Around Transportation Service

Business Plan – Expansion & SBA Financing

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1. Executive Summary

Around Transportation Service is a family-owned accessible transportation company based in Raleigh, North Carolina. Founded in 2004 and operated by second-generation ownership since 2015, the company provides wheelchair-accessible and ambulatory transportation for City of Raleigh riders and other mobility-limited passengers. In 2024, Around Transportation generated approximately **$247,250** in revenue, demonstrating a stable, proven operation rather than a startup concept.

The company delivers most of its services as a vendor supporting a City of Raleigh-related client. Trips are scheduled through the city-related dispatch system, and performance is monitored through on-time metrics and complaint rates. Over more than two decades, Around Transportation has built a reputation for reliable, courteous service and low complaints, often becoming the preferred option when other providers struggle to meet expectations. This operating history is the foundation for a deliberate fleet and staffing expansion, not a speculative new venture.

Currently, Around Transportation operates **two wheelchair-accessible vans** and employs **four staff members**. The near-term expansion goal is to grow to a **10-vehicle fleet**—a total of **six wheelchair-accessible vans and four ambulatory passenger vehicles (cars/SUVs)**—and build a team of approximately **12 drivers plus support staff** to fully utilize that fleet. This will allow the business to accept more trip volume from its City of Raleigh-related client and to secure recurring contracts with nursing homes, assisted living facilities, rehabilitation centers, and clinics in the Raleigh area.

To fund this growth, Around Transportation is seeking an SBA-backed bank loan of approximately **$550,000**. Based on typical industry costs, the company estimates that acquiring four additional wheelchair-accessible vans and four ambulatory vehicles will require roughly **$420,000** in vehicle investment, with the remaining funds allocated to increased insurance and registration, hiring and training, initial payroll ramp-up, fuel and maintenance buffers, modest technology/dispatch upgrades, and a working capital reserve. A detailed "Use of Funds" schedule in this plan lays out these categories and amounts for lenders.

The market environment supports this expansion. Non-emergency medical transportation (NEMT) and accessible transportation are essential services for individuals who cannot drive and cannot easily use standard transit, particularly seniors, people with disabilities, and patients needing recurring medical visits. In North Carolina, Medicaid and related programs emphasize transportation access as part of healthcare, and Raleigh's growing, aging population continues to generate demand for safe, reliable accessible transportation. Around Transportation is already positioned within this ecosystem and can capture more of the existing demand by adding capacity and formalizing new institutional partnerships.

The company's strategy is phased and conservative. In the first stage, Around Transportation will acquire additional vehicles, hire and train drivers, and deepen its relationship with the City of Raleigh-related client by taking on additional trip volume. As the 10-vehicle fleet is brought into service and utilization stabilizes, the company will focus on securing recurring contracts with nursing homes and care facilities that need dependable transportation for their residents. Over the longer term, the business will evaluate measured expansion into other communities in North Carolina while maintaining its emphasis on safety, accessibility, and service quality.

Financial projections start from the 2024 baseline of $247,250 in revenue and assume conservative utilization of the expanded fleet. While a fully utilized 10-vehicle fleet could support significantly higher revenue, the plan models a gradual ramp-up over several years, with revenue per vehicle assumed at levels **below** the current per-vehicle average to account for ramp-up and market conditions. Expense projections include vehicle financing, expanded insurance, driver payroll, fuel, maintenance, and overhead. Under these assumptions, the company expects to achieve a Debt Service Coverage Ratio (DSCR) consistent with SBA expectations (around 1.25× or better) within 12–24 months of expansion, demonstrating capacity to service the loan while maintaining day-to-day operations.

With more than two decades of operating history, an established City of Raleigh vendor relationship, a clear and realistic 10-vehicle expansion plan, and strong ongoing demand for accessible transportation, Around Transportation Service offers lenders an SBA-friendly opportunity: financing the growth of a proven business, anchored by tangible vehicle assets and supported by a conservative, needs-driven growth strategy.

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2. Company Description

2.1 Background and History

Around Transportation Service is a family-owned accessible transportation company headquartered in Raleigh, North Carolina. The business was founded in 2004 to provide safe, reliable transportation to individuals who face mobility challenges and cannot easily use standard transportation options. Over more than 20 years, the company has developed deep roots in the local community and a strong understanding of the needs of disabled and elderly riders.

In 2015, day-to-day leadership transitioned to second-generation family ownership. The current leadership team has continued the company's focus on safety, reliability, and personal service while modernizing internal processes and deepening relationships with key partners. Around Transportation has delivered consistent service through changing economic and regulatory conditions, demonstrating management's ability to navigate real-world challenges.

2.2 Mission and Vision

Mission
Around Transportation Service exists to provide safe, reliable, and courteous accessible transportation that helps riders maintain independence and access essential services such as healthcare, employment, and community activities.

Vision
The company's vision is to be a leading accessible and ambulatory transportation provider in the Raleigh region and, over time, in other parts of North Carolina. As the business grows, it will maintain the personal service, responsiveness, and community focus that have defined its first two decades.

2.3 Legal Structure and Ownership

Around Transportation Service operates as a small, closely held business owned and managed by family members. The owners are actively involved in the business and responsible for strategic planning, operations, finance, and compliance. This direct owner involvement gives lenders a clear view of who is accountable for performance.

2.4 Current Operations

- Location: Raleigh, North Carolina
- Service area: Raleigh and surrounding communities
- Core services: wheelchair-accessible and ambulatory transportation
- Primary client: City of Raleigh-related vendor arrangement
- 2024 revenue: approximately $247,250

- Staff: 4 employees (primarily drivers and support)
- Fleet: 2 wheelchair-accessible vans, with additional vehicles to be added through expansion

Trips are primarily assigned through a City of Raleigh-related dispatch system. The company focuses on meeting service standards, maintaining low complaint rates, and providing a positive experience for riders and partner agencies.

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3. Services

Around Transportation provides non-emergency, accessible transportation tailored to riders with mobility limitations and institutional clients who depend on safe, reliable transport for their patients or residents.

3.1 Wheelchair-Accessible Transportation

The company offers door-to-door transportation for riders who use wheelchairs or other mobility devices. Vehicles are equipped with lifts or ramps and securement systems, allowing riders to board and travel safely. Drivers are trained to operate the equipment, assist riders with boarding and exiting, and secure mobility devices correctly throughout the trip.

Typical trip purposes include medical appointments, therapy sessions, dialysis treatments, and essential personal errands. The company's focus on punctuality and respectful service helps reduce stress for riders and their families.

3.2 Ambulatory Transportation

Around Transportation also serves riders who can walk with or without assistance but may be elderly, visually impaired, or otherwise unable to use standard transportation options comfortably. These riders rely on the company for reliable transportation to medical visits, shopping, and other key activities of daily living.

Drivers are expected to provide a steadying hand, assist with steps or curbs as appropriate, and ensure passengers feel safe and supported.

3.3 Contract and Institutional Services

Through its City of Raleigh-related work, Around Transportation transports riders who are eligible for accessible transportation under local programs. Trips are scheduled through a central dispatch system that coordinates vehicle assignments and evaluates performance.

As the business expands, the company intends to increase its institutional and contract services by offering recurring transportation to:

- Nursing homes and assisted living facilities
- Rehabilitation centers and therapy providers
- Clinics, dialysis centers, and medical practices
- Senior centers and community organizations

By structuring these services as ongoing contracts, the company can create predictable revenue streams and align vehicle and staff schedules with facility needs.

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4. Market Analysis

4.1 Industry Overview

Non-emergency medical transportation (NEMT) and accessible transportation are essential components of the healthcare and social support system. These services enable individuals with disabilities, chronic illnesses, and age-related limitations to reach medical appointments and other necessary destinations when they cannot drive themselves or use standard public transit.

In North Carolina, NEMT services are an important component of Medicaid and other health-related coverage, helping ensure eligible individuals can access care without transportation becoming a barrier. Nationally, the NEMT and accessible transportation market is substantial and projected to grow over the coming years as the population ages and healthcare utilization increases.

4.2 Local and Regional Demand

Raleigh and the surrounding region have experienced population growth and an aging demographic profile. These trends, combined with existing municipal transportation programs and healthcare providers, create ongoing demand for accessible transportation.

Key demand drivers include:

- City-supported accessible transportation programs for disabled and elderly riders

- Increased utilization of outpatient healthcare services and recurring treatment visits
- Growth of nursing homes, assisted living facilities, and senior communities
- Continued emphasis on reducing missed medical appointments due to transportation barriers

Around Transportation already participates in this demand through its City of Raleigh-related vendor relationship. The expansion plan is designed to capture more of this existing demand rather than relying on speculative new markets.

4.3 Target Market Segments

The company focuses on three main segments:

1. **City of Raleigh-Related Riders**
   Riders who qualify for accessible transportation and are scheduled through city-related programs. Many are wheelchair users, seniors, or individuals with physical or cognitive impairments.
2. **Nursing Homes and Care Facilities**
   Facilities that need dependable transportation for residents' medical and therapy appointments, dialysis treatments, and community outings. These organizations value punctuality, consistent service, and easy communication.
3. **Other Institutional Partners**
   Healthcare providers, rehabilitation centers, community organizations, and senior centers that require scheduled transportation for clients.

4.4 Customer Needs and Buying Criteria

Across these segments, customers look for:

- Reliable, on-time transportation
- Safety and compliance with accessible transportation standards
- Drivers who are trained, courteous, and able to assist vulnerable riders
- Clear communication and coordination with facility staff and dispatchers
- Competitive and predictable contract pricing

Around Transportation's history of low complaints and consistent service positions it well to meet these needs.

4.5 Competitive Position

The accessible transportation and NEMT market in the Raleigh area includes several providers, but not all have the same combination of longevity, municipal experience, and focus on accessibility. Around Transportation's key advantages include:

- Over two decades of continuous operation
- A proven vendor relationship with a City of Raleigh-related client
- Track record of low complaints and dependable service
- Family ownership with hands-on management and strong local ties

These strengths provide a solid platform for expansion as the company adds vehicles and seeks additional institutional contracts.

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5. Operations Plan

5.1 Fleet and Maintenance

Around Transportation currently operates **two wheelchair-accessible vans** for wheelchair and ambulatory transportation. Vehicles are maintained according to manufacturer guidelines and regulatory expectations, with regular inspections and preventive maintenance to minimize breakdowns and service interruptions.

The expansion plan calls for increasing the fleet to **10 vehicles total**:

- Existing: 2 wheelchair-accessible vans
- Planned additions:
    - +4 wheelchair-accessible vans (total 6)
    - +4 ambulatory passenger vehicles (cars/SUVs)

Each new vehicle will be integrated into a preventive maintenance program and inspected before entering service. The company will continue to emphasize safety, cleanliness, and rider comfort as core operational standards.

5.2 Staffing and Training

The company currently employs **4 staff members**, including drivers and support personnel. As the fleet grows to 10 vehicles, Around Transportation will expand staffing using small-fleet NEMT norms: roughly **1 dedicated driver per vehicle plus coverage drivers for days off and peak times**.

Proposed expansion:

- Target vehicles: 10

- Target drivers:
    - 10 primary drivers
    - +2 float/relief drivers
      → ~12 drivers total

Staffing increase:

- **+8 additional drivers** over current staffing, plus potential part-time admin/dispatch as volume justifies it.

Narrative:

“Our expansion plan anticipates growing from 4 employees to approximately 12 employees over the next 12–24 months, primarily by adding drivers to staff the expanded 10-vehicle fleet.”

Training will focus on:

- Safe and defensive driving practices
- Proper use of lifts, ramps, and securement systems
- Assisting riders with mobility challenges
- Customer service and communication skills
- Compliance with applicable transportation and healthcare-related requirements

5.3 Scheduling and Dispatch Coordination

Currently, most trips are assigned through a City of Raleigh-related dispatch system. Around Transportation communicates closely with dispatchers to confirm assignments, manage timing, and address any issues that arise.

As the business adds institutional contracts and private clients, the company will refine its internal scheduling and dispatch capabilities to:

- Optimize routes and reduce deadhead time
- Balance driver workloads and shift schedules
- Maintain high on-time performance with increased trip volume
- Coordinate effectively with facility staff and multiple scheduling systems

The plan includes modest investment in scheduling/dispatch tools and communication systems to support these objectives.

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6. Marketing and Business Development

6.1 Relationship-Driven Outreach

Around Transportation's growth will come primarily from deepening existing relationships and building new institutional partnerships, rather than from broad consumer advertising.

Key activities include:

- Maintaining strong performance for the City of Raleigh-related work and pursuing opportunities to accept additional trip volume as capacity increases
- Meeting with administrators of nursing homes, assisted living facilities, and healthcare providers to understand their transportation needs and present tailored service options
- Providing references, performance data, and proof of insurance and compliance to build trust with potential partners
- Following up consistently to convert initial conversations into recurring contracts

6.2 Professional Branding and Online Presence

To support lender confidence and partner outreach, the company is developing a professional online presence that includes:

- A clean, mobile-friendly website that clearly describes services, history, and coverage
- A dedicated "For Lenders & Partners" section that presents the expansion plan, executive summary, and key documents
- Clear contact information and an easy way for facilities or partners to request information or a proposal

Branding will emphasize reliability, accessibility, and the company's long history as a family-owned provider serving the Raleigh community.

6.3 Reputation and Referrals

Because accessible transportation is a sensitive, trust-based service, reputation is critical. Around Transportation will continue to:

- Deliver consistent, respectful service to riders
- Respond promptly to any issues or complaints
- Communicate clearly with facility staff and dispatch partners

Positive experiences are expected to generate referrals and additional opportunities from existing partners and riders.

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7. Financial Plan – Overview

The financial plan demonstrates that Around Transportation has a stable foundation, realistic expansion assumptions, and the ability to service new debt.

7.1 Historical Performance

In 2024, Around Transportation generated approximately **$247,250** in revenue. Historical financial performance over the past several years will be documented through:

- Profit and loss statements
- Balance sheets
- Business tax returns
- Bank statements

These documents will show revenue patterns, cost structure, profitability, and how management has historically managed financial obligations.

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8. Expansion Assumptions

8.1 Fleet and Staffing

Known:

- Current fleet: **2 wheelchair-accessible vans**
- Expansion goal: **10 vehicles total**
    - +4 wheelchair-accessible vans
    - +4 ambulatory passenger vehicles (cars/SUVs)
- Current staff: **4 employees** (primarily drivers and support)

Small NEMT-style operations often use **1 dedicated driver per vehicle plus some shared coverage** for days off, peak times, and admin/dispatch.

Proposed expansion:

- Target vehicles: 10

- Target drivers: 10 primary drivers + 2 float/relief drivers ≈ **12 drivers total**
- Staffing increase: **+8 drivers** over current staffing, plus possible part-time admin/dispatch as volume justifies it.

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9. Vehicle and Cost Assumptions

Industry sources suggest accessible vans and NEMT-configured vehicles typically cost:

- **Wheelchair-accessible van (new or late-model used with lift/ramp):** approx. **$65,000–$85,000** each fully upfitted.
- **Ambulatory passenger vehicle (minivan/SUV/small passenger car, good used condition):** approx. **$25,000–$35,000** each.

Using mid-range assumptions:

- Wheelchair-accessible van: **$75,000 each**
- Ambulatory vehicle (car/SUV): **$30,000 each**

Planned additions:

- 4 wheelchair-accessible vans × $75,000 = **$300,000**
- 4 ambulatory vehicles × $30,000 = **$120,000**

Estimated **vehicle acquisition subtotal**: **$420,000**

These vehicles can be financed through the SBA-backed loan and/or longer-term vehicle financing as structured with the lender.

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10. Target Loan Amount and Use of Funds

10.1 High-Level Loan Target

In addition to vehicles, expansion requires funding for:

- Upfront insurance increases
- Hiring and training costs
- Initial payroll ramp-up
- Fuel and maintenance ramp-up
- Modest technology/dispatch improvements
- Working capital buffer

Given the vehicle costs and the company's 2024 revenue of $247,250, a reasonable **SBA-backed loan size** is in the **$500,000–$600,000** range, which keeps the expansion meaningful but proportionate to current scale.

For planning purposes, this plan uses a **target loan amount of $550,000**. This can be refined once firm quotes are obtained.

10.2 Estimated Use of Funds

Estimated Use of Funds – Expansion (First 1–3 Years)

Category	Description	Estimated Amount
Vehicle Acquisition – Vans	4 wheelchair-accessible vans @ ~$75,000 each	$300,000
Vehicle Acquisition – Cars/SUVs	4 ambulatory vehicles @ ~$30,000 each	$120,000
Insurance & Registration	Initial premium increases, registration, tags, fees	$25,000
Hiring & Training	Recruitment, onboarding, training for ~8 new drivers	$20,000
Initial Payroll Ramp-Up	Partial coverage of added driver wages during ramp-up	$40,000
Fuel & Maintenance Buffer	Extra operating costs as vehicles and volume ramp up	$20,000

Technology & Dispatch Systems	Scheduling/dispatch tools, communications improvements	$10,000
Working Capital Reserve	General cushion for cash flow and contingencies	$15,000
Total Estimated Use of Funds		**$550,000**

All non-vehicle figures are conservative estimates meant to show lenders a realistic, structured use of funds. They can be adjusted once quotes from insurers, dealers, and software providers are available.

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11. Example Financial Assumptions for Projections

These assumptions provide concrete numbers for building detailed financials.

11.1 Revenue Assumptions (Illustrative)

For lenders, revenue assumptions should look reasonable relative to the current **$247,250/year** baseline.

- Current fleet: 2 vans → 2024 revenue: $247,250
  - Approx. revenue per vehicle: ≈ **$123,500 per vehicle per year** (simplified).

Post-expansion, to stay conservative:

- New total fleet: 10 vehicles, but assume average **effective** utilization equivalent to **7–8 "fully loaded" vehicles** initially, not all 10 at 100%.
- Assume **$90,000–$110,000 annual revenue per effectively utilized vehicle**, which is below the current per-vehicle average.

Illustrative ramp-up:

- **Year 1 after expansion**
  - Effective full-utilization equivalent: 6 vehicles
  - 6 × $95,000 ≈ **$570,000** revenue

- **Year 2**
  - Effective: 7–8 vehicles
  - 7.5 × $100,000 ≈ **$750,000** revenue
- **Year 3**
  - Effective: 8–9 vehicles
  - 8.5 × $105,000 ≈ **$892,500** revenue

These can be revised once the pace of new trip assignments and contracts is better understood.

11.2 Expense Assumptions (Illustrative)

Key expense categories:

- **Vehicle loan/lease payments**
  - $420,000 financed over 5–7 years at market rates → estimated combined payments in the **$6,000–$8,000 per month** range (final amount depends on rate and term).
- **Insurance**
  - If current insurance is $X, expect it to scale with vehicle and exposure count. For roughly 4× more vehicles, a **2.5–3× increase** in total premium is a conservative planning assumption.
- **Driver payroll**
  - 12 drivers averaging **$40,000–$45,000/year** each (wages + payroll taxes) → **$480,000–$540,000/year** at full build-out.
  - In projections, ramp this up over time as vehicles and trip volume increase.
- **Fuel & maintenance**
  - Often modeled as a per-mile cost; as a placeholder, allocate **10–15% of revenue** to fuel + maintenance combined.
- **Overhead & admin**
  - Office, software, accounting, management compensation, and admin costs could be modeled at **10–15% of revenue** initially, then adjusted with actual experience.

11.3 Debt Service Coverage

Projected DSCR improves from 1.13x in Year 1 to 1.50x in Year 2 and 1.56x in Year 3, based on conservative expansion assumptions. This shows the business moving above the typical 1.25x lender benchmark as additional vehicles, trips, and contracts come online.

12. Three-Year Financial Projections

The following projections are based on the assumptions above and are intended to provide a clear, lender-friendly view of the company's expected performance over the first three years after expansion.

12.1 Key Projection Assumptions

Assumption	**Year 1**	**Year 2**	**Year 3**
Average fleet in service	6 vehicles	8 vehicles	10 vehicles
Estimated annual revenue per effectively utilized vehicle	$95,000	$100,000	$105,000
Total employees	8	10	12
Drivers	6	8	10
Relief/float drivers	1	2	2
Admin/dispatch support	1	1	2

12.2 Revenue Projection

Revenue Category	Year 1	Year 2	Year 3
City of Raleigh-related trips	$360,000	$430,000	$475,000
Nursing home / facility contracts	$120,000	$180,000	$240,000
Other local/institutional trips	$90,000	$140,000	$177,500
Total Revenue	**$570,000**	**$750,000**	**$892,500**

12.3 Operating Expense Projection

Operating Expense Category	Year 1	Year 2	Year 3
Driver wages and payroll taxes	$270,000	$360,000	$445,000
Admin / dispatch / management	$60,000	$72,000	$90,000
Fuel	$48,000	$60,000	$72,000
Vehicle maintenance and repairs	$34,000	$44,000	$56,000
Insurance	$42,000	$55,000	$68,000

Software / dispatch / office	$12,000	$15,000	$18,000
Marketing / business development	$6,000	$8,000	$10,000
Miscellaneous operating expenses	$10,000	$12,000	$15,000
Total Operating Expenses	**$482,000**	**$626,000**	**$774,000**

12.4 Debt Service Projection

For planning purposes, assume the $550,000 loan is financed over 7 years with an estimated combined annual payment of approximately **$96,000** (≈$8,000/month). Actual terms will be determined in consultation with the lender.

Debt Service Item	**Year 1**	**Year 2**	**Year 3**
Estimated annual loan payments	$96,000	$96,000	$96,000

12.5 Profit and Loss Projection

Profit and Loss	**Year 1**	**Year 2**	**Year 3**
Total Revenue	$570,000	$750,000	$892,500
Total Operating Expenses	$482,000	$626,000	$774,000

Operating Income	**$88,000**	**$124,000**	**$118,500**
Estimated Annual Loan Payments	$96,000	$96,000	$96,000
Pre-Tax Income After Debt Service	**$(8,000)**	**$28,000**	**$22,500**

12.6 Cash Flow Summary (Illustrative)

Cash Flow Item	**Year 1**	**Year 2**	**Year 3**
Beginning Cash Balance	$15,000	$20,000	$35,000
Cash from Operations	$108,000	$144,000	$150,000
Loan Payments	$(96,000)	$(96,000)	$(96,000)
Capital Purchases / Reserve Use	$(7,000)	$(5,000)	$(4,000)
Ending Cash Balance	**$20,000**	**$35,000**	**$85,000**

12.7 Debt Service Coverage Ratio (DSCR)

DSCR Metric	**Year 1**	**Year 2**	**Year 3**

Cash flow available for debt service	$108,000	$144,000	$150,000
Annual debt service	$96,000	$96,000	$96,000
DSCR	**1.13**	**1.50**	**1.56**

12.8 Break-Even Estimate (Illustrative)

Break-Even Metric	**Estimate**
Monthly fixed operating costs	$35,000
Monthly debt service	$8,000
Monthly revenue needed to break even	$43,000
Approximate annual break-even revenue	$516,000

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13. Financial Narrative

The financial projections above reflect a conservative ramp-up from the company's current $247,250 annual revenue base to a larger, phased expansion supported by SBA-backed financing. Around Transportation Service expects to increase revenue through additional fleet capacity, improved vehicle utilization, and new institutional contracts, while maintaining disciplined cost control.

The model is structured to demonstrate a realistic path toward sustainable growth and loan repayment capacity:

- Year 1 focuses on integrating new vehicles, hiring and training drivers, and absorbing higher fixed costs, with DSCR approaching 1.13.
- Year 2 benefits from higher utilization and additional contracts, improving DSCR to about 1.50.
- Year 3 continues to build on the expanded fleet with further revenue growth and stable debt service, maintaining DSCR above 1.50.

As actual quotes, contracts, and loan terms are finalized, these projections can be updated to reflect real pricing and exact timelines, but the underlying story remains the same: this is an expansion of a proven operation, supported by tangible assets and conservative financial planning.