

# **Regional Transit Authorities: New Metrics and Funding Provisions in FY19 Budget**

**Joint MassDOT/FMCB Boards  
September 2018**



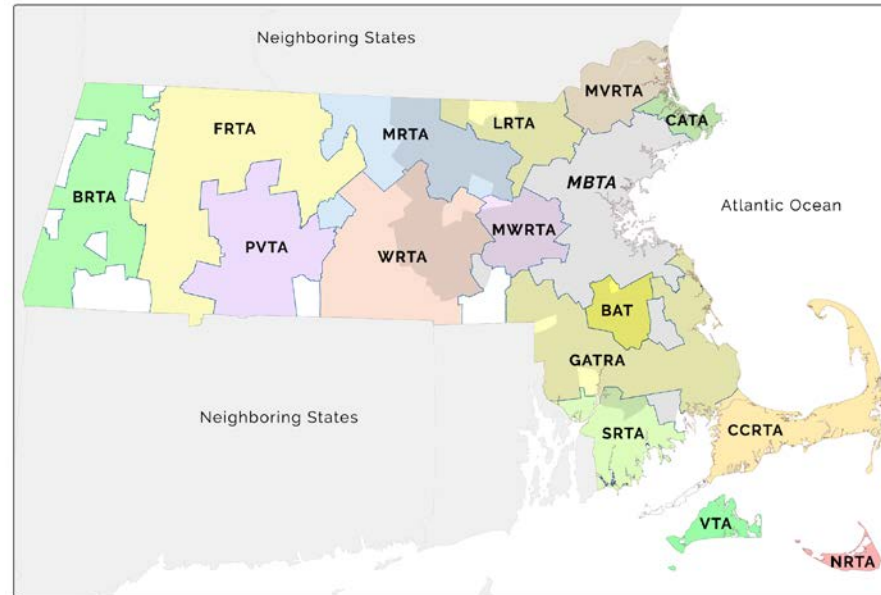
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## Overview

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- **Background on RTAs**
- **FY19 Budget Funding Provisions**
- **RTA Task Force**
- **Next Steps**

## Background: 15 Regional Transit Authorities

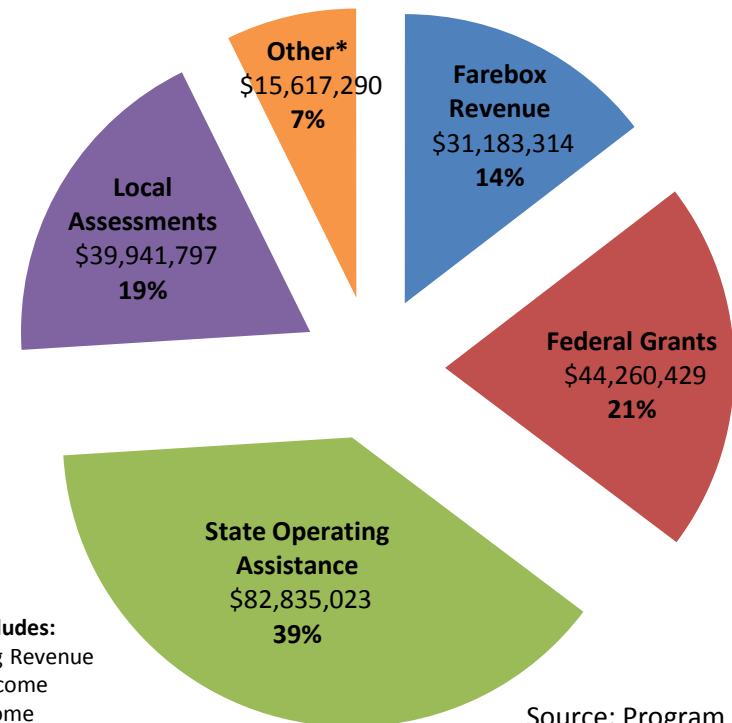


- **BAT:** Brockton Area Transit Authority
- **BRTA:** Berkshire Regional Transit Authority
- **CATA:** Cape Ann Transportation Authority
- **CCRTA:** Cape Cod Regional Transit Authority
- **FRTA:** Franklin Regional Transit Authority
- **GATRA:** Greater Attleboro-Taunton Regional Transit Authority
- **LRTA:** Lowell Regional Transit Authority
- **MART:** Montachusett Regional Transit Authority
- **MVRTA:** Merrimack Valley Regional Transit Authority
- **MWRTA:** MetroWest Regional Transit Authority
- **NRTA:** Nantucket Regional Transit Authority
- **PVTA:** Pioneer Valley Regional Transit Authority
- **SRTA:** Southeastern Regional Transit Authority
- **VTA:** Martha's Vineyard Transit Authority
- **WRTA:** Worcester Regional Transit Authority

## Background: How RTAs Are Funded

- RTAs were “forward funded” in FY14
  - State Contract Assistance (SCA) allocated among 15 RTAs by formula; paid out quarterly during current budget year
  - Provides approximately 39% of RTAs’ operating budgets
  - Local assessments still paid in arrears (19% of RTA operating budgets)

**Total Operating Revenues for All RTAs (Excluding Brokerage), Actual FY17**

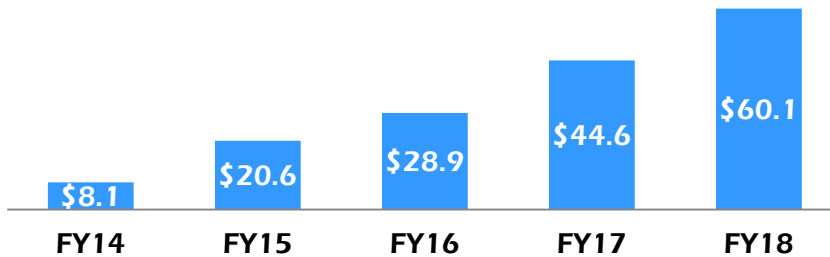


\* "Other" includes:  
 -Advertising Revenue  
 -Interest Income  
 -Rental Income  
 -Parking Revenue

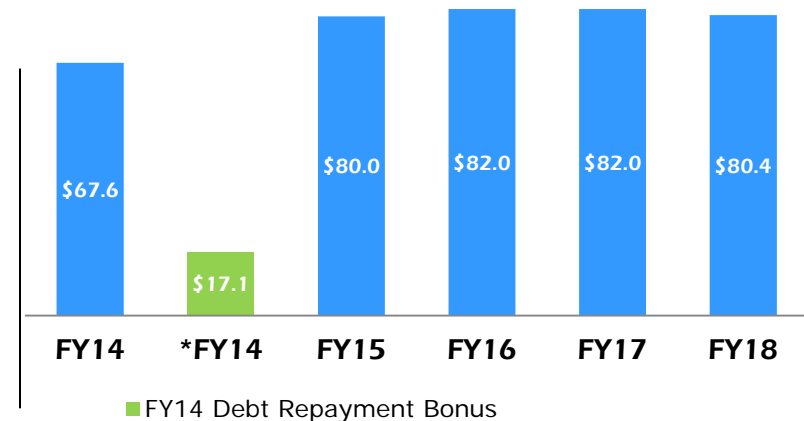
Source: Program Preview  
2017

## Background: State Assistance to RTAs

**FY14-FY18 RTA Capital Assistance  
(in Millions)**



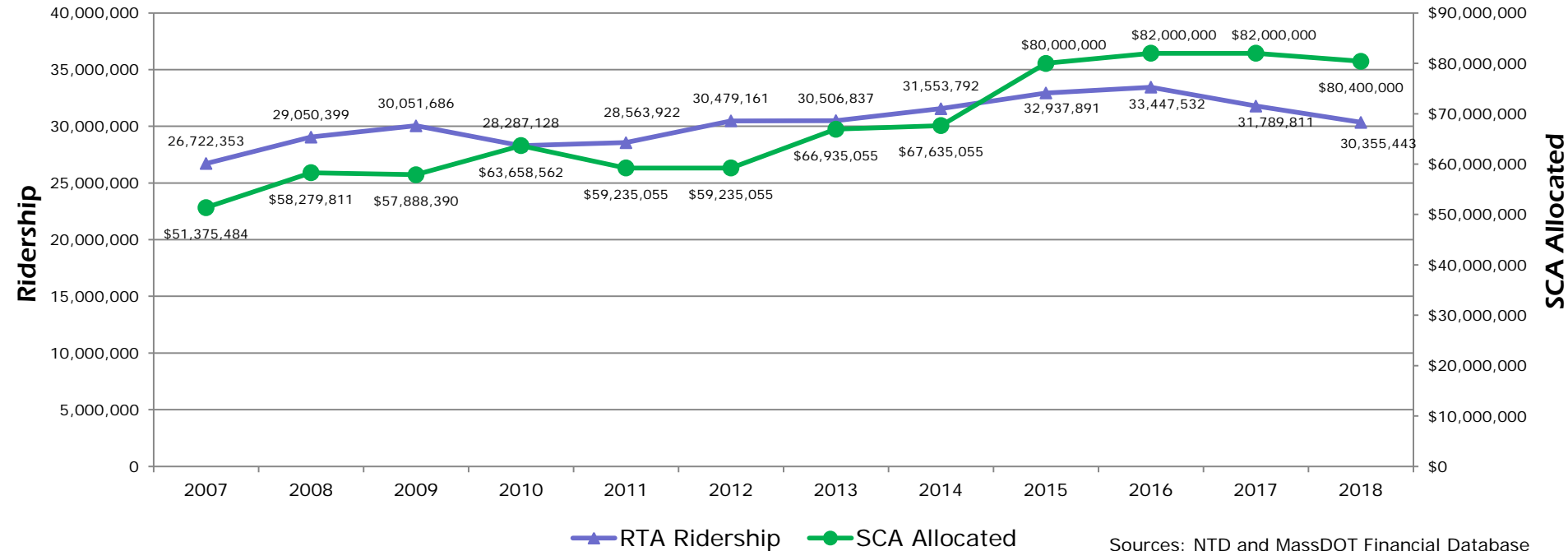
**FY14-FY18 RTA Operating Assistance  
(in Millions)**



## Background: RTA Ridership

- Overall, RTA ridership has been relatively flat although state assistance was significantly increased

### Total Ridership and SCA Allocation for ALL RTAs, FY07-FY18



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## Overview of New Budget Provisions

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- **Establishing a new basis for moving past level state funding for Regional Transit Authorities (RTAs):**
  - Performance metrics
  - Best practices
- **Discretionary operating grants supplementing established formula funding**
- **Maintain local control, but encourage transparency and data driven decision-making**

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## New FY19 Budget Provisions

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- **Product of cooperative effort between Executive and Legislative leaders**
  - Meetings with legislative leadership and staff
  - Support from ANF and Governor's office
  - Using data RTAs provided to MassDOT
  
- **Built on shared desire for improved performance and increased transit ridership statewide**



## What the Legislation Provides – Continuing

### ➤ Increases basic State Contract Assistance from \$80.4m to \$82m.

- Is being distributed according to established formula.
  - Provides stability
  - Possibility of changes to allocation formula deferred
  - Possibility of annual escalator deferred

	FY18 SCA (Total: \$80.4 mil)	FY19 SCA (Total: \$82 mil)	Increase from FY18 to FY19	Share of Total SCA
BAT	\$6,846,851	\$6,983,107	\$136,256	8.52%
BRTA	\$2,505,101	\$2,554,954	\$49,853	3.12%
CATA	\$1,321,327	\$1,347,622	\$26,295	1.64%
CCRTA	\$4,407,637	\$4,495,351	\$87,714	5.48%
FRTA	\$956,736	\$975,776	\$19,040	1.19%
GATRA	\$3,957,798	\$4,036,560	\$78,762	4.92%
LRTA	\$3,537,901	\$3,608,307	\$70,406	4.40%
MART	\$5,459,974	\$5,568,630	\$108,656	6.79%
MVRTA	\$6,702,780	\$6,836,168	\$133,388	8.34%
MWRTA	\$2,662,611	\$2,715,598	\$52,987	3.31%
NRTA	\$478,658	\$488,183	\$9,525	0.60%
PVTA	\$23,095,330	\$23,554,939	\$459,609	28.73%
SRTA	\$5,653,507	\$5,766,015	\$112,508	7.03%
VTA	\$1,554,595	\$1,585,532	\$30,937	1.93%
WRTA	\$11,259,194	\$11,483,258	\$224,064	14.00%
<b>TOTAL</b>	<b>\$80,400,000</b>	<b>\$82,000,000</b>	<b>\$1,600,000</b>	<b>100.00%</b>

## What the Legislation Provides - Targeted New Funds for RTAs with Deficits

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- **Provides \$2m that MassDOT can distribute to RTAs facing FY19 operating shortfalls**
  - Funding conditioned on RTA agreement to:
    - Adopt policy of fare adjustments at least every 3 years
    - Provide MassDOT with balanced budget that RTA is prepared to implement
    - Review route performance and evaluate service adjustments based on findings
    - Develop a plan to establish new partnerships with employers, universities, and other local stakeholders.
- **2 RTAs qualify for shortfall assistance and have signed MOUs with MassDOT (PVRTA - \$2,332,864 and WRTA - \$446,000)**
  - Will cover 71.9% of projected deficits and allow key services to transit dependent populations to continue.
  - RTAs identified priority services
- WRTA – Retained routes that particularly benefit transit-dependent populations
- PVRTA – Retained evening and weekend service especially important to low income and shift workers.

## What the Legislation Provides - Targeted New Funds for Discretionary Distribution

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- **\$4m to be distributed by MassDOT among RTAs that enter into an MOU with MassDOT to**
  - provide “best practice” services or programs or
  - provide service to a priority population
  - targeting innovative improvements
  
- **MOUs are to be consistent with the work of the new Task Force on RTA Performance and Funding and include best management practices and performance indicators for:**
  - Ridership
  - Financial performance
  - Customer service
  - Asset management
  
- **MOUs are intended to promote data-driven decisions for operations and asset management**

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## RTA Task Force

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- **Creation of Task Force to look at how RTAs can provide service more effectively :**
  - “evaluate how regional transit authorities can best provide and improve transit services that meet identified community needs,”
  - “conduct regular service planning, recognizing the diverse service populations and makeup of different geographic regions, that maximizes ridership using available resources;” and
  - “ensure that fares, local contributions and other own-source revenues cover an appropriate share of service costs.”
- **18 Task Force members are to be named by Governor (11), Legislature (4) and the RTAs (3)**
- **In a November 1, 2018 report the Task Force is to recommend performance metrics and best practices**
  - “make recommendations on and propose guidelines for the establishment of service standards, appropriate ridership, customer service, asset management and financial performance indicators and best practices for regional transit authorities”

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## Illustrative Topics for Potential Task Force Consideration

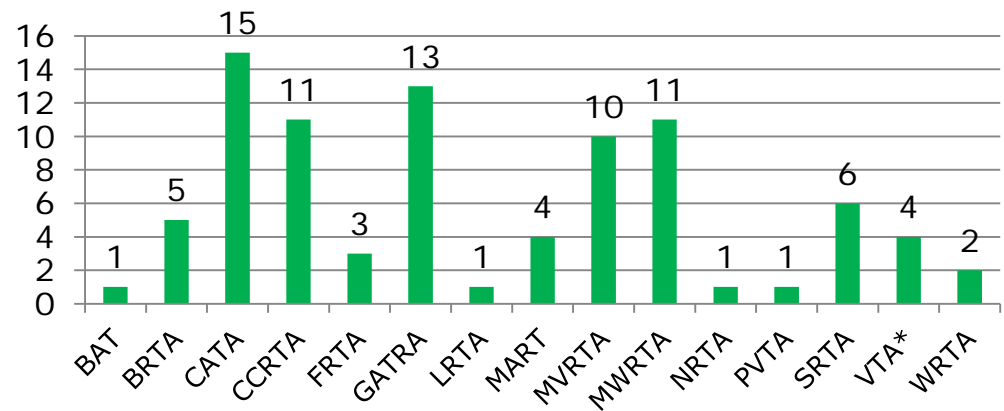
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- Ridership patterns and service standards:
  - Market identification
  - Route metrics and modifications
  - Identifying and meeting the needs of priority populations
- Partnerships with business and major institutions
  - Revenue and ridership
- Fare policy
- Financial performance
  - Metrics
  - Cash flow management
- Disruptive and supportive technologies
  - GIS support
  - Automated Passenger Counters (APCs)
  - Automatic Vehicle Location (AVL)
  - Partnerships with Transportation Network Companies
- Best practices

## Best Practices to be Explored

- Fare policy
- Route analysis
- Contracting
- Asset management
- Vehicle choices
- Customer service
- Sustainability

**Years Since Last Fixed Route Fare Adjustment (as of FY19)**



\*VTA annual pass programs were most recently increased in 2017

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## Task Force Organization

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- **Short time frame and large membership expected to mean frequent meetings and reliance on work groups.**
  - First meeting to be held ASAP once members have been appointed
  - Proposed Governor's appointments currently being vetted
  
- **Task Force support**
  - Mary Beth Mello (recently retired FTA Administrator for the New England Region) will bring national experience to the discussions
  - Elizabeth McCarthy (MS Candidate in GIS and former MassDOT intern) will provide technical support with mapping and data systems

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## Next Steps

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- **Task Force meetings and report**
- **Established process for awarding \$4m in RTA innovation Grants**
- **Follow up on commitments in MOUs with 2 RTAs that received \$2m for operating shortfall.**