



LT/COLT System Performance Review

September 25, 2017

Performance Report

County of Lebanon Transit d.b.a., LT, COLT

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PUBLIC TRANSPORTATION SERVICE SNAPSHOT

Agency	County of Lebanon Transit Authority (d.b.a. Lebanon Transit, LT)		
Year Founded	1979		
Reporting Fiscal Year End (FYE)	FYE 2015		
Service Area (square miles)	362		
Service Area Population	133,568		
Annual Operating Statistics*	Fixed-Route	Paratransit (ADA + Shared Ride)	Total
Vehicles in Maximum Service (VOMS)	12	12	24
Operating Cost	\$2,674,316	\$1,028,945	\$3,703,261
Operating Revenue	\$398,870	\$977,191	\$1,376,061
Total (Actual) Vehicle Miles	495,938	281,199	777,137
Revenue Miles of Service (RVM)	495,938	N/A	N/A
Total Vehicle Hours	30,708	18,265	48,973
Revenue Vehicle Hours (RVH)	30,708	N/A	N/A
Total Passenger Trips	334,640	48,753	383,393
Senior Passenger (Lottery) Trips	65,878	26,829	92,707
Act 44 Performance Statistics			
Passengers / RVH	10.90	N/A	N/A
Operating Cost / RVH	\$87.09	N/A	N/A
Operating Revenue / RVH	\$12.99	N/A	N/A
Operating Cost / Passenger	\$7.99	\$21.11	\$9.66
Other Performance Statistics			
Operating Revenue / Operating Cost	14.91%	94.97%	37.16%
Operating Cost / Total Vehicle Hours	\$87.09	\$56.33	\$75.62
Operating Cost / Total Vehicle Miles	\$5.39	\$3.66	\$4.77
Total Passengers / Total Vehicle Hours	10.90	2.67	7.83
Operating Cost / RVM	\$5.39	N/A	N/A
RVM / Total Vehicle Miles	100.00%	N/A	N/A
RVH / Total Vehicle Hours	100.00%	N/A	N/A
Operating Subsidy / Passenger Trip	\$6.80	\$1.06	\$6.07

*Source: dotGrants reporting.

EXECUTIVE SUMMARY

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%— from \$535 million annually to \$800 million in the first year of the legislation. Public transportation organizations which had been on the verge of major service cuts and/or significant fare increases could maintain existing service and fares and, with a predictable and growing source of operating assistance, plan service changes.

At the same time Act 44 ushered in critical requirements for accountability, performance improvement, and maximum 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 achieved its performance targets set in the previous review; 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, failure to achieve performance targets and to determine if a financial penalty should be assessed if performance targets are not met in §427.12. Performance Reviews.

“(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 the initial review of Lebanon Transit (LT) in August 2010. Based on that review, PennDOT established five-year performance targets and agreed to LT’s action plan to meet those targets. In October 2016, PennDOT conducted the five-year reassessment of LT to determine if LT successfully met its targets and what actions were 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.

IMPORTANT CHANGES SINCE THE PREVIOUS (2010) PERFORMANCE REVIEW

PennDOT conducted the initial review of Lebanon Transit (LT) in August 2010. Since the previous report was finalized, some changes occurred that impact operations, finance and statistical reporting at LT, as well as performance targets which were established in 2010. These changes should be considered when comparing the previous performance report and trends:

- **Introduction of commuter service-** LT introduced commuter service to Harrisburg, PA. in 2010. This type of service has speeds that are faster and boardings that are fewer per revenue mile than urban bus service.
- **Reduction of rural service-** LT reassessed route-level performance and eliminated relatively unproductive rural service based on the previous performance review's findings.
- **Reevaluation of National Transit Database (NTD) reported other revenue-** From FYE 2009 through FYE 2015, LT reported sources of "other" revenue (i.e., SAFTI dividend, medical insurance and maintenance insurance reimbursements) belonging to both fixed-route and paratransit service as fixed-route to NTD. This caused LT's reported fixed-route "other" revenue to be greater than what was reported to dotGrants. For consistency, "other" revenue associated with paratransit was removed from fixed-route statistics to reconcile NTD reported values with dotGrants.

The 2010 finances and 2015 targets related to cost per hour or cost per passenger trip were not revised. The original targets were retained since LT worked to achieve those targets established in the previous review.

2010 PERFORMANCE REVIEW DETERMINATIONS AND FINDINGS

The 2010 performance review assessed LT with a group of peer agencies based on the four performance criteria outlined by law. LT was "At Risk" for the five-year average in operating cost per revenue hour and operating cost per passenger in 2010.

Performance Criteria	FYE*	Determination	Peer Rank (of 13)	Relation to Peer Average	Value	Peer Average
Passengers / Revenue Vehicle Hour	2008	In Compliance	12	Worse	9.79	13.48
	Trend	In Compliance	5	Worse	1.78%	2.43%
Operating Cost / Revenue Vehicle Hour	2008	In Compliance	10	Worse	\$71.63	\$66.11
	Trend	At Risk	13	Worse	13.54%	4.81%
Operating Revenue / Revenue Vehicle Hour	2008	In Compliance	8	Better	\$13.39	\$13.12
	Trend	In Compliance	5	Better	10.27%	8.66%
Operating Cost / Passenger	2008	In Compliance	13	Worse	\$7.32	\$5.55
	Trend	At Risk	14	Worse	11.55%	2.60%

*Note: NTD information most current at the time of the peer review is used as the basis of the single year and trend peer comparisons.

The 2010 performance review noted that while LT's revenue was better than most of its peers, costs were very high compared to the group. The following performance targets were established with LT to improve the effectiveness of the service:

- Increase passengers per revenue vehicle hour by at least 2.0% per year
- Increase revenue per revenue vehicle hour by at least 2.0% per year
- Contain operating cost per revenue vehicle hour increases to no more than 3% per year
- Contain operating cost per passenger to no more than 1.0% per year

LT developed an action plan to address opportunities for improvement identified in the 2010 performance review. Among the steps LT took to improve its performance were:

1. Adjusted routes to increase efficiency and reduce costs- By eliminating unproductive routes, LT reduced overall operating expenses and increased service within areas of a higher concentration of ridership.
2. Rebranded and increased focus on marketing- LT launched a major marketing campaign, “My Ride” to improve its image and strengthen community presence. This ongoing effort allows LT to continue to build its brand and increase ridership through an awareness of service.
3. Improved accuracy in data reporting through IT investments- LT introduced several improvements in technology to enhance the accuracy of data reporting. This includes certified Automatic Passenger Counters (APC) and Automatic Vehicle Location (AVL) outfitted on the fixed-route fleet, allowing LT to produce reports and analyze trends in ridership, among other metrics, as part of monthly performance monitoring.

Since the previous performance report was completed, data reported to the NTD was revised to account for one-time anomalies to reconcile with data reported to dotGrants. This meant that the 2010 performance indicators and 2015 performance targets derived from operating costs and revenues in the previous review would be impacted. Since LT actively monitored performance criteria and set goals related to its targets based on the previous review, the 2015 performance targets were not recalculated to reflect any data adjustments resulting from this review. The performance measures, presented in the table below, show that LT successfully met three out of four 2015 performance targets:

Performance Criteria	2010 Actual	2015 Target	2015 Actual	Met Target
Passengers / Revenue Vehicle Hour	9.71	10.71	10.90	Yes
Operating Cost / Revenue Vehicle Hour	\$76.76	\$88.99	\$87.09	Yes
Operating Revenue / Revenue Vehicle Hour	\$12.06	\$13.30	\$12.99	No
Operating Cost / Passenger	\$7.91	\$8.31	\$7.99	Yes

Although LT did not meet the target for operating revenue per revenue hour, LT did increase revenue per hour by almost 8% over the five-year period. In part this is explained by the low-cost recovery on commuter service introduced in 2010.

2016 PERFORMANCE REVIEW DETERMINATIONS AND FINDINGS

The 2016 performance review assessed LT with a group of peer agencies based on the four performance criteria outlined by law. The current review found that LT has no “At Risk” findings.

Performance Criteria	FYE*	Determination	Peer Rank (of 13)	Relation to Peer Average	Value	Peer Average
Passengers / Revenue Vehicle Hour	2014	In Compliance	11	Worse	10.06	13.80
	Trend	In Compliance	7	Worse	1.55%	3.44%
Operating Cost / Revenue Vehicle Hour	2014	In Compliance	6	Better	\$81.27	\$87.44
	Trend	In Compliance	4	Better	1.42%	3.34%
Operating Revenue / Revenue Vehicle Hour	2014	In Compliance	11	Worse	\$12.14	\$14.16
	Trend	In Compliance	10	Worse	1.21%	4.14%
Operating Cost / Passenger	2014	In Compliance	12	Worse	\$8.08	\$6.74
	Trend	In Compliance	7	Better	-0.12%	0.29%

*Note: NTD information most current at the time of the peer review is used as the basis of the single year and trend peer comparisons. Therefore, these factors differ from those presented on the Agency Profile page, which uses 2015 data.

The 2016 performance review examined additional steps, beyond those specified in the 2010 action plan, that LT has taken to improve performance. The most notable practice is that LT launched an American Public Transportation Association (APTA) award-winning marketing campaign to expand its brand identity within the community and saw increased ridership from marketing efforts.

The 2016 performance review also identified actions that LT can take to address the “At Risk” findings related to low operating revenue per revenue hour including:

1. Explore opportunities for route guarantees with regional employers to build-in a cost recovery mechanism for any potential service expansions
2. Examine the cost recovery of commuter service to help develop an appropriate price point for existing service
3. Target marketing efforts to focus on commuter service routes following any potential adjustments to the existing fare structure

Additional opportunities for improvement were also identified during the 2016 performance review. The complete list of opportunities for improvement serve as the basis of LT’s action plan to be developed by LT, and approved by the Board, in response to this report.

2022 PERFORMANCE TARGETS

As required by Act 44, PennDOT and LT management have agreed to performance targets for 2022 identified in the table below. LT should work to achieve these targets over the next five years to ensure continued eligibility for full Section 1513 funding. Performance targets are designed to be aggressive, yet achievable.

Performance Criteria	Fiscal Year End (FYE)			Target Annual Increase
	2016 Actual	2017 Unaudited	2022 Target	
Passengers / Revenue Vehicle Hour	10.72	10.49	11.58	2.00%
Operating Cost / Revenue Vehicle Hour	\$85.34	\$97.66	\$113.22	3.00%
Operating Revenue / Revenue Vehicle Hour	\$13.33	\$12.77	\$14.10	2.00%
Operating Cost / Passenger	\$7.96	\$9.31	\$9.79	1.00%

FINANCIAL REVIEW

LT currently has a balanced operating budget. Operating cash reserves have steadily increased since 2011. Internally developed projections of service levels and budgets indicate a plan to maintain a balanced budget over the next five years. Noteworthy elements of LT's financial condition are:

- LT has \$2,699,935 in carryover Section 1513 funds available in case of unexpected cost increases or service changes.
- LT maintained a local fund carryover balance of \$438,311 as of FYE 2015.
- LT has a low operating subsidy per passenger trip for shared-ride and ADA, with operating revenue covering 95% of operating costs.
- Accounts payable and receivable amounts are negligible.
- LT maintains a \$2,500,000 line of credit that has no outstanding balance.

Management should continue taking appropriate actions to manage costs, achieve farebox recovery goals, and to maintain cash reserves to preserve LT's overall financial health.

NEXT STEPS

LT management and Board will develop an Action Plan in response to the complete list of "Opportunities for Improvement" identified in the performance review report. Some actions will be quickly implementable while others may take several discrete steps to achieve over a longer period. LT's management must report to the Board and PennDOT quarterly on progress towards 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%—from \$535 million annually to \$800 million in the first year of the legislation. Public transportation organizations which had been on the verge of major service cuts and/or significant fare increases were able to maintain existing service and fares and, with a predictable and growing source of operating assistance, plan service changes.

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AGENCY DESCRIPTION

In February of 1979, the Lebanon County Board of County Commissioners used its power under the Municipal Authorities Act of 1945 to establish County of Lebanon Transit Authority (COLT). From 1979 to 1997, COLT contracted out all revenue vehicle service. Over time COLT grew from an agency of about ten employees to about 50 and was officially rebranded as Lebanon Transit (LT) in 2010.

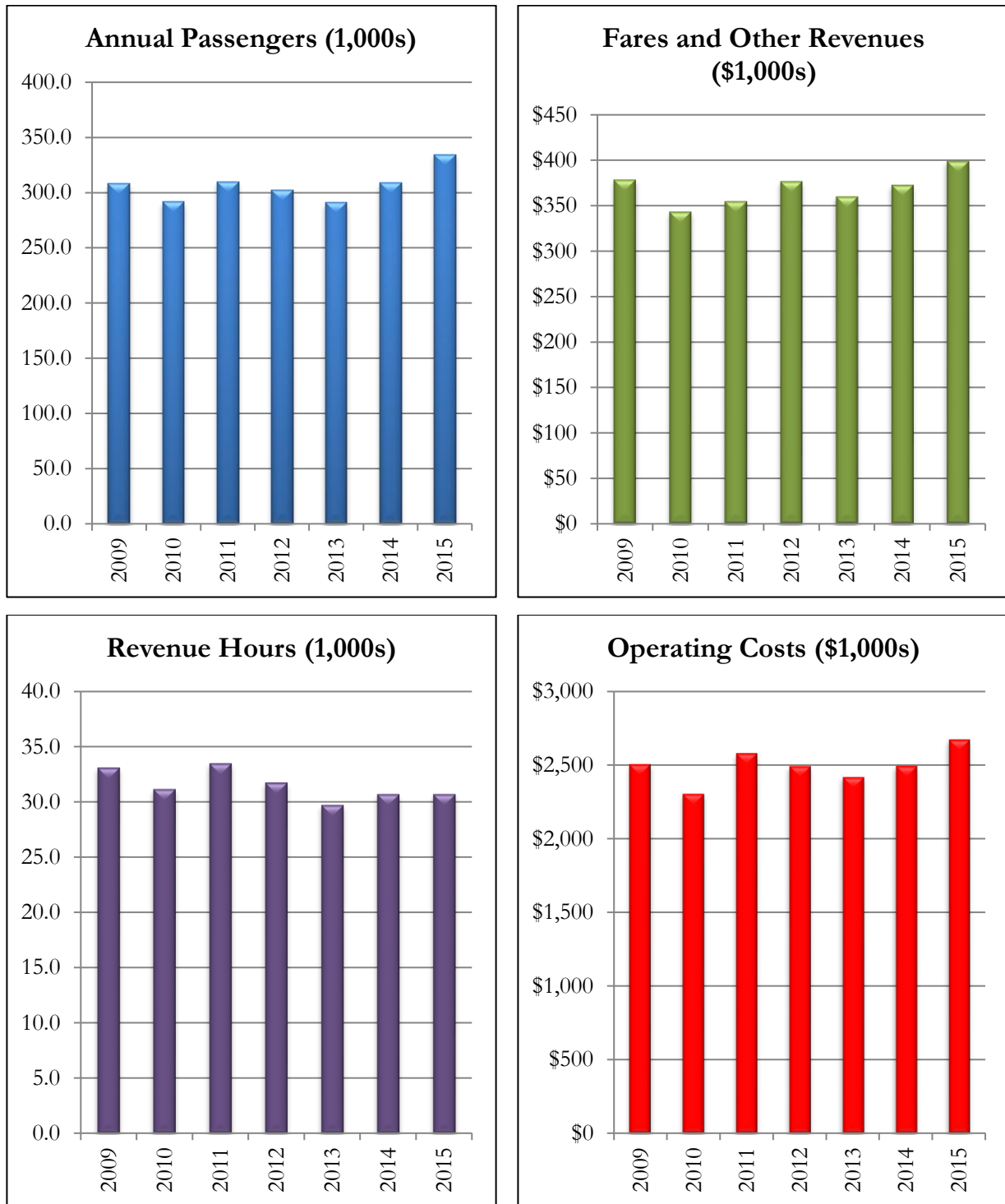
As an authority established by Lebanon County, LT is governed by a nine-member Board of Directors appointed by the Lebanon County Board of County Commissioners. The Board oversees LT through several committees that meet on an as needed basis (i.e., finance, personnel, advertising/marketing, nomination, operations and regionalization). Committee recommendations are brought before the full Board for a vote on action.

Today, LT serves Lebanon County with a fleet of 12 fixed-route buses and 12 paratransit vehicles. LT provides commuter service to the City of Harrisburg. There are three main facilities in downtown Lebanon, PA, which include: the administrative headquarters that houses LT's maintenance garage and bus storage, the shared-ride administrative office and the 7th St. and Willow St. transfer center. LT owns four park-and-ride facilities within Lebanon County. This includes space available at the transfer center, the Lebanon Valley Mall, the Walmart in Palmyra and the intersection of SR 934 and I-81 in Fort Indiantown Gap.

Exhibit 1 presents LT's fixed-route system operating statistics derived from PennDOT dotGrants, as adjusted after the data review was complete. Several data adjustments were necessary to account for reporting of "other" revenue (i.e., medical dividends and insurance reimbursements) belonging to paratransit that was reported as fixed-route to NTD; and for the removal of "other" revenue, which was credited against operating expenses. For a complete discussion of the adjustments to dotGrants reported data, see **Appendix A: Data Adjustments**.

FYE 2017 unaudited dotGrants information was used to derive performance standards for LT through FYE 2022. Per LT management, the use of FYE 2017 unaudited dotGrants statistics was to ensure that LT was assessed for future performance with the most current information available at the time of this report.

Exhibit 1: LT Fixed-Route Service Annual Performance Trends



Source: NTD and PennDOT Legacy Reporting System (dotGrants)

PERFORMANCE REVIEW PROCESS

In October 2016 PennDOT initiated an Act 44-mandated performance review for LT. The following outlines the review process:

1. Initial notification of performance review selection and transmission of document request
 - A review of available data and requests for what should be “off-the-shelf” information that may not be publicly available was transmitted.
 - Peer selection: LT and PennDOT agree to a set of peer agencies that would be used for comparative analysis
2. PennDOT-sponsored customer satisfaction survey (CSS)
3. Review of Act 44 variables including current performance, targets from the previous review (2010), and action plan implementation
4. Act 44 performance criteria analysis
5. On-site review, interviews and supplementary data collection/reconciliation
6. Evaluate performance, financial management, and operations
7. Report results and determine agency compliance with performance requirements
8. Finalize performance review report
9. Develop, implement and monitor five-year action plan

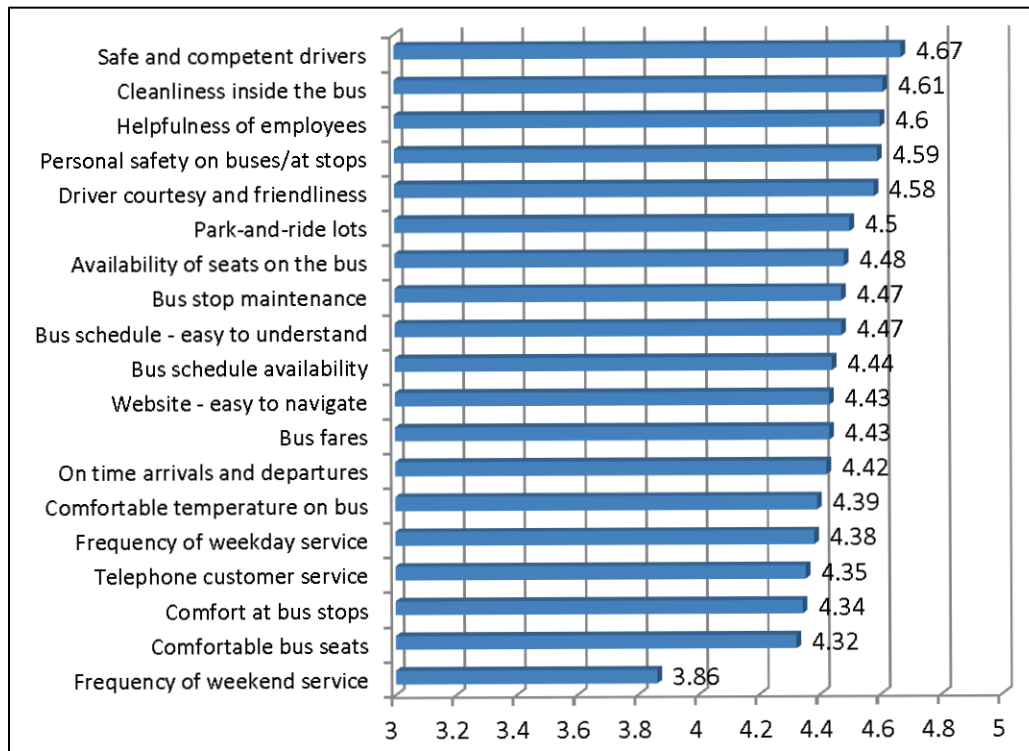
These steps in the performance review process help reviewers understand LT’s unique challenges, changes that have occurred since the previous performance review, the accuracy and reliability of reported data, best practices that have been implemented, additional opportunities for improvement, and realistic goals for the next performance review.

CUSTOMER SATISFACTION SURVEY

In 2016, PennDOT sponsored a fixed-route rider survey to be conducted for LT based on 15 questions that addressed customer satisfaction, rider characteristics and patterns in service usage. Over a five-day period in June 2016, LT surveyed their fixed-route passengers and collected 372 completed surveys:

1. 98% of respondents were satisfied or very satisfied with the service
2. 97% of respondents indicated they would continue using the service
3. 95% of respondents said they would recommend the service to others
4. 68% of respondents identified loyal riders and were unlikely to switch to another mode of transportation should one become available

Passengers were asked to rate a total of 19 performance measures related to public transportation from the user experience (e.g., driver and staff performance, capacity, frequency of service, schedule adherence, clarity of bus schedules, etc.). **Exhibit 2** provides a summary of the average customer satisfaction score by performance measure.

Exhibit 2: Average Customer Satisfaction Score by Performance Measure

LT received the highest ratings for safe and competent drivers, cleanliness inside the bus, helpfulness of employees, personal safety on buses/at stops, and driver courtesy and friendliness. LT received the lowest ratings for frequency of weekend service, comfort at bus stops, telephone customer service, frequency of weekday service and on time arrivals and departures.

The customer satisfaction survey identified several opportunities to improve the customer experience that LT should consider when developing performance standards to improve fixed-route ridership as part of its action plan:

1. Explore options to provide additional evening and weekend service
2. Expand efforts to educate riders on LT's myStop real time bus application
3. Assess conditions at stops¹
4. Evaluate on-board temperatures to determine if some drivers need to adjust their use of vehicles heating and cooling systems
5. Assess on-time performance to determine if some schedule changes and / or some adjustments in driver behavior would be beneficial

¹ At the time of the 2016 performance review, a project was underway on behalf of LT to improve many of its bus stops with shelters and signs.

PREVIOUS (2010) ACT 44 PERFORMANCE ASSESSMENT

PRIOR REVIEW DETERMINATIONS AND FINDINGS

The 2010 performance review assessed LT against a group of peer agencies based on the four performance criteria required by Act 44. LT was “At Risk” for the five-year average in operating cost per revenue hour and operating cost per passenger in 2010.

Exhibit 3: Previous 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	2008	In Compliance	12	Worse	9.79	13.48
	Trend	In Compliance	5	Worse	1.78%	2.43%
Operating Cost / Revenue Vehicle Hour	2008	In Compliance	10	Worse	\$71.63	\$66.11
	Trend	At Risk	13	Worse	13.54%	4.81%
Operating Revenue / Revenue Vehicle Hour	2008	In Compliance	8	Better	\$13.39	\$13.12
	Trend	In Compliance	5	Better	10.27%	8.66%
Operating Cost / Passenger	2008	In Compliance	13	Worse	\$7.32	\$5.55
	Trend	At Risk	14	Worse	11.55%	2.60%

*Note: NTD information most current at the time of the peer review is used as the basis of the single year and trend peer comparisons.

ACTION PLAN AND PERFORMANCE TARGETS

The 2010 performance review noted that while LT’s revenue was better than most of its peers, costs were very high compared to the group. The following performance targets were established with LT to improve the effectiveness of the service:

- Increase passengers per revenue vehicle hour by at least 2.0% per year on average
- Increase revenue per revenue vehicle hour by at least 2.0% per year on average
- Contain operating costs per revenue vehicle hour increases to no more than 3% per year on average
- Contain operating cost per passenger increases to no more than 1.0% per year on average

LT developed an action plan to address opportunities for improvement identified in the 2010 performance review. Among the major steps LT took to improve its performance were:

1. Adjusting routes to increase efficiency and reduce costs- By eliminating unproductive routes, LT was able to reduce overall operating expenses and increase service within areas of a higher concentration of ridership.
2. Rebranding and increased focus on marketing- LT launched a major marketing campaign, “My Ride” to improve its image and strengthen community presence. This ongoing effort allows LT to continue to build its brand and increase ridership through an awareness of service.
3. Improved accuracy in data reporting through IT investments- LT introduced several improvements in technology to enhance the accuracy of data reporting. This includes certified APCs and AVL outfitted on the fixed-route fleet, which have allowed LT to produce reports

analyzing trends in ridership among other metrics used as part of monthly performance monitoring.

The complete list of LT’s previous Action Plan items and LT’s progress in addressing previously identified opportunities for improvement is provided in **Appendix C: 2010 Performance Review Action Plan**.

As shown in **Exhibit 4**, LT successfully met three out of four 2015 performance targets that were established during the previous performance review.

Exhibit 4: Previous Performance Targets

Performance Criteria	2010 Actual	2015 Target	2015 Actual	Met Target
Passengers / Revenue Hour	9.71	10.71	10.90	Yes
Operating Cost / Revenue Hour	\$76.76	\$88.99	\$87.09	Yes
Operating Revenue / Revenue Hour	\$12.06	\$13.30	\$12.99	No
Operating Cost / Passenger	\$7.91	\$8.31	\$7.99	Yes

ASSESSMENT

LT developed an action plan, made a good-faith effort to implement the plan, and satisfied three out of four of its 2015 Act 44 performance targets. The modest increase in operating revenue / revenue hour is attributable to the addition of commuter service to Harrisburg that generates lower passengers and revenues per hour than the system-wide average before the service was introduced.

2016 ACT 44 PERFORMANCE ASSESSMENT

The 2016 performance review assessed LT with a group of peer agencies based on the four performance criteria required by Act 44.

PEER AGENCY COMPARISONS

Peer agencies were identified through a collaborative process between PennDOT and LT management using criteria defined in Act 44 and data from the most recently available National Transit Database (NTD), FYE 2014. The systems identified for peer comparisons include:

1. Monroe County Transportation Authority (MCTA), Scotrun, PA
2. Metropolitan Transit Authority of Black Hawk County (MET Transit) Waterloo, IA
3. CityLink Transit (CitiLink) Abilene, TX
4. City of Huntsville, Alabama – Public Transportation Division (Shuttle) Huntsville, AL
5. Centro of Oswego, Inc. (Centro of Oswego) Syracuse, NY
6. City of Jackson Transportation Authority (JTA) Jackson, MI
7. Town of Cary (CTRAN) Cary, NC
8. Centro of Cayuga, Inc. (Centro of Cayuga) Syracuse, NY
9. Fayette Area Coordinated Transportation (FACT), Lemont Furnace, PA
10. Battle Creek Transit (BCT) Battle Creek, MI
11. Janesville Transit System (JTS) Janesville, WI
12. Simi Valley Transit (SVT) Simi Valley, CA
13. Muskegon Area Transit System (MATS) Muskegon Heights, MI

Results of the current LT analysis and peer comparison are presented in **Exhibit 5**. LT’s fixed-route bus improved, and was found “**In Compliance**” for all measures and “**At Risk**” for none. The detailed data used to develop the peer comparison summary is presented in **Appendix B: 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 Vehicle Hour	2014	In Compliance	11	Worse	10.06	13.80
	Trend	In Compliance	7	Worse	1.55%	3.44%
Operating Cost / Revenue Vehicle Hour	2014	In Compliance	6	Better	\$81.27	\$87.44
	Trend	In Compliance	4	Better	1.42%	3.34%
Operating Revenue / Revenue Vehicle Hour	2014	In Compliance	11	Worse	\$12.14	\$14.16
	Trend	In Compliance	10	Worse	1.21%	4.14%
Operating Cost / Passenger	2014	In Compliance	12	Worse	\$8.08	\$6.74
	Trend	In Compliance	7	Better	-0.12%	0.29%

ASSESSMENT

While LT improved ridership and costs statistics, management’s efforts in coming years should focus on improving operating revenue per revenue hour performance and cost recovery of commuter service.

2022 PERFORMANCE TARGETS

Act 44 requires that PennDOT and transit agencies 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 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 as the “baseline” from which to develop the targets. Five-year targets are then developed based on realistic and achievable expectations of improvement.

The 2016 performance review noted that while LT’s costs increases were contained and ridership improved, revenue remained low compared to its peer group. The following performance targets were established for LT to improve the effectiveness of the service:

- Increase passengers per revenue hour by at least 2.0% per year on average
- Contain operating cost per revenue hour increases to no more than 3.0% per year on average
- Increase revenue per revenue hour by at least 2.0% per year on average
- Contain operating cost per passenger trip increases to no more than 1.0% per year on average

Exhibit 6: FYE 2022 Act 44 Performance Targets

Performance Criteria	Fiscal Year End (FYE)			Target Annual Increase
	2016 Actual	2017 Unaudited	2022 Target	
Passengers / Revenue Vehicle Hour	10.72	10.49	11.58	2.00%
Operating Cost / Revenue Vehicle Hour	\$85.34	\$97.66	\$113.22	3.00%
Operating Revenue / Revenue Vehicle Hour	\$13.33	\$12.77	\$14.10	2.00%
Operating Cost / Passenger	\$7.96	\$9.31	\$9.79	1.00%

These performance targets represent the minimum performance level that LT should achieve for each Act 44 criterion during the next performance review cycle. Per LT management, FYE 2017 unaudited dotGrants reported performance criteria were used to assess LT with the most current information available at the time of this report. As a result, standards were extrapolated to FYE 2022 and are designed to be aggressive, yet achievable. PennDOT and LT have agreed to these performance targets.

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 a brief description of the Act 44 variables guiding the performance review: passengers, revenues, and operating costs.

The following sections summarize ways to deliver service more efficiently and effectively. It is important that service is both sensitive and responsive to the community’s needs, while being able to maximize productivity, control operating costs, maximize revenue recovery and 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 which have the potential to maximize productivity, to control operating costs, and to achieve optimum revenue levels which will enhance the system’s future performance for one or more of the Act 44 fixed-route performance factors. For the convenience of LT, Action Plan templates have been included in the **Appendix D: Action Plan Template** (see pg. 38). Some actions will be quickly implementable while others may take several discrete steps to achieve over a longer period. The template provides a simple-to-follow order of key findings of this report that should be addressed in the Action Plan.

OPPORTUNITIES TO INCREASE FIXED-ROUTE RIDERSHIP

BEST PRACTICES

1. LT underwent a major rebranding campaign in 2010 that changed the public name of the agency from County of Lebanon Transit Authority (COLT) to Lebanon Transit (LT). The APTA award winning “My Ride” campaign helped LT build a brand identity and increase its presence within the community.

ELEMENTS TO ADDRESS IN PART 1 OF THE ACTION PLAN (P. 38)

1. **Target commuter service for future marketing efforts** – LT experienced a 14.8% overall increase in ridership between FYE 2010 and FYE 2015 by eliminating underperforming routes, concentrating on local routes with a high number of riders and opening commuter service. These initiatives are supported by LT’s aggressive approach to marketing. The commuter service; however, has only grown in ridership by 3.29% annually from FYE 2012 to FYE 2014. LT should target a marketing campaign to focus on commuter service, for example by demonstrating the value of LT as compared to parking in downtown Harrisburg.

OPPORTUNITIES TO INCREASE FIXED-ROUTE REVENUES

BEST PRACTICES

None.

ELEMENTS TO ADDRESS IN PART 2 OF THE ACTION PLAN (P. 38)

1. **Pursue development of route guarantees** – In 2011, LT eliminated three underperforming routes in the northern part of Lebanon County following the Northern Lebanon Study. Recently, employment centers in the northern part of the County have expanded and LT is considering reinstating service to this area. Since LT previously closed its northern routes due to low ridership, management should pursue a dialogue with regional employers and explore the development of route guarantees to help sustain any future expansion.

OPPORTUNITIES TO CONTROL OPERATING COSTS**BEST PRACTICES**

None.

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

1. **Examine commuter service cost recovery** – LT operates the Commute King, a weekday commuter service between the LT Transfer Center and Park and Ride facilities into Harrisburg along I-81 (Route 81) and Route 422 (Route 22). Since 2012, commuter service has seen:
 - a. An average annual increase of 3.29% in passengers, but a 14.25% increase in expenses from FYE 2012 to FYE 2014;
 - b. Route 81 and Route 22 cost about \$16,700 per rider to operate per year; and,
 - c. Fares have remained \$2.00 since service began in 2010.

The Commute King service operates with below average cost recovery. Management should examine existing service by surveying inbound and outbound passenger boardings by run, and identify any portions of service that may be underperforming. LT may consider condensing service to times with a heavier load of passengers and eliminating underperforming runs to reduce expenses. In addition, LT should conduct an analysis to determine whether a targeted fare increase for commuter service could increase overall fare recovery.

OTHER OPPORTUNITIES TO IMPROVE PERFORMANCE**BEST PRACTICES**

1. LT provides Board members with a monthly dashboard report that tracks agency performance over time based on Act 44 metrics and financial indicators. Dashboard reports measure current operational standings against yearly goals and track ridership by month and route. Management uses these reports to inform the Board of LT's progress in achieving agency targets set in the previous performance review.
2. LT has a process in place to verify the reporting of senior ridership. Management established a benchmark of 22%, representing the proportion of total seniors to total ridership. If senior ridership is reported above 22% for a given month, then LT initiates a video review as a

secondary method of data verification. Thus, any discrepancies reported will trigger an in-person review of the video record with the driver.

3. LT introduced a driver incentive program to help attract and retain drivers. In addition to private industry, LT faces regional competition from neighboring transit agencies for drivers. To increase LT's competitiveness, management negotiated a driver incentive program with the local union that offers financial bonuses for safe conduct, merit and referrals.
4. LT has a collaborative relationship with the Lebanon County Planning Department. The Lebanon County Metropolitan Planning Organization (LEBCO MPO) is imbedded within the County Planning Department and LT has leveraged support with LEBCO MPO to get Congestion Mitigation and Air Quality Improvement (CMAQ) funds for bus shelters and signs.

ELEMENTS TO ADDRESS IN PART 4 OF THE ACTION PLAN (P. 38)

1. **Update strategic plan and incorporate measures of effectiveness** – LT held a strategic planning session in 2013 that formed the framework of a strategic plan. As part of the event, LT established an agency vision and outlined goals and objectives to be carried out by implementable actions. Since 2013, LT has tackled many of the goals in the strategic plan (e.g., increased community awareness, excellence in operational performance, etc.); however, strategic goals should be examined over time and adjusted for new challenges facing the agency. LT should evaluate its current goals as part of a strategic plan update and include performance measures to monitor agency progress.
2. **Update cost allocation** – LT last reviewed cost allocation in 2009. The current procedure reports administrative costs as collective bargaining agreement (CBA) vs. non-CBA with a split between administration, operations and maintenance. LT should reassess its current cost allocation methodology to reduce administrative costs and routinely revisit cost allocation to account for changes in indirect costs between fixed-route and shared-ride over time
3. **Increase Board training opportunities** – LT last conducted Board refresher training in 2009. Although many of LT's Board members are longstanding, there is currently one vacancy and there may be unexpected vacancies in the future. LT should consider routine Board training (i.e., PennTRAIN Board Training modules as a part of Board meetings) on a regular timeframe (e.g., once every three years, when new members join the Board, etc.).
4. **Spend down old rural funds** – For the last 15 years, LT has maintained a carryover of rural operating assistance funds. These funds may have been the result of an overpayment in operating assistance from when LT was a rural system. LT has \$99,826 in rural funds as of FYE 2016 which it carries as a liability. If LT is able to designate a portion of its service as rural, management may be able to allocate these old rural funds to that service.

FINANCIAL REVIEW

This financial review focuses on “high-level” snapshot and trend indicators to determine if additional follow up by PennDOT is warranted through the review of audit reports, other financial reports, and budgets. The review assesses the financial status based on:

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

HIGH-LEVEL INDICATORS OF FINANCIAL HEALTH

As shown in **Exhibit 7**, LT is in line with most industry goals and targets for all high-level financial indicators. Available reserves, mostly attributable to state funds, have been above 25% of annual operating cost in most years. LT receives local matching funds from Lebanon County. In FYE 2015, LT received about 144.2% of the required local match to 1513 state operating subsidy². The result was LT had \$438,311 in available carryover local funds in FYE 2015. As of FYE 2015, LT had \$2,699,935 in carryover Section 1513 funding available.

Accounts payable and receivable amounts are negligible. LT maintains a \$2,500,000 line of credit with no outstanding debt as of June 30, 2015.

TOTAL PUBLIC TRANSPORTATION OPERATIONAL EXPENDITURES AND FUNDING

LT public transportation decreased slightly from a high of \$3.77 million per year operation in FYE 2011 to a \$3.70 million per year operation in FYE 2015, a 0.5% average annual decrease. Fixed-route and paratransit costs, however, did experience a 7.8% increase from FYE 2014 to FYE 2015. Approximately 72.2% of LT’s operational expenses are for fixed-route service. The remaining operational expenses (27.8%) are for ADA complementary and shared-ride paratransit service, as shown in **Exhibit 9**.

LT’s operational funding comes from a variety of sources including state funds, federal funds, local funds and passenger fares. LT has used state, federal and local funds to finance both its fixed-route and paratransit operations (**Exhibit 10**). Combined, state and federal operating subsidies are the largest share of income for LT, accounting for 60.3% of total operating income. Passenger fares and other local funds are the second largest funding source, representing approximately 39.7% of total operating income (**Exhibit 11**).

² Excess local match that is carried over may be potentially used for future capital purposes.

Exhibit 7: High-level Financial Indicators

FYE 2015 Indicator	Value	Assessment Criteria / Rationale	Source
State Carryover 1513 Subsidies / Annual Operating Cost	72.9%	The combined target should be 25%+. This provides flexibility to account for unexpected cost increases or service changes.	FYE 2015 Audit and PennDOT dotGrants
Local Carryover Subsidies / Annual Operating Cost	11.8%		
Credit available/ Annual Payroll	95.9%	Only necessary if combined carryover subsidies are less than 25% of annual. This insures the agency maintains sufficient cash flow / liquidity to pay all current bills.	
Actual Local Match / Required Match	144.2%	Target 100%+. Local match that exceeds required minimums gives a transit agency flexibility to change service, to accommodate unexpected cost changes and make capital investments.	PennDOT dotGrants 2015
Accounts Payable (AP) 90+ days	0.0%	Target should be 0% over 90 days. Larger values indicate cash flow concerns.	LT reported value
Accounts Receivable (AR) 90+ days	0.0%	Target should be 0% over 90 days. Larger values can cause cash flow problems.	LT reported value
Debt / Annual Operating Cost	0.0%	Target should be 0%. Low debt amounts reduce borrowing costs.	FYE 2015 Audit

Exhibit 8: Public Transportation Operating Expense by Service Type (\$millions)

Service Type	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015
Fixed-Route	\$2.58	\$2.49	\$2.42	\$2.49	\$2.67
Paratransit	\$1.19	\$1.09	\$0.95	\$0.94	\$1.03
Total*	\$3.77	\$3.59	\$3.37	\$3.43	\$3.70

* May not add due to rounding. Some other revenues (e.g., medical dividends, insurance reimbursements, etc.) offset expenses reported in dotGrants and NTD to arrive at estimated LT operating expenses.

Exhibit 9: Public Transportation Operating Expense Trends by Service Type

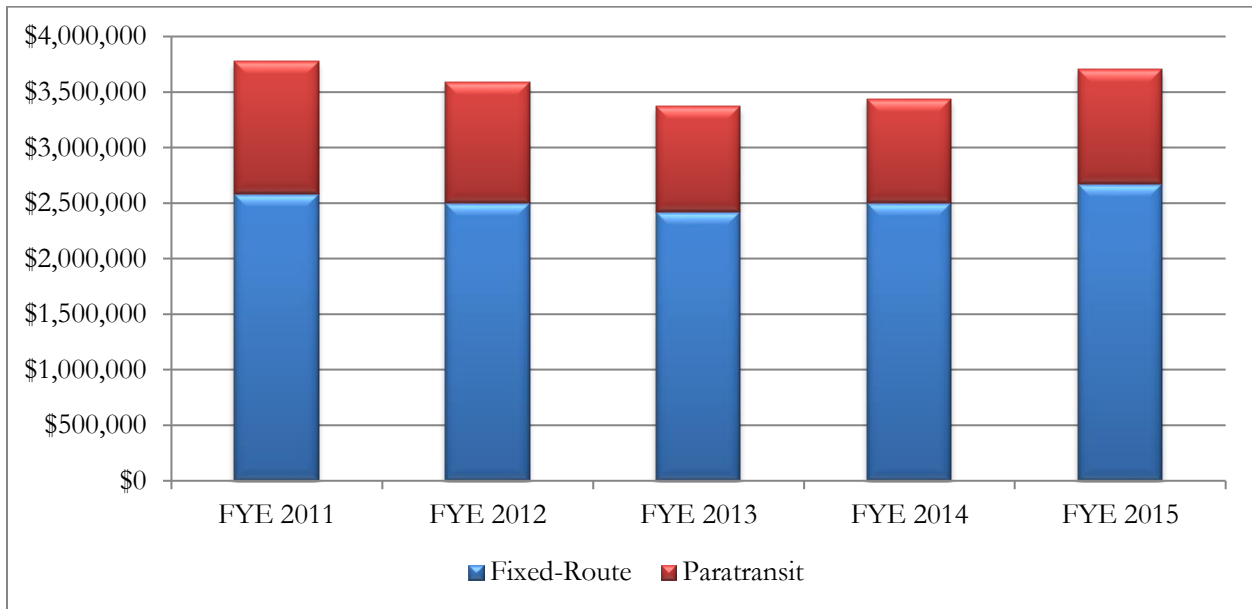
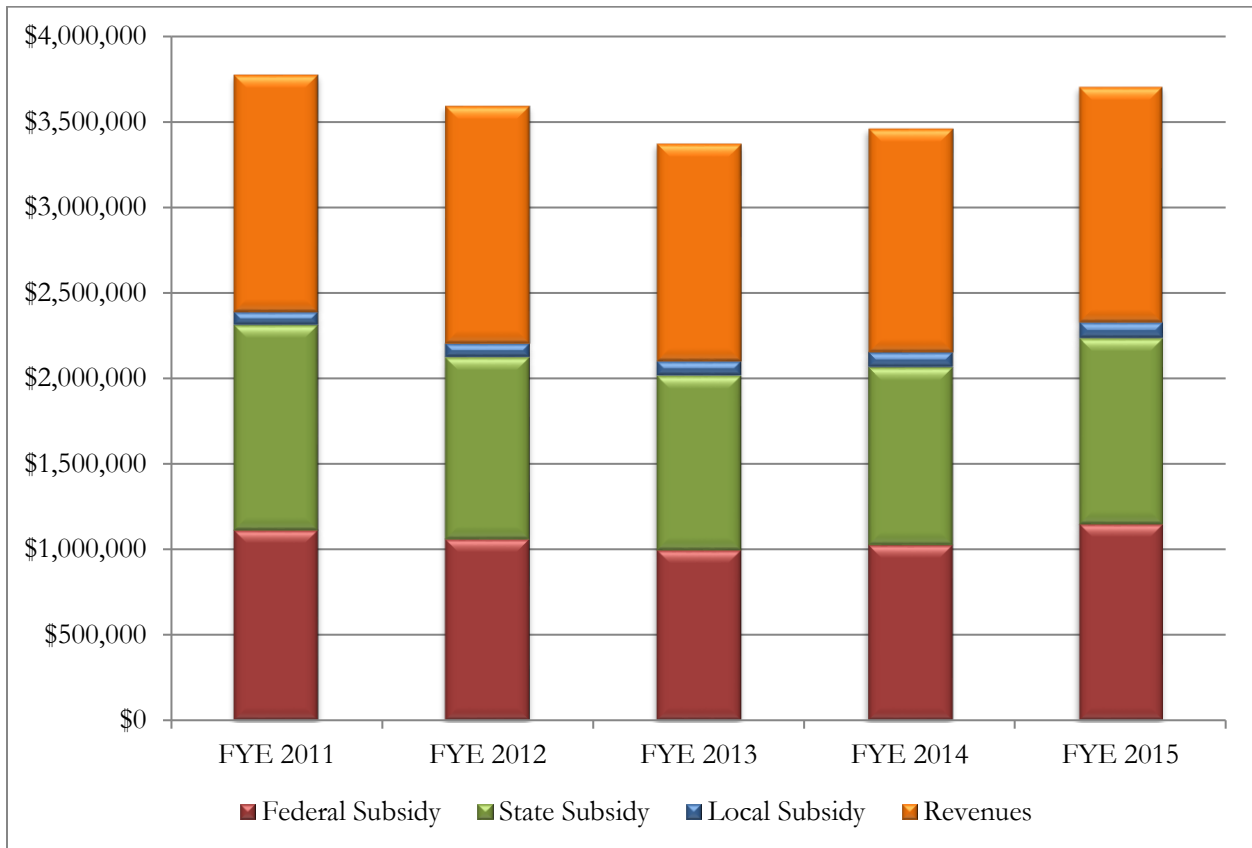


Exhibit 10: Percent of Total Public Transportation (Fixed-Route + Paratransit) Operating Budget by Funding Source

Funding Source	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015
Federal Subsidy	29.5%	29.5%	29.5%	29.7%	31.0%
State Subsidy	31.8%	29.6%	30.3%	30.0%	29.3%
Local Subsidy	2.0%	2.2%	2.5%	2.5%	2.5%
Revenues	36.7%	38.7%	37.7%	37.8%	37.2%
Local Subsidy / State Subsidy	6.3%	7.5%	8.2%	8.5%	8.5%

Exhibit 11: Total Public Transportation (Fixed-Route + Paratransit) Operating Budget by Funding Source



FIXED-ROUTE FUNDING

LT's fixed-route funding comes from general revenues and government subsidies. Direct passenger fares represent between 12.4% and 14.6% of total operating funding (**Exhibit 12**). Based on the FYE 2011 to FYE 2015 dotGrants reporting, LT operated using current year funding with \$2,699,935 in state funds being "carried over" at the end of 2015. LT had \$438,311 in carryover local funds available at the end of 2015.

Exhibit 12: Fixed-Route Funding

Funding Source	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015
Revenues					
Passenger Fares	\$319,287	\$357,878	\$348,059	\$362,453	\$389,608
Advertising	\$7,572	\$9,490	\$6,464	\$4,994	\$4,912
Charter	\$0	\$0	\$0	\$0	\$0
Route Guarantees	\$0	\$0	\$0	\$0	\$0
Other	\$323	\$314	\$386	\$836	\$443
Other- (Interest)	\$2,181	\$1,783	\$1,621	\$0	\$0
Other- (Trailways/Vending/AAA Rev)	\$23,905	\$7,273	\$3,428	\$3,683	\$3,907
Other- Maintenance Reimbursement	\$1,300	\$0	\$0	\$0	\$0
Subtotal	\$354,568	\$376,738	\$359,958	\$371,966	\$398,870
Subsidies					
Federal Operating Grant	\$1,112,895	\$1,060,416	\$995,845	\$1,027,286	\$1,148,384
Act 44 (1513) State Prior	\$744,142	\$846,883	\$982,400	\$1,009,430	\$1,037,689
Act 44 (1513) State Current	\$301,548	\$138,545	\$0	\$0	\$0
Municipal Prior	\$0	\$0	\$0	\$0	\$0
Municipal Current	\$67,206	\$74,996	\$81,507	\$86,287	\$89,373
Subtotal	\$2,225,791	\$2,120,840	\$2,059,752	\$2,123,003	\$2,275,446
Total Funding	\$2,580,359	\$2,497,578	\$2,419,710	\$2,494,969	\$2,674,316
Passenger Fares/ Total Funding	12.4%	14.3%	14.4%	14.5%	14.6%

Source: PennDOT dotGrants Reporting System. Other revenues from medical dividends and insurance reimbursements are credited against operating expenses from FYE 2009 through FYE 2014.

PARATRANSIT FUNDING

Paratransit funding is about 27.8% of LT's public transportation operation and consists of ADA complementary, shared-ride (Lottery) and other service. Local, state and federal subsidies as well as passenger fares are used to finance paratransit operating costs (**Exhibit 13**). The paratransit program has decreased slightly from \$1,193,301 as of FYE 2011 to \$1,028,945 as of FYE 2015. LT's paratransit budget is less than half the size of the fixed-route budget. Paratransit revenues cover 95% of operating costs.

From FYE 2011 to FYE 2015, senior passenger trips decreased annually by 1.6%, which contributed to an annual average decrease of 5.8% in total paratransit passenger trips. LT subsidized about \$1.06 per passenger trip as of FYE 2015 (**Exhibit 14**).

Exhibit 13: Paratransit Funding by Source

Category	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015
Revenues					
Passenger Fares	\$210,788	\$75,788	\$72,684	\$79,051	\$74,103
Advertising	\$0	\$0	\$0	\$0	\$0
Lottery	\$403,029	\$436,420	\$429,021	\$397,372	\$466,175
PwD Reimbursement	\$1,394	\$12,002	\$18,891	\$35,062	\$47,096
PwD Passenger Faress	\$0	\$0	\$0	\$0	\$9,600
AAA	\$33,721	\$32,449	\$17,965	\$15,507	\$16,575
MH/MR	\$0	\$193,829	\$257,102	\$318,548	\$308,321
MATP	\$325,231	\$247,209	\$112,746	\$90,556	\$55,193
Other- W2W (Non-Pass Rev)	\$41,273	\$9,951	\$0	\$0	\$0
Other- (Allstate)	\$3,024	\$0	\$0	\$0	\$0
Other- (Interest)	\$646	\$289	\$107	\$82	\$110
Other- (MATP No Show)	\$12,384	\$4,377	\$0	\$0	\$0
Other- (Misc)	\$0	\$0	\$0	\$0	\$18
Subtotal	\$1,031,490	\$1,012,314	\$908,516	\$936,178	\$977,191
Subsidies					
Federal Operating Grant	\$0	\$0	\$0	\$0	\$0
Act 44 (1513) State Prior	\$0	\$0	\$0	\$27,895	\$48,669
Act 44 (1513) State Current	\$152,951	\$77,762	\$38,123	\$0	\$0
Municipal Prior	\$0	\$0	\$0	\$0	\$2,488
Municipal Current	\$8,860	\$4,873	\$2,355	\$1,768	\$597
Subtotal	\$161,811	\$82,635	\$40,478	\$29,663	\$51,754
Total Funding	\$1,193,301	\$1,094,949	\$948,994	\$965,841	\$1,028,945

Source: PennDOT dotGrants Reporting System. Other revenues from medical dividends and insurance reimbursements are credited against operating expenses from FYE 2009 though FYE 2014.

Exhibit 14: Paratransit Operating Statistics

Operating Category	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015
Paratransit Operating Statistics					
Senior Trips	28,598	27,585	26,975	23,144	26,829
Total Paratransit Trips	61,982	55,559	49,192	46,438	48,753
Total Miles	350,095	336,364	304,749	284,376	281,199
Total Hours	23,036	21,333	20,009	17,761	18,265
VOMS	14	13	12	12	12
Operating Subsidy / Passenger Trip	\$2.61	\$1.49	\$0.82	\$0.06	\$1.06

BALANCE SHEET FINDINGS

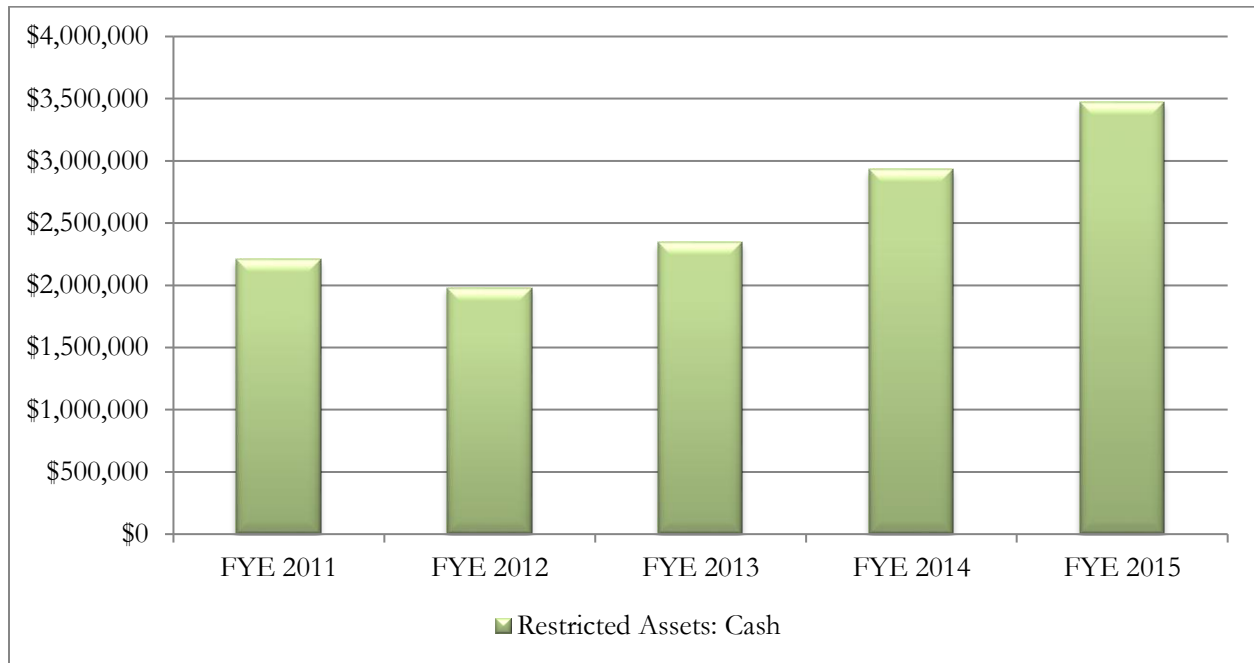
Review of balance sheets from LT shows that since FYE 2011, the agency does not report a cash equivalent balance on hand; however, LT does report available cash as restricted assets (**Exhibit 15** and **Exhibit 16**). Net current restricted cash reported as of FYE 2015 was about \$3,370,989. The margin between current assets and liabilities is better than that seen in many other transit agencies in the Commonwealth. Accounts payable have decreased from a high of \$168,119 in FYE 2011 to \$21,329 as of FYE 2015. LT maintains a \$2,500,000, unused, line of credit as of FYE 2015.

Exhibit 15: Balance Sheet Summary (FYE 2011 – FYE 2015)

Balance Sheet Report	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015
Current Assets					
Cash Equivalent Balance	\$0	\$0	\$0	\$0	\$0
Restricted Assets: Cash	\$2,205,025	\$1,979,382	\$2,341,643	\$2,928,815	\$3,470,815
Grant Receivable (incl. capital)	\$420,962	\$354,392	\$341,018	\$347,183	\$357,372
Other Accounts Receivable	\$109,054	\$84,442	\$61,077	\$39,713	\$85,389
Inventory Value	\$61,104	\$61,104	\$74,537	\$99,261	\$106,287
Pre-paid Expenses	\$6,201	\$4,749	\$5,868	\$6,157	\$0
Current Liabilities					
Accounts Payable	\$168,119	\$57,837	\$11,629	\$40,976	\$21,329
Accrued Expenses	\$111,349	\$48,184	\$52,883	\$68,276	\$81,752
Deferred Revenue	\$2,422,786	\$2,285,848	\$2,675,382	\$3,200,606	\$3,803,455
Line of Credit	\$0	\$0	\$0	\$0	\$0
Total Operating Expense	\$3,773,660	\$3,588,729	\$3,370,060	\$3,433,812	\$3,703,261
Cash Eqv. Bal / Total Operating Exp.	0.0%	0.0%	0.0%	0.0%	0.0%
Line of Credit / Annual Payroll	0.0%	97.7%	102.4%	98.0%	95.9%
Current Assets	\$2,802,346	\$2,484,069	\$2,824,143	\$3,421,129	\$4,019,863
Current Liabilities	\$2,702,254	\$2,391,869	\$2,739,894	\$3,309,858	\$3,906,536
Net Current Assets	\$100,092	\$92,200	\$84,249	\$111,271	\$113,327

Source: Annual Audit Reports and dotGrants.

Exhibit 16: End-of-Year Cash Balance (FYE 2011 – FYE 2015)



FINANCIAL PROJECTIONS

All transit agencies in the Commonwealth that receive Section 1513 operating subsidies have been asked by PennDOT to develop a five-year projection of their operating and capital budgets. The purpose is to assess the relationship of planned service levels to operating budget projections, capital needs and available resources—federal and state subsidies which are expected to increase by no more than 3% per year. Projections are completed entirely by LT based on their own assumptions of future service levels as well as available operating and capital funding. Financial projections are reported from FYE 2016 through FYE 2019.

As shown in **Exhibit 17**, LT’s projected fixed-route operating budget assumes an average increase of 3.3% from FYE 2016 to FYE 2019, as compared to 2.4% from FYE 2012 to FYE 2015. It also assumes \$3,929,654 in 1513 reserves by FYE 2019. As an urbanized area under direction of the LEBCO MPO, LT receives FTA 5307 funds for transit capital and operating assistance.

LT will replace one fixed-route bus, and four shared-ride vehicles by FYE 2018. Internally developed projections for budgets (FYE 2016 through FYE 2019) assume facility upgrades to accommodate CNG vehicles and vehicle replacement for fixed-route buses and paratransit vehicles.

LT expects its shared-ride operating budget to cover operating expenses in coming years (**Exhibit 18**). LT’s shared-ride operating budget does not assume any fare increases through FYE 2019. LT’s budget projections show a buildup of \$3,929,654 in 1513 reserves by FYE 2019 that could accommodate unexpected cost increases or revenue shortfalls.

Exhibit 17: Projected Fixed-Route Operating Budget Summary (FYE 2016-2019)

Operating Budget	FYE 2016	FYE 2017	FYE 2018	FYE 2019
Total Operating Expenses	\$3,028,689	\$3,128,447	\$3,231,324	\$3,338,583
Total Operating Revenues	\$456,878	\$476,672	\$497,456	\$519,279
Total Operating Deficit	\$2,571,811	\$2,651,775	\$2,733,868	\$2,819,304
Federal Subsidy	\$1,285,906	\$1,325,888	\$1,366,934	\$1,399,541
State Subsidy	\$1,190,716	\$1,225,920	\$1,261,948	\$1,309,490
Local Subsidy	\$95,190	\$99,968	\$104,986	\$110,273
Total Funding	\$2,571,811	\$2,651,775	\$2,733,868	\$2,819,304
1513 Reserves	\$960,843	\$0	\$0	\$0
5307 Annual Allocation	\$1,230,143	\$1,230,143	\$1,230,143	\$1,230,143
Operating Costs Change from Previous Year	13.3%	3.3%	3.3%	3.3%

* May not add due to rounding.

Exhibit 18: Projected Shared-Ride Operating Budget Summary (FYE 2016-2019)

Operating Budget Item	FYE 2016	FYE 2017	FYE 2018	FYE 2019
Operating Expense	\$1,131,160	\$1,165,714	\$1,201,225	\$1,238,195
Passenger Revenue	\$415,329	\$431,235	\$448,483	\$458,950
Lottery/PWD	\$554,464	\$569,871	\$583,745	\$605,404
MATP	\$55,800	\$57,982	\$59,475	\$61,550
AAA	\$79,924	\$81,924	\$83,972	\$87,262
Total Operating Revenues	\$1,105,517	\$1,141,012	\$1,175,675	\$1,213,166
Excess Revenue/Deficit	(\$25,643)	(\$24,702)	(\$25,550)	(\$25,029)

ASSESSMENT

LT currently has a balanced operating budget. Operating cash reserves have steadily increased since 2011. Internally developed projections of service levels and budgets indicate a plan to maintain a balanced budget over the next five years. Noteworthy elements of LT's financial condition are:

- LT has \$2,699,935 in carryover Section 1513 funds available in case of unexpected cost increases or service changes.
- LT maintained a local fund carryover balance of \$438,311 as of FYE 2015.
- LT has a low operating subsidy per passenger trip for shared-ride and ADA, with operating revenue covering 95% of operating costs.
- Accounts payable and receivable amounts are negligible.
- LT maintains a \$2,500,000 line of credit that has no outstanding balance.

Management should continue taking appropriate actions to manage costs, achieve farebox recovery goals, and to maintain cash reserves to preserve LT's overall financial health.

APPENDIX A: DATA ADJUSTMENTS

From FYE 2009 through FYE 2015, LT reported sources of “other” revenue (i.e., SAFTI dividend, medical insurance and maintenance insurance reimbursements) belonging to fixed-route and paratransit service were both reported as fixed-route to NTD. This caused LT’s reported fixed-route “other” revenue to be greater than what was reported to dotGrants. Therefore, “other” revenue associated with paratransit was removed from fixed-route to reconcile NTD reported values with dotGrants.

To better understand trends and develop five-year performance targets, these sources of revenues and expenditures were excluded and/or offset (i.e., netted out) from LT’s NTD reported revenue and operating costs. Because dotGrants has a detailed breakdown of revenue sources, the total revenue reported in NTD was adjusted to reconcile with routinely collected revenue reported in dotGrants (i.e., passenger fares, advertising and interest). Revenue collected from medical dividends and insurance reimbursements was used to offset operating costs. The results of these adjustments are listed in the table below.

Fares and Other Revenue	FYE 2009	FYE 2010	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015*
NTD Reported Total Revenue	\$471,645	\$409,538	\$467,453	\$467,327	\$512,626	\$545,345	\$398,870
Adjustments	\$93,227	\$66,328	\$112,885	\$90,589	\$152,669	\$172,659	-
Adjusted Total Revenue	\$378,418	\$343,210	\$354,568	\$376,738	\$359,957	\$372,686	\$398,870
Fixed-Route Operating Costs							
NTD Reported Operating Costs	\$2,541,242	\$2,323,934	\$2,611,759	\$2,545,960	\$2,517,109	\$2,631,434	\$2,674,316
Adjustments	\$34,606	\$19,082	\$31,400	\$52,180	\$99,022	\$136,465	-
Adjusted Total Operating Costs	\$2,506,636	\$2,304,852	\$2,580,359	\$2,493,780	\$2,418,087	\$2,494,969	\$2,674,316

*Source: dotGrants reporting

Per LT management, the use of FYE 2017 unaudited dotGrants statistics was to ensure that LT was assessed with the most current information available to derive agency performance standards through FYE 2022. LT’s Act 44 performance metrics are listed in the table below based on adjustments to fixed-route operating revenue, operating costs, total passengers, and the addition of FYE 2017 unaudited dotGrants information.

Final Adjusted Metrics	FYE 2009	FYE 2010	FYE 2011	FYE 2012	FYE 2013	FYE 2014	FYE 2015*	FYE 2016	FYE 2017
Passenger/RVH	9.31	9.36	9.26	9.52	9.80	10.06	10.90	10.72	10.49
Operating Revenue/RVH	\$11.43	\$11.02	\$10.59	\$11.87	\$12.11	\$12.14	\$12.99	\$13.33	\$12.77
Operating Cost/RVH	\$75.72	\$73.98	\$77.07	\$78.55	\$81.37	\$81.27	\$87.09	\$85.34	\$97.66
Operating Cost/Passenger	\$8.13	\$7.90	\$8.32	\$8.25	\$8.31	\$8.08	\$7.99	\$7.96	\$9.31

*Source: NTD and dotGrants reporting

APPENDIX B: PEER COMPARISONS

Comparison of LT 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 2014 Reporting Year database was selected as the primary data source used in the calculation of the five-year trend Act 44 metrics:

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

The definition of the variables used in the calculations is as follows:

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

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

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

Passengers / Revenue Vehicle Hour: Bus

Passengers / Revenue Hour					
System	FYE 2014 Single Year		5 Year Change Since FYE 2009		
	Value	Rank of 14	2009 Value	Annual Rate	Rank of 14
Monroe County Transportation Authority	8.06	13	6.99	2.90%	5
Metropolitan Transit Authority of Black Hawk County	13.04	10	13.29	-0.37%	7
CityLink Transit	16.73	5	15.43	1.63%	6
City of Huntsville, Alabama - Public Transportation Division	14.79	7	8.62	11.42%	3
Centro of Oswego, Inc.	19.30	1	11.43	11.05%	4
City of Jackson Transportation Authority	17.70	2	19.45	-1.87%	10
Town of Cary	9.22	12	3.97	18.34%	1
Centro of Cayuga, Inc.	13.42	9	14.09	-0.98%	9
Fayette Area Coordinated Transportation	7.60	14	4.37	11.71%	2
Battle Creek Transit	17.53	3	19.70	-2.31%	13
Janesville Transit System	13.68	8	15.27	-2.18%	11
Simi Valley Transit	14.98	6	15.32	-0.45%	8
Muskegon Area Transit System	17.11	4	19.15	-2.23%	12
County of Lebanon Transit Authority	10.06	11	11.44	-2.55%	14
<i>Average</i>	<i>13.80</i>		<i>12.75</i>	<i>3.15%</i>	
<i>Standard Deviation</i>	<i>3.81</i>		<i>5.24</i>	<i>6.93%</i>	
<i>Average – 1 Standard Deviation</i>	<i>9.99</i>		<i>7.51</i>	<i>-3.78%</i>	
<i>Average + 1 Standard Deviation</i>	<i>17.61</i>		<i>17.99</i>	<i>10.08%</i>	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Worse		Worse		

Operating Cost / Revenue Vehicle Hour: Bus

Operating Cost / Revenue Hour					
System	FYE 2014 Single Year		5 Year Change Since FYE 2009		
	Value	Rank of 14	2009 Value	Annual Rate	Rank of 14
Monroe County Transportation Authority	\$99.56	9	\$90.30	1.97%	5
Metropolitan Transit Authority of Black Hawk County	\$93.53	8	\$63.60	8.02%	13
CityLink Transit	\$55.28	2	\$35.26	9.41%	14
City of Huntsville, Alabama - Public Transportation Division	\$61.02	3	\$46.91	5.40%	10
Centro of Oswego, Inc.	\$119.78	14	\$88.12	6.33%	12
City of Jackson Transportation Authority	\$86.96	7	\$73.38	3.45%	8
Town of Cary	\$47.17	1	\$57.50	-3.88%	1
Centro of Cayuga, Inc.	\$106.89	11	\$90.37	3.42%	7
Fayette Area Coordinated Transportation	\$69.54	4	\$51.85	6.05%	11
Battle Creek Transit	\$101.06	10	\$100.96	0.02%	4
Janesville Transit System	\$109.35	12	\$91.25	3.69%	9
Simi Valley Transit	\$111.69	13	\$117.93	-1.08%	3
Muskegon Area Transit System	\$81.00	5	\$71.58	2.50%	6
County of Lebanon Transit Authority	\$83.72	6	\$94.33	-2.36%	2
<i>Average</i>	\$87.61		\$76.67	3.07%	
<i>Standard Deviation</i>	\$22.52		\$23.39	3.88%	
<i>Average – 1 Standard Deviation</i>	\$65.09		\$53.28	-0.82%	
<i>Average + 1 Standard Deviation</i>	\$110.13		\$100.06	6.95%	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Better		Better		

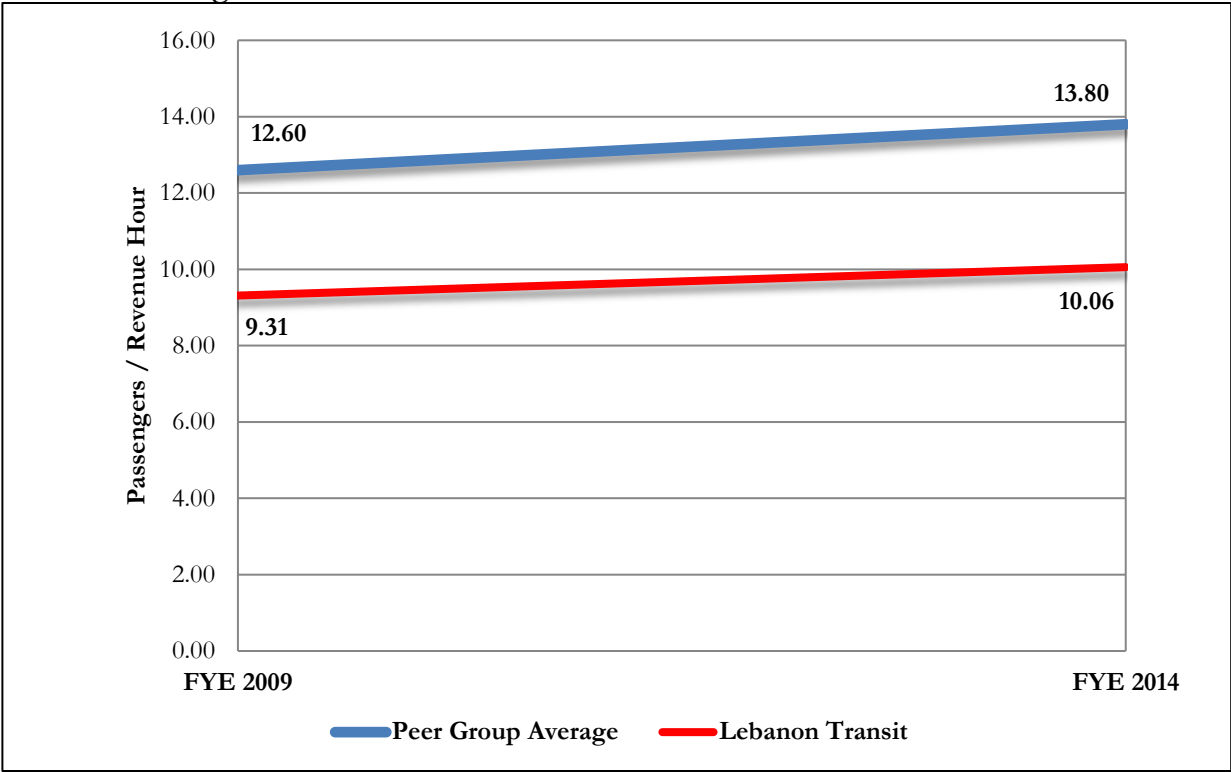
Operating Revenue / Revenue Vehicle Hour: Bus

Operating Revenue / Revenue Hour					
System	FYE 2014 Single Year		5 Year Change Since FYE 2009		
	Value	Rank of 14	2009 Value	Annual Rate	Rank of 14
Monroe County Transportation Authority	\$9.22	12	\$6.30	7.93%	5
Metropolitan Transit Authority of Black Hawk County	\$12.61	10	\$16.59	-5.34%	13
CityLink Transit	\$16.03	5	\$12.33	5.39%	6
City of Huntsville, Alabama - Public Transportation Division	\$14.45	6	\$6.57	17.08%	1
Centro of Oswego, Inc.	\$20.06	2	\$13.69	7.94%	4
City of Jackson Transportation Authority	\$19.21	4	\$25.83	-5.75%	14
Town of Cary	\$5.29	14	\$2.80	13.58%	2
Centro of Cayuga, Inc.	\$13.50	9	\$10.56	5.04%	8
Fayette Area Coordinated Transportation	\$7.81	13	\$6.33	4.30%	9
Battle Creek Transit	\$12.32	11	\$13.51	-1.83%	10
Janesville Transit System	\$22.10	1	\$14.52	8.76%	3
Simi Valley Transit	\$19.73	3	\$15.41	5.07%	7
Muskegon Area Transit System	\$13.72	8	\$18.04	-5.34%	12
County of Lebanon Transit Authority	\$14.07	7	\$17.51	-4.27%	11
<i>Average</i>	\$14.29		\$12.86	3.75%	
<i>Standard Deviation</i>	\$4.86		\$6.03	7.29%	
<i>Average – 1 Standard Deviation</i>	\$9.43		\$6.82	-3.54%	
<i>Average + 1 Standard Deviation</i>	\$19.16		\$18.89	11.05%	
Act 44 Compliance Determination	In Compliance		At Risk		
Compared to the Peer Group Average	Worse		Worse		

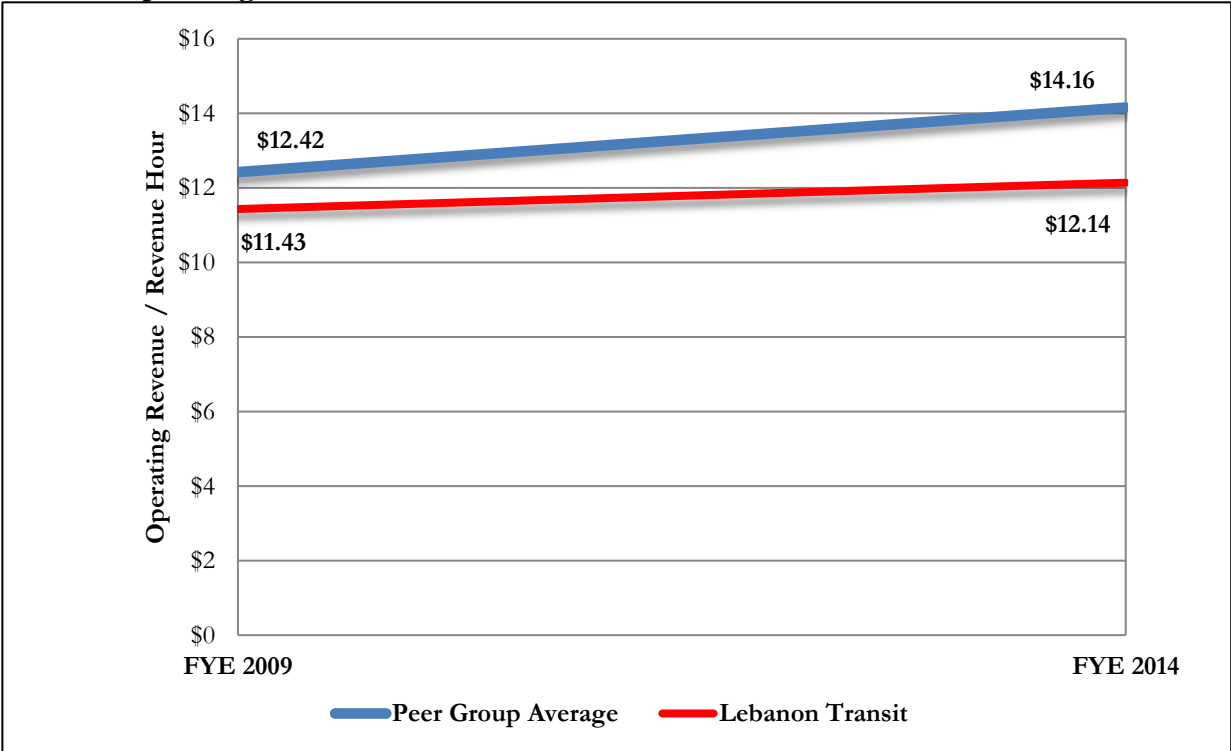
Operating Cost / Passenger: Bus

Operating Cost / Passenger					
System	FYE 2014 Single Year		5 Year Change Since FYE 2009		
	Value	Rank of 14	2009 Value	Annual Rate	Rank of 14
Monroe County Transportation Authority	\$12.35	14	\$12.92	-0.90%	5
Metropolitan Transit Authority of Black Hawk County	\$7.17	8	\$4.79	8.42%	14
CityLink Transit	\$3.30	1	\$2.29	7.66%	13
City of Huntsville, Alabama - Public Transportation Division	\$4.13	2	\$5.45	-5.40%	2
Centro of Oswego, Inc.	\$6.21	7	\$7.71	-4.25%	4
City of Jackson Transportation Authority	\$4.91	4	\$3.77	5.42%	11
Town of Cary	\$5.11	5	\$14.47	-18.78%	1
Centro of Cayuga, Inc.	\$7.97	10	\$6.41	4.43%	9
Fayette Area Coordinated Transportation	\$9.15	13	\$11.87	-5.07%	3
Battle Creek Transit	\$5.77	6	\$5.12	2.39%	8
Janesville Transit System	\$7.99	11	\$5.97	5.99%	12
Simi Valley Transit	\$7.46	9	\$7.70	-0.64%	6
Muskegon Area Transit System	\$4.73	3	\$3.74	4.84%	10
County of Lebanon Transit Authority	\$8.32	12	\$8.24	0.20%	7
<i>Average</i>	\$6.76		\$7.18	0.31%	
<i>Standard Deviation</i>	\$2.38		\$3.64	7.17%	
<i>Average – 1 Standard Deviation</i>	\$4.38		\$3.54	-6.87%	
<i>Average + 1 Standard Deviation</i>	\$9.13		\$10.81	7.48%	
Act 44 Compliance Determination	In Compliance		In Compliance		
Compared to the Peer Group Average	Worse		Better		

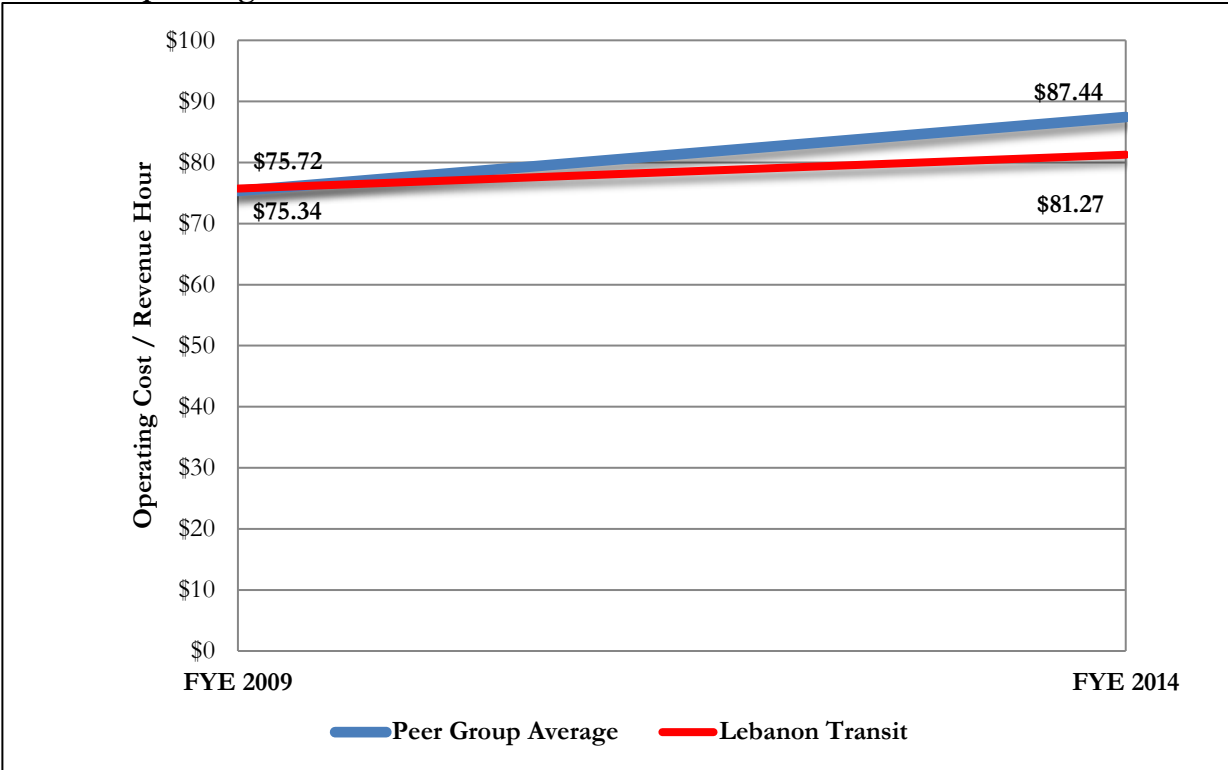
Trend – Passengers / Revenue Vehicle Hour: Bus



Trend – Operating Revenue / Revenue Vehicle Hour: Bus



Trend – Operating Cost / Revenue Vehicle Hour: Bus



Trend – Operating Cost / Passenger: Bus



APPENDIX C: 2010 PERFORMANCE REVIEW ACTION PLAN ASSESSMENT

Last Updated March 31, 2014

Category	Suggested Action	Corrective Action	Observation
1. Ridership	Continue gaining input from citizens. Expand the scope of existing committees or develop a new advisory committee to focus on fixed-route issues. Develop and implement an education program for advisory board members, possibly in conjunction with a Governing Board education program.	We recognize that most of our outreach efforts have revolved around our Demand Response services. We shall address this weakness by identifying various community organizations, businesses, and individuals who can provide guidance to make a positive impact on our Fixed Route services. We shall encourage these identified “partners” to participate in regularly scheduled meetings.	LT holds quarterly meetings with the following invitees: MHMR, Dialysis, ACT, County Assistance Office, Area Agency on Aging, Housing Authority Senior Communities, and Medical Assistance.
1. Ridership	Develop a system-level route map. Share success in marketing and public relations with other agencies in Pennsylvania.	Not present in report.	LT has individual route maps available online. There is a system level map available through the interactive “real-time bus tracker.”
1. Ridership	Develop specific service standards such as on-time performance to assist in scheduling function. Specify and monitor metrics, such as Pay/Platform Ratio, to gauge the adequacy and success of the scheduling process. In	Data management plan approved in 2013. The Board established an Operations Committee in July 2013 to help review the service standards plan. The Board approved and adopted the service standards plan in February 2014.	Completed.

Category	Suggested Action	Corrective Action	Observation
	<p>conjunction with planning, develop a data management plan that utilizes AVL and APC currently being implemented to obtain ridership, running time, and on-time performance.</p>		
<p>1. Ridership</p>	<p>Establish a database of customer complaints, compliments, and associated information, and analyze the trend of customer satisfaction. Establish a follow-through process to ensure that the customer's issues have been resolved in a timely manner.</p>	<p>LT does not have an automated system for logging and tracking complaints and their resolutions. Complaints are logged by form and forwarded to the appropriate person and department. All complaints are logged with their results and resolution.</p>	<p>LT updated their complaint procedures in 2014 and maintains a database of all complaints and compliments.</p>
<p>1. Ridership</p>	<p>Update the TDP that addresses issues facing COLT/LT over the next several years. In conjunction with planning, develop a data management plan that utilizes technology investments (i.e., AVL and APC) to obtain ridership and running time information. Expand on current route-level evaluation to include financial measures. Develop formal service standards for planning functions. Investigate alternatives to downtown terminal or reassess fleet expansion needs and plans to address capacity issues.</p>	<p>The installation of the OmniPoint IT upgrade is complete and LT uses the system on a daily basis. The Project Manager has become the point of contact with Avail Technologies, and they communicate as necessary.</p>	<p>Completed.</p>

Category	Suggested Action	Corrective Action	Observation
<p>2. Revenue</p>	<p>Regularly conduct analysis of ridership patterns and market segments in a cost-effective manner. Develop, implement, and monitor the effectiveness of plans to increase share of the current customer base. Implement processes to measure the effectiveness of marketing expenditures and report findings at least quarterly to the Board. Finalize and monitor the effectiveness of the rebranding campaign. Investigate accelerating new brand implementation. Continue to identify innovative ways to increase market share in areas where COLT/LT competes well against other transportation modes.</p>	<p>Not present in report.</p>	<p>LT launched a new marketing campaign in 2013, which saw an increase in fixed-route ridership for 2013 and 2014.</p>
<p>3. Operating Cost</p>	<p>Establish targets for key costs such as unscheduled overtime pay, and develop response strategies for when performance is outside of acceptable parameters. Develop and implement a reliable tracking methodology for on-time performance. Complete automated data collection efforts and incorporate data into operations decision-making. Tabulate service-related customer</p>	<p>he Avail Technologies IT upgrade to LT's Fixed Route Division provides the following analysis reports: Ridership, Farebox Valuation, Farebox Ridership, Automatic Passenger Count and Non-Ridership. It provides the analysis reports by: Route, Fare, Bus, Driver, Block, Stop, Service Levels, and Time Unit. In addition, it provides a lengthy list of summary reports. LT used this data to help us determine the route changes we made in October 2011. LT monitors this information on a monthly basis to better monitor long term progress and follow trending. LT does not expect to make short term changes to scheduling or routes, but to give changes several months for testing.</p>	<p>Ongoing effort.</p>

Category	Suggested Action	Corrective Action	Observation
	<p>feedback by category to measure performance trends.</p>		
<p>3. Operating Cost</p>	<p>Evaluate management needs and determine whether vacated positions should be retained. Draft a strategic plan with goals and objectives for Board review and adoption, implement with appropriate performance metrics, conduct review by management and the Board on a monthly or quarterly basis as appropriate. Develop and implement quality control procedures for key management functions.</p> <p>Create and actively use performance metrics for all major management functions. Monitor and report periodically to staff and Board. Provide ongoing training and cross-training among management personnel to help ensure continuity for short- or long-term absences, and personnel departures. Prepare succession plan. Evaluate existing costs for general and administrative expenses. Evaluate the necessity</p>	<p>The only vacant position at the time of the PennDOT review was that of Maintenance Manager. LT filled that position in December 2010 and has not identified any management positions which are believed to be redundant. If LT loses any managers, LT will evaluate the needs relevant to the fiscal and operational climate of the time. This evaluation will be undertaken with Board input and approval. LT does not have a large enough administrative staff to provide for a succession plan that specifically identifies personnel who will fill positions that become vacant. Most senior staff has come to their positions through promotions from within the organization. LT would utilize the skills of those individuals to fill in at their old positions until permanent replacements could be found. The redundancy within the organization is represented by the skills developed by our managers in their earlier positions. If the Executive Director and Assistant Executive Director were to both leave their positions, LT would need to look outside the present organization to find replacements. There are no staff members who presently possess the education, experience, or skills to take one of these two top executive positions. Present salary scales at this organization would not be helpful in attracting a candidate with the skills necessary to take on the top position and yet be willing to serve indefinitely as an</p>	<p>Ongoing effort.</p>

Category	Suggested Action	Corrective Action	Observation
	<p>of replacing the Assistant Executive Director position in light of growing cost concerns and the lack of positions reporting directly to the Executive Director.</p>	<p>heir apparent. If LT were to suddenly lose the Executive Director and her Assistant, the Finance Officer and Operations Manager have the skills to continue operations for several weeks before a new Director would need to be identified.</p>	
<p>3. Operating Cost</p>	<p>Investigate the report generation capabilities of MAS 90® and Dossier® to determine whether more automated analyses could be performed.</p> <p>Establish written protocols for acceptable inventory levels. Establish performance metrics for the parts inventory function and develop procedures for collecting and reporting the data needed to determine performance. COLT/LT can refer to the Transportation Research Board’s publication, Inventory Management in a Maintenance Environment, for guidance on applicable metrics and methodologies for determining performance. Evaluate current use of non-construction DBE/MBE/WBE procurement and identify areas where additional efforts should be made. Pursue automated procedures for</p>	<p>The parts inventory and procurement process are addressed through the Dossier program. LT does not use MAS90 for parts inventory. LT manually enters the initial parts inventory into the Dossier program. LT will begin using the bar code scanner to keep an automated account of inventory. LT set mid-April as the goal for completion of the process including training on and use of the bar code scanning feature. The minimum and maximum inventory levels are entered in the database alongside the initial parts count. The bar code scanning will indicate where LT fall within those parameters.</p>	<p>Ongoing effort.</p>

Category	Suggested Action	Corrective Action	Observation
	<p>determining whether mechanics have taken parts out of inventory.</p>		
<p>3. Operating Cost</p>	<p>Pursue procedures for direct use of Dossier® or a successor software system by all mechanics and service line employees. Investigate the report generation capabilities of Dossier® to determine whether more automated analyses could be performed. Despite the use of software, the maintenance function still relies heavily on manual analysis and the knowledge of long-term employees. Enter warranty information into Dossier® and pursue automated notifications. Pursue greater use of technology in the maintenance function to automate such tasks as the recording of fuel and fluids consumption data. Develop a Master Plan for the maintenance facility to meet the current and future needs of the system. When opportunities become available through the capital program, ensure prompt acquisition of</p>	<p>The upgrade to Dossier will provide the capability to perform more automated analysis. LT relies on knowledge of long time employees until the Dossier program has had the time to assimilate enough data to make statistical analysis accurate. The new program will provide for warranty information and automated notifications.</p>	<p>Ongoing effort.</p>

Category	Suggested Action	Corrective Action	Observation
	replacement vehicles to retire old busses used in service expansion.		
4. Other	Board should work with senior COLT/LT staff to create a vision with measurable goals and objectives to accomplish the strategic mission statement. Develop and implement Board education program. Develop and implement Board education program. Continue marketing efforts to build ridership.	The Lebanon Transit Board of Directors formed a Strategic Planning Committee to work closely with staff to formulate and implement a Strategic Plan. Their first meeting was held on November 11, 2010. The committee has held several meetings since that time and is still in the process of formulating our strategic plan.	LT held a strategic planning event on October 2011, which formed the basis for a strategic plan. LT developed strategic goals for the next three years and annual objectives.
4. Other	Conduct a systems integration study to determine the best way to integrate accounting and financial management software with other systems in COLT/LT. Account for actual cash collected for each vehicle each day.	Our GFI collection system does not provide for counting the fares from each bus individually. We do not, at present, have plans to modify the current system or purchase another system that would allow for that option.	No plans to change methodology.
4. Other	Develop a case study of the actions taken that have resulted in such a marked drop in incidents since 2003. Develop a written procedure for monitoring and assessing safety needs and improvements. In coordination with other functions, prioritize safety/security improvements in a	Prioritizing safety and security needs and including them in our short, mid, and long range planning is an area in which we need to improve. Safety and security are very high priorities for us, but we have not prioritized our needs nor identified their placement on short, mid, or long range goals. We have customarily addressed safety and security issues as they have been identified. We have a good quarterly safety training	LT continues to work on short, mid, and long range plans on security and safety issues. LT continues with quarterly safety meetings, and is

Category	Suggested Action	Corrective Action	Observation
	short-, mid-, and long-term capital plan as well as a facility master plan.	program. Regardless, we will document, prioritize, and plan for future safety and security issues.	progressing with the site security project.
4. Other	Develop a long-term capital plan reflecting all capital needs. Assemble a master list of projects (i.e., needs) ranked by priority. Distinguish projects on the basis of available funding and identify those projects that could move forward with additional funding.	Not present in report.	LT programs capital needs through the TIP.
4. Other	Evaluate and refine reporting mechanisms in each major IT software package used for agency operations. Develop capabilities to extract and analyze data already recorded in registering fareboxes. Develop a Disaster Recovery Plan to ensure continuity of operations. Begin development of a master IT plan that incorporates changes in on-vehicle technology and Web-based customer service to ensure compatibility and strategic IT procurement.	LT has no strategic IT plan, but has consistently sought funding for IT upgrades upon identifying needs. LT has computer aided dispatch and scheduling program with on board computer and AVL in paratransit vehicles. LT is at the end stages of a complete IT installation in all fixed-route vehicles (via OmniPoint system).	Ongoing effort.

APPENDIX D: ACTION PLAN TEMPLATE

PART 1- ACTIONS TO INCREASE PASSENGERS / REVENUE HOUR

Recommendation From narrative starting on page 10	LT Action	Estimated Initiation Date	Estimated Completion Date
1. Target commuter service for future marketing efforts following.			

PART 2 - ACTIONS TO INCREASE OPERATING REVENUE / REVENUE HOUR

Recommendation From narrative starting on page 10	LT Action	Estimated Initiation Date	Estimated Completion Date
1. Pursue development of route guarantees.			

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

Recommendation From narrative starting on page 11	LT Action	Estimated Initiation Date	Estimated Completion Date
1. Examine commuter service cost recovery.			

PART 4 - OTHER ACTIONS TO IMPROVE OVERALL PERFORMANCE

Recommendation From narrative starting on page 11	LT Action	Estimated Initiation Date	Estimated Completion Date
1. Update strategic plan and incorporate measures of effectiveness.			
2. Update cost allocation.			
3. Increase Board training opportunities.			
4. Spend down old rural funds.			

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