



2019 Business Plan



ACRTA Strategic Plan

Introduction

To the naked eye, ACRTA simply provides transportation services to Allen County, OH. But to the discerning observer, ACRTA is an economic engine providing independence to the citizens of the county as they work, shop and play. Every day hundreds of residents use ACRTA services to travel to offices and factories that span almost the entire breadth of the county. These residents provide resources for dozens of Allen County employers whose revenue constitutes the Allen County tax base. Hundreds of other Allen County residents use ACRTA services for shopping trips, medical visits and entertainment that generate sales tax revenue for the county.

In addition to fixed routes, ACRTA provides door-to-door transportation services to hundreds of elderly and disabled residents whose pressing medical needs require trips to health care facilities.

ACRTA also provides customized, revenue generating transportation services to schools, social service providers and employers in the county.

Key Stakeholders

Employees	
Benefits	Responsibilities
Provide valuable service to their community – they are proud of what they do	Willingness to go above and beyond
Flexible schedule	Flexible, since days can quickly change
Front line supervisory advancement opportunities	Desire to make a difference in the community
Training – ability to earn additional certifications and skills	Willingness to step outside bounds of job description if necessary
PERS Retirement plan	

Riders	
Benefits	Responsibilities
Mobility independence to earn a living – ability to travel to work and contribute to the system instead of being dependent on the system	Pay fares
Mobility independence in meeting basic needs – ability to travel to medical appointments and to shop for needed supplies	Be prompt
Transportation that is safe, clean, attractive, affordable and on time	Show respect to staff and fellow riders
Known and cared for by ACRTA staff	Follow rules for riding – cleanliness, access
Treated with dignity	
Special needs accommodated	
Accommodation of first and last mile transportation (bicycles)	

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Allen County Community at Large	
Benefits	Responsibilities
Economic engine for the county providing employees for companies, patients for medical facilities and shoppers for retailers	Understand the public transit model
Connects members of the community to essential activities and services – work, medical, shopping, entertainment. Including special transportation services for residents with unique needs (elderly, disabled)	Advocate for robust public transit
Communities with public transportation have higher property values	Ride public transportation
Reduces traffic	
Good for the environment	
Sole Entity in the community specifically tasked with meeting the transportation needs of county residents	

Suggestions for Change to Mission Statement

Current: to provide efficient, safe, and easily accessible transit services as a means of mobility to citizens in need of transportation. Whether you need a ride to work, shopping, or appointments, we want to get you there. ACRTA is in the business of connecting people to become more self-sufficient and achieve their full potential.

Option 1: Connecting Allen County residents to employment, healthcare, shopping, entertainment and more with safe, dependable, economical transportation choices

Option 2: Fueling the Allen Country economy and moving its citizens with safe, dependable, economical transportation choices

Option3: Providing Allen County's engine for economic growth and transportation independence

Obviously, you don't have to use any of these or you can use some mashup of two or all three. I made a list of ideas that I thought made the cut - economic engine, independence, connecting citizens with employment, healthcare, shopping and entertainment, choices – and took several runs at it. Remember, with a mission statement you are answering the question, "What do we do?" To flesh it out a bit further, you are answering the questions –

- Why are we here – what is our motivation – beyond making money?
- What are we doing – what value do we provide to those who consume our goods or services?
- Who are we doing it for – who is our desired audience?
- It is the statement we use to evaluation all future actions – i.e. if we do this action, will it help us fulfill the mission.

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Suggestions for Change to Vision Statement

No Current Vision Statement

Option 1: To be Allen County's most trusted transportation partner for businesses, not-for-profits and individuals

Option 2: To be the first and best choice for transportation services in Allen County

Option 3: To be a model regional transportation authority recognized for strong community and business partnerships, operational excellence and excellent stewardship of financial resources

Again, you can use one of these or a mashup. Here are the ideas that I felt made the cut for a desirable future vision - robust, county-wide, flexible, economical, desired by employers, desired by retailers, first choice for transportation experts, logistic experts, first choice transportation option, most trusted transportation partner for businesses, not-for-profits and individuals (including group transportation needs)

With a vision statement, you are answering question, "What do we want to become?" To flesh it out a bit further, you are answering the questions -

- What do we want to be celebrating 5 years from now? 10 years from now?
- If our organization was receiving an award for its accomplishments, what do we want to hear in the speech?
- Would it excite us to accomplish this? Would it motivate us to exceptional effort? Would it cement us to our team members and cause us to overlook small differences in style because of the value that other team members bring to the table?
- This is the measuring tool by which we judge all future opportunities – i.e. if we take this opportunity, will it get us closer to this vision.

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SWOT Analysis

SWOT Analysis	
Strengths	Weaknesses
<ul style="list-style-type: none"> • Leadership with Deep Transit Experience • Good Physical Facilities (with inherent revenue generating opportunities) • Engaged Board • Commitment to Staff Training • Creative in revenue generation (gasoline sales to other entities, lottery tickets, Greyhound tickets, honey buns) • Small Core of Dedicated Employees • Driver (CDL) Wages at Market • Limited but Effective Logistic Technology 	<ul style="list-style-type: none"> • Leadership Bench Strength (limited transit experience or management experience below Exec. Dir.) • No Consistent Funding (makes future planning almost impossible) • Insufficient Disaster Recovery Protocol • Inadequate Contract IT Support • Limited Collaborative Problem Solving • Consistent sentiment among interviewed staff members that not all coworkers are committed to excellent work • Internal Problem Solving is Stunted by Financial Complexity • Limited Advancement Opportunity • Benefits Below Market – Mechanic Salary Below Market • Excessive Turnover (49% over last 4 years) • Handling ancillary revenue responsibilities sometimes detracts from core responsibilities
Opportunities	Threats
<ul style="list-style-type: none"> • Expanded Services Including <ul style="list-style-type: none"> ○ Fixed Routes Accessible to More County Residents both in scope and schedule ○ Contract Job Access ○ Last Mile Options (bike share) ○ Uber-style point-to-point • Consolidation of County Mobility Management at ACRTA • Levy / Sales Tax • Formation of Business Advisory Council 	<ul style="list-style-type: none"> • Difficult-to-Understand Funding Model (complicates communication with stakeholders) • Uneven Community Support • Limited Public Understanding of RTA work • Limited Public Understanding of RTA economic benefit • Domino Effect Funding Spiral (fewer riders, less funding, fewer services, fewer riders, less funding, etc) • Concentration of service in Lima makes rural areas feel abandoned • Public Transit Stigma

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Decision Grid

Item	Position
Rider Fares	Free Reduced Current Increased
Fixed Route	Minimal (dense – city only) Current Restore Former Shuttles to Other Village Increased Frequency Full (with job driven non-prime time routes)
Tech Enabled	None Current (planner and fare collection) Adding CC and Contactless Mobile App (RouteMatch) Passenger Counter Full Route Visibility Wifi
Bus Stops	Flag Hybrid Bus Stop Only Shelters
First and Last Mile	None Current - Wheelchair Current - Bike Rack Ride Share Bikes Integrated End to End (single transaction)
Door to Door - ADA	Decrease Maintain Current Increase
Funding	Current - additional item sales (gas, bus tickets, lottery tickets) plus limited local support Contract Services Additional local funding Private Funding Levy
Capital Equipment	Reduced Fleet Current (25% of equipment outside useful life) Increase Fleet Update Fleet – newer equipment Alternative Fuel Autonomous Vehicles
Maintenance	All Outsourced Hybrid Current - Inhouse
Dispatch/Mobility Management	All Manual Current - Manual with supporting tech (Ecolane) Manual for drivers more advance supporting tech (rider communication) On-Demand Mobility Management (Mobile App)
Door to Door – Job/School Access	None Decreased Current Increased
Hours of Service	M-F Workday M-F Workday and Evening Saturday Sunday

Identify short term move mid term move no change

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The decision grid above identifies twelve strategic positions that ACRTA has taken and other available strategic options in that position. The brief narrative below describes the current option in that strategic position (yellow), the Administration next year proposal (blue) and the mid-term proposal for years 2-3 (purple).

Rider Fares – Rider fares are now \$1 per ride for fixed routes (transfers included), \$2 per ride for paratransit rides (required by ADA regulations at 2x the fixed fare rate) and \$.50 per ride for seniors, disabled and Medicare riders. Fare collection represented just over 4.5% of revenue in 2017. If the levy passes, ACRTA contemplates lowering fares in 2020. If lowering fares to \$.50 for fixed routes (with all other fares adjusted accordingly) triggered a 10% increase in ridership, the net negative effect on revenue would be less than \$100,000. Allen County, with a population of approximately 110,000, falls below the Federal threshold for FTA 5307 grants based on ridership. Instead, 5307 grants for Allen County are based on population and population density. The lowering of fares with the anticipated increase in ridership won't trigger more money in Federal ridership grants, but the increased demand could increase community goodwill as residents see more, fuller buses. Plus, increased demand could create the need for additional equipment which would, in fact, allow access to additional Federal capital grants.

Fixed Route – During 2017, ACRTA operated 9 fixed routes in Allen County. With the levy vote failure in November 2017, three routes were eliminated on January 1, 2018. This left six routes that service primarily, the city of Lima with some service stretching outside the city limits. If the levy passes in May 2019, the routes eliminated in January 2018 will be reinstated as soon as the levy money becomes available – Q4 2019 (with two routes being consolidated into one and some minor route tweaks – but the entire former service footprint will be covered again). Again, as a result of the predictable revenue from the levy, in 2020, ACRTA wants to increase service frequency on the busiest routes that service Lima. The increased frequency allows riders to exercise more control over their schedule and gives them greater latitude in employment. Evening and Saturday service will also be reinstated. Finally, in 2021, in collaboration with business and civic leaders, ACRTA would like to begin shuttles to outlying villages like Delphos, Bluffton and Cridersville. These shuttles can be scheduled based on work hours or other factors discovered in collaboration with the communities involved.

Tech Enabled – ACRTA currently has two pieces of customer-facing technology – the fare collection boxes on the buses and the route planner on the website. These need to continue and be updated as necessary. Beginning in 2019, the RouteMatch mobile app will be rolled out. This will allow Allen County residents to provide or consume a ride-sharing service (think Uber) made possible by ACRTA. Residents, using their smartphone, can schedule and pay for a ride provided by another Allen county resident (vetted by the ACRTA). ACRTA will take a cut of the fare with the remainder of the fare going to the resident providing the ride. By 2021, ACRTA would like to equip all public transit vehicles with passenger counters (to accurately track passenger counts and on/off stats) and Wi-Fi (something now becoming a baseline service in transit equipment). Again by 2021, ACRTA would like to roll out full GPS-based route visibility allowing riders to see the location of the bus they are waiting for. This is the most frequent call to ACRTA dispatchers, for example, “Has the bus already passed my stop at 1st and Main?”. If the rider can service themselves with that question, this increases customer satisfaction, decreases dispatcher workload and improves safety since drivers do not have to report their location to dispatchers over the two-way radio.

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Bus Stops – ACRTA is moving away from allowing passengers to flag down a bus for boarding. This hampers on-time performance and is dangerous for riders and traffic flow. More bus stop signage continues to go up around the service area. By the end of 2020, buses will only stop at designated bus stops. ACRTA has prepared, but not submitted a grant request for bus shelters that would shield waiting riders from inclement weather.

First and Last Mile – ACRTA's support of first and last mile services consists of a fleet that is wheelchair accessible and bike racks on larger buses. In 2019, ACRTA would like to collaborate with a ride share bike service for bike pickup locations at high-volume ACRTA bus stops. This would allow ACRTA riders to rent a bike and complete their commute. The 2019 rollout coincides with the opening of the Rhodes campus in downtown Lima. By 2021, ACRTA plans to design a revenue share model with the bicycle ride share operator that allows the rider to pay for one transit ticket that lets the rider utilize a ride share bike for the first mile, ride the bus and utilize a ride share bike for the last mile.

Door to Door – ADA Paratransit – The most expensive (but federally mandated by the ADA) service is the UpLift service for riders who cannot ride fixed routes because of access-related reasons. Over the course of the next two years, ACRTA would like to more carefully vet riders who apply for paratransit to see if they could, in fact, be accommodated on fixed routes. The goal is to decrease the number of paratransit rides and associated costs.

Funding – ACRTA's funding is a combination of limited local support, revenue generated by providing goods and services for other entities (OH lottery, Greyhound, selling gasoline to local NFPs), revenue generating contract routes and a mixture of state and federal grants. The exact composition of these are addressed elsewhere, but in this decision grid section, suffice it to say, ACRTA will not pursue private funding which must be "re-raised" regularly, nor does it anticipate any additional local funding. It will continue the revenue generating activities and the contract routes, but the way to ensure a predictable revenue stream, which in turn can be used to access all available federal and state grants, is to ask Allen County voters to approve a sales tax levy.

Capital Equipment – ACRTA's current fleet includes 14 fixed route vehicles and 15 paratransit vehicles. One-fourth of these vehicles are beyond their useful life. If the levy does not pass, the current fleet will still need to be upgraded as equipment reaches the end of its life cycle. Grant requests (\$450,000 for fixed route buses, \$125,000 for paratransit vans) will be submitted as needed, taking into account the 20-month lead time for new equipment. If the levy passes and service is restored to 2017 levels and if additional job/school access contracts are acquired, additional equipment will be needed. At that point, the 20-month lead time becomes more challenging since the need is more acute. ACRTA might need to lease equipment from other RTAs to service the new contracts. Leasing equipment from one RTA to another has been done in the past, just not by Allen County.

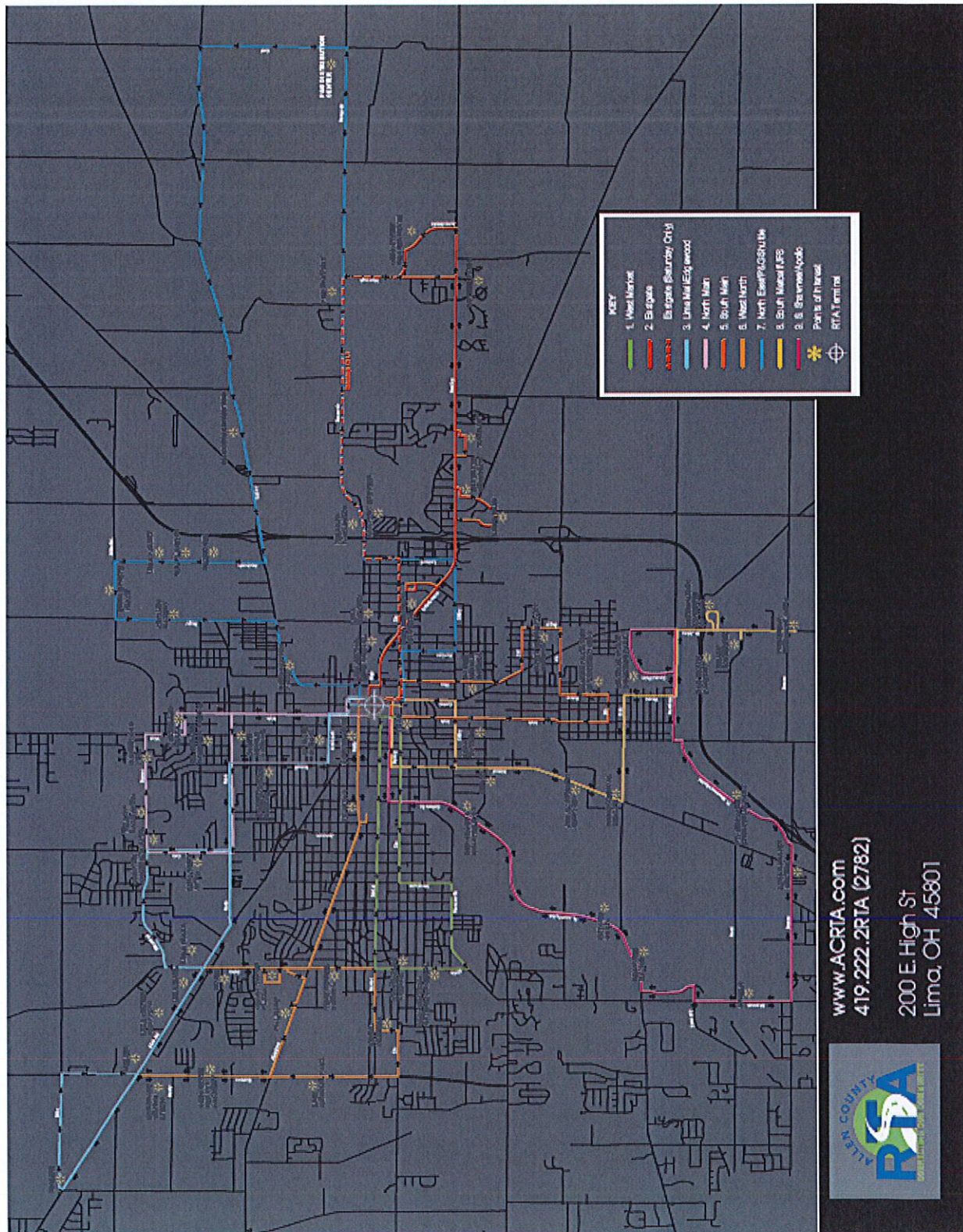
Maintenance – All maintenance is currently in-house and the plan is to keep it in-house. Since maintenance facilities and larger equipment is not owned by ACRTA (but instead owned by the Federal government, who purchased it via the grant process and pays for most of its maintenance through the grant process), in-house maintenance is cheaper than outsourced maintenance and ACRTA can control the prioritization of work since it is done in-house. ACRTA has also turned the maintenance operation into a revenue generating area by providing maintenance service for vehicles owned by local non-profit organizations. The industry standard is one mechanic for every three fixed routes. If the levy passes and the former service level is restored, one additional mechanic must be hired.

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Dispatch/Mobility Management – Currently, dispatching is handled manually by a small staff with driver communication handled by two-way radio for fixed routes and by a software as a service (SAAS) application for paratransit and other door-to-door routes. The current Ecolane (SAAS) software allows dispatchers to enter pickup addresses in the cloud and route them to drivers who receive the messages on a tablet computer. The address and pickup schedule appears on the driver's tablet who can acknowledge receipt and execution on the tablet. More recent versions of the same type of software (from Ecolane and other vendors) add features that would reduce dispatcher workload – most notably, rider communication and notification. Riders can receive email confirmations of pick ups scheduled and text message reminders prior to pick up. This frees dispatchers from these tasks which can translate to fewer dispatchers needed or ability for existing dispatchers to handle additional volume. The ride hailing application described in the tech section above also has obvious mobility management implications. It moves the responsibility for “dispatching” out of the hands of employees or contractors into the hands of the rider, giving the rider greater control of their transit experience and reducing the need for additional staff all while increasing ridership that is under the umbrella of ACRTA.

Door to Door – Job/School Access – The success of the current Nelson contract has given ACRTA a template for additional work and has opened the door for new conversations in the Allen County business community. Unlike the door-to-door paratransit routes which are always net revenue negative even with the federal grant matching funds, the door-to-door job access routes are net revenue positive, even without the federal grant matching funds. These routes provide a win for employers who promote them as a job benefit. And, more importantly, employers are able to exercise greater control over their own scheduling by ensuring that they are sufficiently staffed for their work by removing the variable of employee transportation. ACRTA will actively seek more of these contracts and plans to have 3 or 4 more in place prior to the May 2019 levy vote. If the levy does not pass, these provide an additional revenue stream that, after being spent, can be used to unlock funds from federal grants.

Route Plan



Routes 7-9 with passage of May 2019 Levy

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Proposed ACRTA Long Term Strategic Objectives

Improve Service Delivery and Safety by Increasing Employee Retention

- Average turnover for last 4 years is 49% - 2017 turnover was 68%
- Turnover generates extra costs in –
 - Recruitment – interviewing, testing
 - Training – two employees (the trainer and the trainee) are required to do the job of one. The time to get a commercial driver up to speed is longer than the time to get most other professions (with a similar pay grade) up to speed.
- Factors affecting turnover (according to DOT Study)
 - Compensation – includes salary and benefits
 - Current bus driver hourly (\$15.00) is comparable with market (\$14.40)
 - Current mechanic hourly (\$15.00) is below market (\$21-\$24)
 - Current health benefits are below market (only office staff has benefits)
 - Current retirement is 3 times the market for private sector (3.9%) and comparable to market for public sector (11.5)
<https://www.bls.gov/news.release/pdf/ecec.pdf>
 - Management attitude – place high value on employees, strong communication, training
 - Co-workers – capable, friendly, conscientious
 - Safety and Maintenance – safety programs, well-maintained vehicles
 - <http://atri-online.org/wp-content/uploads/2016/02/FMCSA-ATRI-CMV-Driver-Retention-Safety-03-2003.pdf>
- Compensation and benefit analysis and comparison
 - HSA Contribution – Health insurance is obviously very expensive. Contributing a fixed amount towards an employee's HSA probably makes more sense. The employee can then spend it for any medical expense (insurance, payments to providers, medicine, DME).
 - Cell Phone Allowance – high utility and a benefit to the organization
 - To increase mechanic salaries to market level and add benefits in the form of an HSA allowance for all employees working 30 or more hours per week (\$500 per month), the additional cost (at current staff levels) is \$220,000 (includes employer PERS contribution). If the 2017 level of service is restored and staff size is restored to 2017 levels, the additional cost will be \$666,000 (includes the \$220,000).
- Create a compensation model with and without the increased revenue from the levy
 - Create options for reduced staff, current staff and increased staff
 - Create options for reduced service, current service and expanded service
- Engage employees in the work of ACRTA by inviting them into the inner workings of the organization's performance
 - Based on employee interviews, most feel like they are involved in a community service
 - Leverage that sentiment by sharing the organization's performance via a Balanced Scorecard
 - The Balanced Scorecard allows all employees to see for themselves the organization's vital signs

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- It allows employees to see the why behind management's corrective actions and to be proactive in effecting their own corrective actions

Communicate and Demonstrate the Value of ACRTA to the Allen County Community

- Depict ACRTA as an economic engine for the county
 - Enabling employers and merchants to be better taxpayers
 - Enabling independence for work, medical, shopping and entertainment
 - Keeping riders from being more dependent on the "system"
- Combat Misperceptions about service, usage and funding
 - Availability and scheduling
 - Educate on bus rider "stigma"
 - Educate on environmental impact
 - Educate on social contract
 - Education on financial stewardship
 - Educate on funding model and restrictions
- Recruit and begin a Business Advisory Council
 - Advocate for ACRTA in the business community
 - Identify opportunities for growth and additional revenue
 - Provide feedback on existing offerings as to their ability to meet the needs of the business community
 - Make "asks" to the business community on behalf of ACRTA – data, participation, coordination
- Create ridership opportunities for current non-riders
 - Free ride weeks
 - Bus only events
 - First Fridays
 - Art crawl, antique crawl or pub crawl
 - Volunteer transportation for community events
- Create a communications plan for ACRTA – For ongoing communication and for the levy
 - Create messaging regarding the economic and community benefit of ACRTA
 - Create an easily digestible explanation of ACRTA funding
 - Design and communicate meaningful messages regarding funding
 - Create word of mouth
 - Collect email list
 - Select and utilize appropriate mediums
 - Create a community scorecard (creating transparency)
 - Identify and tell stories
 - Utilize feedback from leadership survey
 - Utilize feedback from pre-mortem exercise
 - Become "Masters of Exclusion" during the run up to the levy vote – eliminating everything that doesn't get us where we want to go

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Position ACRTA as the True Mobility Management Entity for Allen County with Responsibility for Maximizing All Transportation Resources for the Community

- Create a Short-Term (1 year) and Mid-Term (2-3 year) Service Plan
 - Design routes, stops and identify potential target employers or retailers
 - Calculate costs and subsequent increased matching funds
 - Create with/without levy versions of the plan
- Increase Number of Employer-Paid Job Access Contracts
 - Using the Nelson agreement as a model, identify other potential employers with transportation challenges and solicit them
 - Work with staffing company to identify target employers
 - Have 3-4 more of these in place prior to the levy vote
- Craft a Plan to Coordinate all Public and Private Transportation Providers in the County
 - Fixed Route Public Transit – obviously fixed routes are in the purview of the RTA since this is what most community members most closely identify with the transportation authority
 - ADA - Paratransit – paratransit activities are required by federal regulation affording the same type of transportation to those who are unable to physically access a fixed route bus stop
 - Taxi, Ride Hailing, Last Mile Services – Before operating in Allen County, we are proposing that these services register with ACRTA. At this point, we are not proposing pricing restrictions, price ceilings, taxes or fees. The market will take care of the pricing. Instead, we are proposing the ability to monitor these services in the county to make sure they are safe and transparent in service-delivery and pricing.
 - Ride Hailing Services – services like Uber or Lyft
 - Taxis - Taxi operators must clearly post fees (fixed and per mile) on the door of the vehicle so potential riders can calculate their cost before using the service
 - Last Mile Services – these services, whether they be bicycles, scooters or something else provide unique challenges since they sometimes coexist with pedestrians on sidewalks and drivers in the street. Many of these services leave unused units unattended since they can be parked anywhere and consequently can block both foot and vehicle traffic and create potential liability problems. It would be best for ACRTA to be out in front of this and have a plan in place before any of these services arrive in Allen County.
 - Allen County needs to decide on the behavior they want and create policy that incentivizes that behavior – i.e. tax it if you want less of it – leave it alone or subsidize it if you want more of it.
 - ACRTA sees bicycle ride share as a valuable first and last mile solution, especially as the downtown Rhodes campus opens. Consequently, ACRTA may want to assume this county-wide oversight responsibility as soon as possible.
 - Other NFP Entities with Transportation Services – ACRTA would like to craft agreements with all Allen County entities with transportation services to consolidate all NFP transportation services under the ACRTA umbrella. This would allow ACRTA, a pure-play transportation entity, to act as what they are – the transportation experts for the county – and allow the other entities to focus their attention on their purpose – disabled, elderly, education, etc. This would allow better utilization of personnel and equipment since a single vehicle and/or driver could be used across multiple NFP entities in the

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county. It would also prevent these entities from competing with one another and ACRTA for the same grants and resources.

Tactical Plans and the Levy Vote

Turnover

Irrespective of the outcome of the levy vote, turning over half of the staff each year isn't sustainable. The impact to service continuity and safety is significant. ACRTA's 2016 safety rating was below the statewide goal for safety. Consequently, solving the turnover problem is a high-priority internal problem. Since the bulk of turnover occurs with drivers and mechanics, improving retention must be addressed. ACRTA driver pay (\$15.00/hr) is at market (\$14.40/hr), but the lack of benefits thins the potential talent pool to applicants who can get insurance through a partner, applicants who are eligible for Medicare or applicants that are willing to go without insurance to get the free Class B driver's license training and then stay for the required 12 months before moving on to another job with benefits. Mechanic pay (\$15.00/hr) is well below market (\$21.00-\$24.00/hr) and mechanics receive no benefits. Again, inexperienced mechanics will come to build a resume, then move on to higher wages and benefits.

Since individual needs for insurance vary widely, ACRTA administration is recommending that ACRTA make a monthly contribution (\$500.00) to a health savings account (HSA) for each full-time employee. This gets ACRTA out of the insurance business but allows it to offer employment "with benefits". This allows the employee flexibility in purchasing the health care services they need. We realize this is probably at the lower end of spending for employee health benefits, but we believe we can "cheat down" a bit on this benefit since the pension benefit is well above private sector pensions (3.9%) and slightly above other public sector pensions (11.5%). The administration is also suggesting that ACRTA extend a cell phone allowance (\$50.00/month) to all employees that the Executive Director deems to be "on call". This extra leverage allows the Executive Director to require that off-hour phone calls be answered immediately since the organization is paying for the phone.

The cost to move mechanic pay to market (\$20.00/hour), institute the HSA benefit and institute the cell phone allowance to on-call employees is \$220,450 annually for the existing staff. Even in the absence of the levy revenue, these compensation deficiencies must be addressed to stop the revolving door of drivers and mechanics.

The proposed route changes below include these increased benefit costs as additional service is proposed.

The Levy

Since the options for the levy amount are available in increments of one-tenth cents, we have assembled proposed service offerings for one-tenth and two-tenth cent scenarios. The one-tenth cent option provides, after factoring in three additional job-access contracts and matching federal funds, just shy of \$1.9 million in funding. The two-tenth cent option provides \$3.5 million. These were based on the initial estimates of funds generated by a one-tenth cent levy. Before we finalize the financial projections, we need to verify the amount. We also need to clarify exactly on what goods the tax will be assessed and finally who, geographically, will pay the bulk of the taxes – those inside the county or those visiting the county.

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To cut to the chase, the one-tenth cent option is the most easily justified. It covers the employee compensation recommendations above, provides 30-minute weekday service to 91% of all riders, restores evening service to 91% of all riders, restores Saturday service to 91% of all riders and restores 1 hour service to the remaining 9% of riders who lost their service on January 1, 2018. (91% of all 2017 riders are serviced by the 6 routes currently in service. The remaining 9% of 2017 riders will be serviced by the routes restored after a successfully levy vote.)

It also leaves a bit of funding to –

- 1) Court NFP agencies in the county that have other primary foci (aging, blind, etc) but who operate their own transportation services and encourage them to turn over their transportation operations to ACRTA.
- 2) Experiment with shuttle routes to outlying communities like Delphos, Bluffton or Cridersville.

Even though capital funding, strictly speaking, is not part of the levy discussion, the one-tenth cent service changes could be implemented with the current equipment plus the capital equipment slated to be in-house by the end of 2019.

The plans for the two-tenth cent option include everything above, but instead of moving 91% of all riders to 30-minute service, would move them to 20-minute service (\$876,392). In theory, there would be enough money remaining to move 91% of all riders to 15-minute service, but the Administration believes the remaining money would be better spent more aggressively pursuing the NFP and outlying service opportunities. The 20-minute service and 15-minute service options would require a substantial amount of new capital equipment.

It would be difficult to make the case that three times the number of routes (20-minute service) or four times the number of routes (15-minute service) would generate, respectively, 3 or 4 times the number of riders. Consequently, this would, by the nature of fixed route bus service, create more “empty” buses driving through the city (during non-peak riding times). We’re not sure those are the kind of optics we want to create.

See the Post Levy Finance worksheet

Communication

The administration recommends that we implement two new balanced scorecards – one for internal use and one for public use. A balanced scorecard is to an organization what vital signs are to a medical examination. Internally, we need to identify the 8-12 measurements that are most indicative of organizational health. Typically, balanced scorecards have four types of measurements – financial, customer, internal performance, organizational growth. After we decide on the metrics, we need to track them carefully and distribute them throughout the organization. This allows every employee to know if we are “winning” and if not, where we are at risk. It helps employees be proactive in their work and allows them to make meaning of management changes since everyone is tracking the same measurements. The external scorecard, should be very brief, speak to the measurements that have meaning to the riding public and, more importantly, to the community at large who need to understand the value of ACRTA.

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Perhaps the most important communication initiative is the messaging that runs up to the levy vote in May 2019. We sent a survey to several community leaders asking them to share their opinions on public perception of ACRTA. The results are very instructive and will be useful in crafting our messaging. Aggregate results will be covered in the board meeting.

The Pre-Mortem exercise is ready to go and will be distributed to select members of the staff and the entire board plus a few other stakeholders. In this exercise, we will assume the levy vote failed and will ask ourselves what we did wrong to cause the failure. We want to complete this exercise during November and early December.

The goal is to have a fully formed communication strategy ready to go on January 2, 2019. There is no reason to start sooner. Mid-term elections and holidays will garner attention now. We need an audience that is undistracted. The key to the strategy is eliminating all of the communication that doesn't enforce the primary message – ACRTA is a key economic engine for the county that deserves the support of the community at large.

The business community deserves special attention in the crafting of the communication strategy. As we craft general messaging and content for the community at large, we need specialized content for area business leaders. We need to prove that we “get it” regarding the challenges they face in getting employees to their facilities and the challenges the employees themselves face. We also need to give them a rudimentary understanding of our funding model. A financing explanation was released the week of November 12.

How is ACRTA Funded?

Income	Expense
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ACRTA starts the process by generating revenue from -

- Contracts with local businesses to transport employees to offices and factories
- Fuel sales to other Allen County Not-For-Profit agencies
- Revenue on vehicle maintenance work for other Allen County Not-For-Profit agencies
- Commission on sales of Lottery Tickets
- Commission on sales of Greyhound Bus Tickets
- Renting the upper floors of their office building to the City Prosecutors Office
- Assistance from City of Lima
- Advertising on Buses
- Vending Sales
- Parking Lot Lease

ACRTA spends this money on -

- Drivers
- Dispatchers
- Mechanics
- Fuel for Buses
- Vehicle Maintenance
- Building Maintenance
- Utilities
- Administration
- Technology
- Insurance
- Safety
- Training

For All Fixed Routes, Elderly and Disabled and Community Service

The grants reimburse ACRTA for 50% of money spent for Drivers, Dispatchers, Fuel, Administration, Technology, Insurance, Training and Safety and 80% of money spent on vehicle maintenance

Later in the fiscal year, ACRTA receives additional federal grant funds based on county population, county population density and ridership

Fares collected on buses are not eligible to be used for matching federal or state funds

Only after the money is spent, can ACRTA apply for federal and state grants designated for transportation

The **Income** column must match or exceed the **Expense** column. Sometimes ACRTA does not know if it will until very late in the fiscal year since the formula for the non-matching, ridership grant changes from year-to-year. Overall, that funding is shrinking.

**Buses, buildings and property are funded by a different process and are not reflected in this explanation. They are paid for by federally funded Grants designated for transportation capital expenses.*