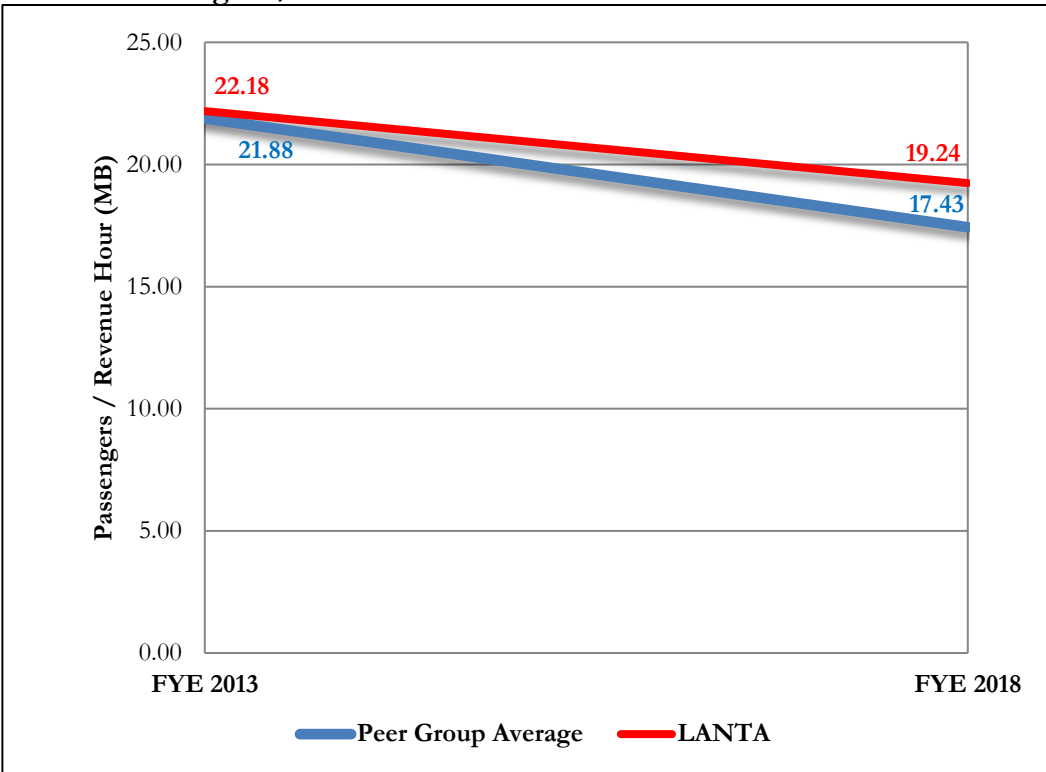
## Operating Revenue / Revenue Vehicle-Hour

Operating Revenue / Revenue-Hour (MB)					
System	FYE 2018 Single-Year		Five-Year Change Since FYE 2013		
	Value	Rank of 13	2013 Value	Annual Rate	Rank of 13
Birmingham-Jefferson County Transit Authority	\$9.75	12	\$10.37	-1.23%	7
Metropolitan Tulsa Transit Authority	\$17.01	8	\$18.63	-1.80%	9
County of Volusia, dba: VOTRAN	\$16.21	10	\$17.18	-1.17%	6
Central Contra Costa Transit Authority	\$21.50	5	\$24.07	-2.23%	10
SunLine Transit Agency	\$28.72	2	\$17.64	10.24%	1
Santa Cruz Metropolitan Transit District	\$45.67	1	\$39.96	2.71%	4
Capital Area Transit System	\$11.84	11	\$15.93	-5.77%	13
Charleston Area Regional Transportation Authority	\$25.24	3	\$18.59	6.31%	3
Mountain Metropolitan Transit	\$19.90	7	\$26.77	-5.76%	12
San Joaquin Regional Transit District	\$16.55	9	\$22.07	-5.59%	11
Corpus Christi Regional Transportation Authority	\$9.63	13	\$7.06	6.39%	2
Cumberland Dauphin-Harrisburg Transit Authority	\$24.68	4	\$26.75	-1.59%	8
<b>Lehigh and Northampton Transportation Authority</b>	<b>\$20.09</b>	<b>6</b>	<b>\$21.03</b>	<b>-0.91%</b>	<b>5</b>
<i>Average</i>		\$20.52	\$20.47	-0.03%	
<i>Standard Deviation</i>		\$9.56	\$8.18	5.04%	
<i>Average – 1 Standard Deviation</i>		\$10.96	\$12.29	-5.07%	
<i>Average + 1 Standard Deviation</i>		\$30.09	\$28.65	5.01%	
<b>Act 44 Compliance Determination</b>		<b>In Compliance</b>	<b>In Compliance</b>		
<b>Compared to the Peer Group Average</b>		<b>Worse</b>	<b>Worse</b>		

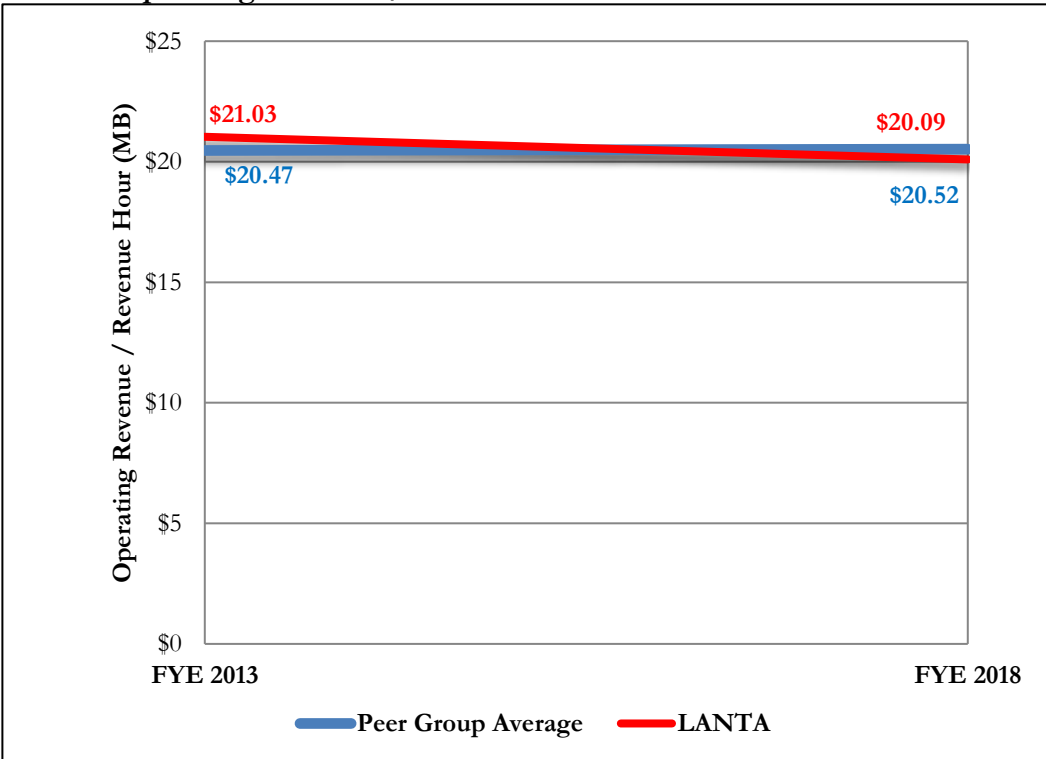
## Operating Cost / Passenger

Operating Cost / Passenger (MB)					
System	FYE 2018 Single-Year		Five-Year Change Since FYE 2013		
	Value	Rank of 13	2013 Value	Annual Rate	Rank of 13
Birmingham-Jefferson County Transit Authority	\$8.44	11	\$8.15	0.70%	1
Metropolitan Tulsa Transit Authority	\$5.77	6	\$4.58	4.73%	4
County of Volusia, dba: VOTRAN	\$5.09	3	\$3.30	9.05%	9
Central Contra Costa Transit Authority	\$8.76	12	\$7.94	1.98%	2
SunLine Transit Agency	\$6.64	8	\$4.03	10.50%	11
Santa Cruz Metropolitan Transit District	\$7.56	9	\$5.86	5.23%	5
Capital Area Transit System	\$6.52	7	\$3.34	14.33%	13
Charleston Area Regional Transportation Authority	\$5.28	4	\$2.97	12.23%	12
Mountain Metropolitan Transit	\$4.73	1	\$4.21	2.39%	3
San Joaquin Regional Transit District	\$8.92	13	\$6.23	7.46%	7
Corpus Christi Regional Transportation Authority	\$5.03	2	\$3.35	8.48%	8
Cumberland Dauphin-Harrisburg Transit Authority	\$8.13	10	\$5.24	9.20%	10
<b>Lehigh and Northampton Transportation Authority</b>	<b>\$5.76</b>	<b>5</b>	<b>\$4.21</b>	<b>6.44%</b>	<b>6</b>
<i>Average</i>		<i>\$6.66</i>	<i>\$4.88</i>	<i>7.13%</i>	
<i>Standard Deviation</i>		<i>\$1.53</i>	<i>\$1.72</i>	<i>4.07%</i>	
<i>Average – 1 Standard Deviation</i>		<i>\$5.14</i>	<i>\$3.15</i>	<i>3.06%</i>	
<i>Average + 1 Standard Deviation</i>		<i>\$8.19</i>	<i>\$6.60</i>	<i>11.21%</i>	
<b>Act 44 Compliance Determination</b>		<b>In Compliance</b>	<b>In Compliance</b>		
<b>Compared to the Peer Group Average</b>		<b>Better</b>	<b>Better</b>		

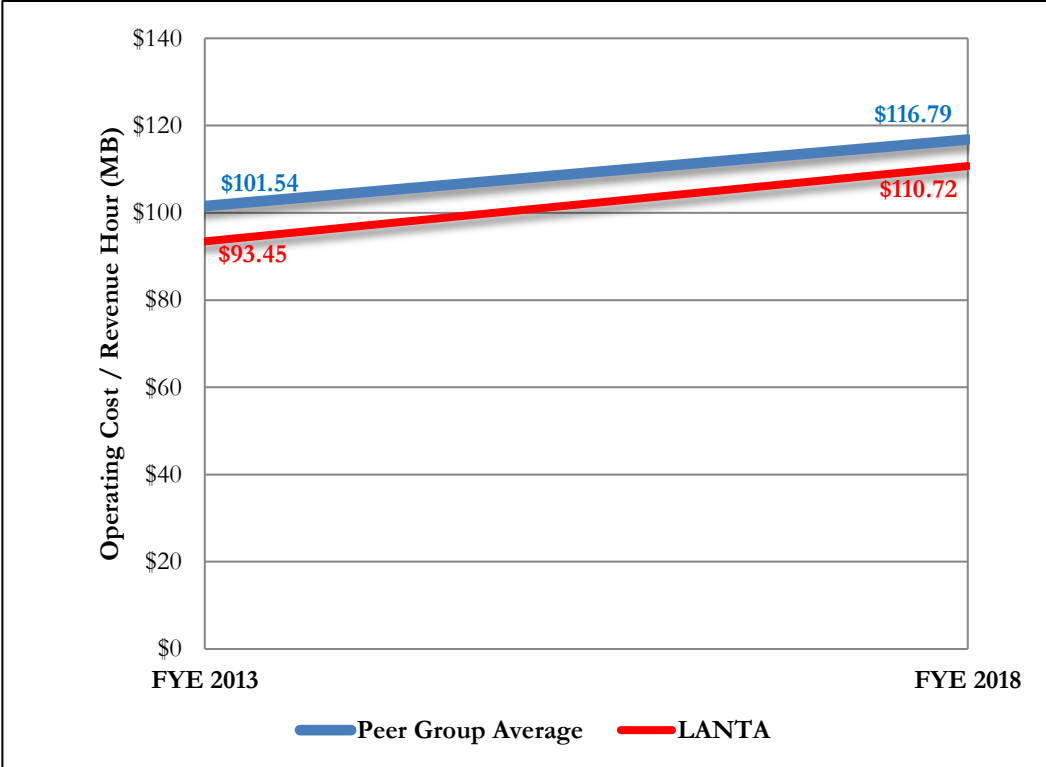
**Trend – Passengers / Revenue Vehicle-Hour**



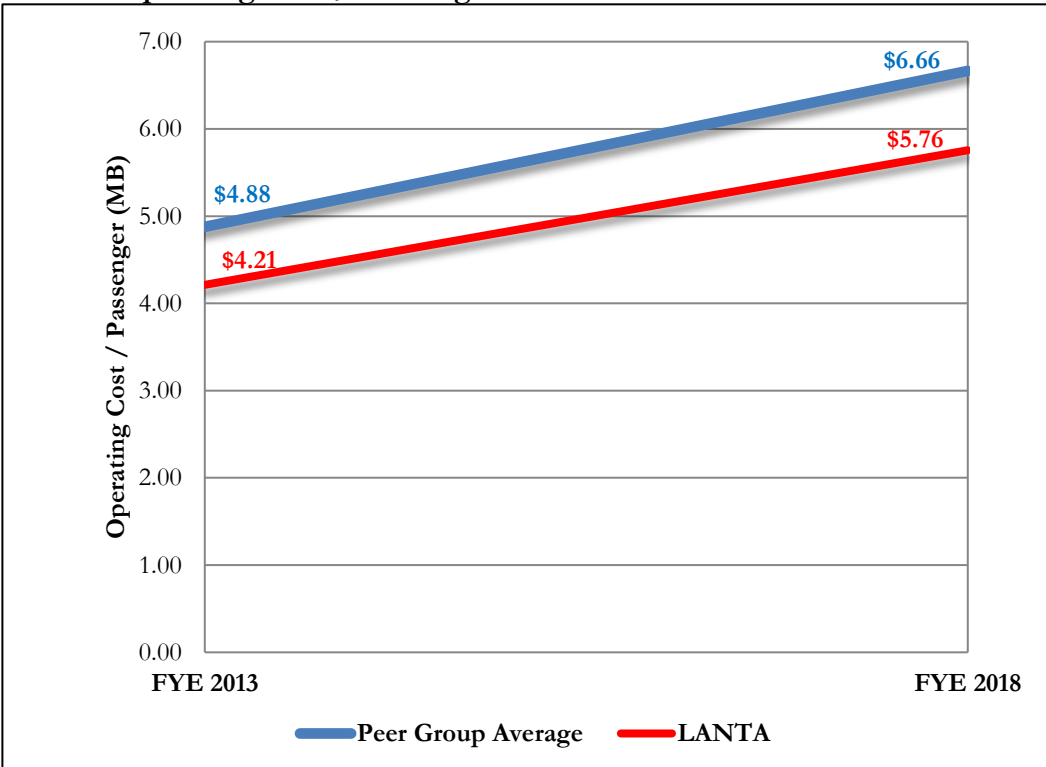
**Trend – Operating Revenue / Revenue Vehicle-Hour**



**Trend – Operating Cost / Revenue Vehicle-Hour**



**Trend – Operating Cost / Passenger**



## APPENDIX D: ACTION PLAN TEMPLATE

### PART 1 – ACTIONS TO INCREASE PASSENGERS / REVENUE-HOUR

Recommendation From the narrative starting on page 10	LANTA Action	Estimated Initiation Date	Estimated Completion Date
1. Evaluate schedules and AVL results, then develop a strategy to achieve on-time performance goals.			
2. Work with local municipalities to implement transit signal priority (TSP) as a part of the EBS project.			
3. Continue to work with municipalities, especially those experiencing high rates of growth and development, to require LANTA review of development plans along key corridors and to require that development plans address LANTA comments.			

### PART 2 – ACTIONS TO INCREASE OPERATING REVENUE / REVENUE-HOUR

Recommendation From the narrative starting on page 11	LANTA Action	Estimated Initiation Date	Estimated Completion Date
1. None.			

**PART 3 – ACTIONS TO REDUCE OR CONTAIN OPERATING COST / REVENUE-HOUR**

<b>Recommendation</b> <b>From the narrative starting on page 11</b>	<b>LANTA Action</b>	<b>Estimated Initiation Date</b>	<b>Estimated Completion Date</b>
1. Continue to identify and implement measures to achieve a long-term, fiscally sustainable business model.			
2. Evaluate the costliness of labor rules in the CBA to inform future negotiations.			

**PART 4 – OTHER ACTIONS TO IMPROVE OVERALL PERFORMANCE**

<b>Recommendation</b> <b>From the narrative starting on page 12</b>	<b>LANTA Action</b>	<b>Estimated Initiation Date</b>	<b>Estimated Completion Date</b>
1. Assign a dedicated staff member responsible for overseeing all aspects of CT service.			
2. Take steps to eliminate the local match deficit in future budgets.			
3. Renew the enabling charter as soon as practical while considering modifications necessary to accommodate a long-term solution for the management of CT.			
4. Institute formal quality control mechanisms to ensure dotGrants and NTD reports are completed accurately and as consistently as possible			

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