



LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY

Draft Operating Budget by Division
Fiscal Year 2023

The Lehigh and Northampton Transportation Authority was organized March 19, 1972, by the Counties of Lehigh and Northampton under the laws of the Commonwealth of Pennsylvania in compliance with the Pennsylvania Municipality Authorities Act. The purpose of the Authority is to provide public transportation within the Counties of Lehigh and Northampton and surrounding communities. The Authority is governed by a 12-member board appointed by the Boards of Commissioners of Lehigh and Northampton Counties.

The Authority's operations is funded by a combination of passenger fares, other operating revenues, federal, state, and local operating capital and planning grants.



As January 1, 2022, LANTA entered into a Mutual Cooperation Agreement with Carbon County for the continued administration of Carbon Transit. The arrangement does not represent an organizational merger nor does the composition of LANTA and the LANTA Board of Directors change. In addition, Carbon County will still be required to provide the necessary local match to state and federal grants for service in Carbon County.

Internally, the MCA results in a more consolidated and efficient reporting process at both Federal and State levels.

The Authority has three operating divisions: LANTaBus, which provides scheduled bus service on fixed routes, LANTaVan, which provides demand response transportation services in specially equipped vehicles to the general public and to qualifying and disabled persons. Carbon Transit operates both fixed route and demand response services



The Lehigh and Northampton Transportation Authority (LANTA) is pleased to present its fiscal year (FY) 2023 budget. The Authority requires \$36,388,275 in local, state and federal funding to carry out its fixed route and paratransit operations throughout Carbon, Lehigh and Northampton counties. Over 58 percent of the subsidy relative to FY23 represents the federal funds needed in FY23 to subsidize the Authority's labor and fringe benefits. The increases in the aforementioned categories are due in part to the Collective Bargaining Agreement and the restructuring of the Fleet Maintenance Department.

In addition, LANTA has established and maintains its financial record-keeping in accordance with the National Transit Database (NTD) requirements of the Federal Transportation laws. NTD defines specific accounts which cross-classify all revenues and expenses by functional category and object class in order to present a consistent accounting system for all transit authorities nationwide. The Authority's internal accounting system includes many individual accounts that are compiled into major functional categories in the line-item budget.

For ease of reporting required by federal, state and local funding agencies, LANTA maintains separate divisions for the LANtaBus, LANtaVan and Carbon Transit services. The general information below describes the functional revenue and expenditure categories that apply to all divisions. Specific divisional information is throughout the narrative.

Introduction to Budget Narrative



PASSENGER FARES FOR TRANSIT SERVICES

This revenue object class includes revenues earned from carrying passengers. This object class applies equally to directly operated (DO) and purchased transportation (PT) services. Generally, fares are the amounts paid by the rider to use transit services, to include the base fare, zone premiums, express service premiums, extra cost transfers, and quantity purchase discounts applicable to the passenger's ride. Passenger fares include **Passenger-Paid Fares** and **Organization-Paid Fares**.

Passenger-Paid Fares

- Full Adult Fares: revenues earned by transporting passengers for the full adult fare.
- Student Fares: revenues earned by transporting passengers who pay a special, reduced fare because they are enrolled in an educational institution.
- Fares for Individuals with Disabilities: revenues earned from carrying passengers who pay a special, reduced fare because they are persons with disabilities
- Special Ride Fares: revenues earned from carrying passengers who pay a special, reduced fare for a reason other than those specified above.

Organization Paid Fares

- Fares paid by an organization rather than by the passenger. Organization paid fares also include funds for rides given along special routes for which a beneficiary of the service may guarantee funds. Organization paid fares may result from agreements between the reporter and an agency or organization that pays a set amount in return for unlimited and/or reduced fare transit service for the persons covered by the agreement. Examples of organization-paid fares may include the following:
 - Special Route Guarantees: amounts paid by an organizations other than governments (e.g. industrial firms, public and private universities) to guarantee a minimum amount of funds on a line operated and/or to provide or maintain services to a specific area, especially for the benefit of the paying organization.
 - Other Special Contract Transit Fares: revenues earned under contractual arrangements with non-government entities for transit fares other than those arrangements specified in the above categories.

Revenues



AUXILIARY TRANSPORTATION FUNDS

Auxiliary transportation funds are earned from activities related to the provision of transit service but are not payment of for transit service. Auxiliary funds result from business-type activities in which an agency earns supplemental revenues. For example, a transit agency is not in the advertising or concessions business, but it is able to earn additional funds by providing or leasing out these additional services to the public. Auxiliary funds include the following:

Advertising Revenues

- Advertising revenues include funds earned from displaying advertising materials on transit system vehicles and property and includes agency media.

Other Auxiliary Transportation Revenues

- The agency earns other auxiliary transportation revenues from auxiliary operations other than those specified above. This might include, but it not limited to: merchandising, photo identification (ID) fees, locker rentals, movie licensing fees, naming rights and fines for fare evasion or illegal parking.

Revenues



OTHER AGENCY REVENUES

This object class includes revenues earned from activities not associated with the provision of the transit agency's transit service. Other agency revenues do not include funds received from the local, state, or federal governments. Examples of other agency revenues include:

Rental of Buildings and Other Property

- Revenues earned from leasing transit system buildings (other than stationary concessions) and property to other organizations.

Interest Income

- Revenues earned by placing funds in an interest-bearing account.

Other Agency Revenues

- Revenues that might include, but are not limited to: warranty claims, funds from lawsuits, Freedom of Information Act (FOIA) requests, revenue from vending machines available exclusively for employee use, administrative fees charged to other organizations, easement fees, air rights, and vandalism restitutions.

Revenues



GENERAL REVENUES OF THE LOCAL GOVERNMENT

This category includes revenues obtained from the local government to assist in paying the cost of operating transit services. The breakdown of local government grants and reimbursements to the subcategories is to be based on the factor that determines the amount of the grant or reimbursement. Amounts originating from Federal revenue sharing funds are included in this category.

STATE TRANSPORTATION FUND

This category includes funds from state government(s) to assist in paying the cost of operating transit services. Amounts originating from Federal revenue sharing funds are also included in this category.

FEDERAL FUNDS

Federal funds generally fall into three categories:

1. **Funds for Operating Assistance:** Operating assistance funding is explicitly intended to be spent on operations, and in most cases requires 50% local match.
2. **Funds for Capital Assistance:** Capital assistance funding is required to be spent on capital, and in most cases requires 20% local match.
3. **Funds for Capital Assistance spent on operations:** In some cases, capital assistance may be spent on activities that are normally considered operating, such as preventative maintenance and Americans with Disabilities Act (ADA) service. This typically requires 20% local match.

SUBSIDY



Operating expenses are expenditures incurred by a transit agency in providing public transportation service. Operating expenses for transit agencies generally include, but are not limited to, salaries and wages, fringe benefits, services, fuel and lubricants, vehicle maintenance, materials and supplies, utilities, insurance, taxes, interest, and leases. NTD has developed the guidance in this section in order to give agencies a better understanding of which object class under four different functions:

- **Operations:** expenditures for personnel, materials and supplies, services, and insurance directly related to operation or revenue service and its supervision and/or administration.
- **Vehicle Maintenance:** expenditures for personnel, materials and supplies, services, and utilities required to perform, supervise, and administer maintenance and repair of revenue and service vehicles.
- **Facility Maintenance:** expenditures for personnel, materials and supplies, services, and utilities required to perform, supervise, and administer maintenance and repair of buildings, grounds and equipment.
- **Administration:** expenditures associated with the general administration of the transit system, including, but not limited to, personnel costs, material and supplies, professional services, financing costs and marketing.

Operating Expenses – Object Classes



LABOR

Labor expenses arise from the performance of work by employees. Labor expenses include pay and allowance owed to employees in exchange for the services provided to the transit agency. It also includes bonuses, shift differentials, overtime premiums, minimum guarantees, paid absences, and fringe benefits.

Operators' Salaries and Wages

- Operators' salaries and wages include the cost of labor, excluding paid absences and fringe benefits, for the transit agency's employees who are classified as revenue vehicle operators or crewmembers. These expenses include wages for performing activities related to vehicle operations.

Operators' Paid Absences

- This includes vacation leave, sick time, and other paid time off not contingent on a specific event outside the control of the transit agency for revenue vehicle operations or crewmembers.

Other Salaries and Wages

- This object class includes the cost of labor, excluding paid absences and fringe benefits, of employees of the transit agency who are not classified as revenue vehicle operators or crewmembers (e.g. maintenance workers, administrative staff, and transit managers).

Other Paid Absences

- This includes vacation leave, sick time, and other paid time off not contingent on a specific event outside the control of the transit agency for its employees that are not classified as revenue vehicle operators or crewmembers.

Operating Expenses



FRINGE BENEFITS

Fringe benefits are the expenses for employment benefits that an employee receives in addition to his or her base salaries and wages. Fringe benefits include payments associated with the employee's labor that do not arise from the performance of work, but still arise from the employment relationship. Fringe benefits can be divided into the following four categories:

Employment Taxes

- Federal, Medicare and Social Security Taxes

Health and Welfare Expenses

- Medical and dental insurance plans (to include hospital, surgical, and pharmaceutical plans); short-term disability and life insurance plans; workers' compensation or Federal Employees Liability Act Contribution; and unemployment plans.

Retirement Costs/Pension Plans

- Pension Plans, long-term disability plans, and other postemployment benefits (OPEB).

Other Fringe Benefits

- Uniform and work clothing; tool allowances; employee and family transit passes; reimbursements for moving and education; assistance for dependent care, childcare, and adoption; employee discounts; and other fringe benefits not described in the categories listed above.

Operating Expenses



SERVICES

Services are the labor and other work provided by outside organizations for fees and related expenses. Outside organizations may be private companies or public entities. The agency reports work done by personnel within the reporting unit as salaries and wages and fringe benefits. Services provided by an outside organization are usually procured as a substitute for in-house employee labor, except in the case of independent audits, which could not be preformed by employees. Agencies usually substitute services for in-house labor because skills offered by the outside organization are needed for only a short period of time or internal staff does not have the requisite skills. This object class includes all costs that are part of the service agreement.

The services object class does not include purchased transportation service. A contractor that provides vehicle operators is considered a purchased transportation provider, and any other labor or materials provided by that contractor, including fuel, parts, and maintenance, belong to the purchased transportation object class.

Some examples of Services include:

- Management Service Fees
- Advertising Fees
- Professional and Technical Services
- Temporary Help
- Contract Maintenance Services
- Custodial Services
- Security Services
- Other Services

Operating Expenses



MATERIALS AND SUPPLIES

The expenses in the following three object classes include products obtained from outside suppliers or those manufactured internally. The cost of the material or supply includes freight-in, purchase discounts, cash discounts, sales taxes and excise taxes (except on fuel and lubricants). Charges to this object class include both materials and supplies issued from inventory for use, and materials and supplies purchased for immediate use (i.e., items used without going through inventory).

Fuel Lubricants

- Includes fuel used to propel revenue and non-revenue vehicles and lubricants such as motor oil, transmission fluid, and grease.

Tires and Tubes

- Includes the cost of tires and tubes, whether they are rented, leased or purchased.

Other Materials and Supplies

- Include products obtained from outside suppliers or those manufactured internally that are not covered in the two preceding object classes. The cost of the material or supply includes shipping costs, purchase discounts, cash discounts, sales taxes and excise taxes. Also included are costs associated with materials and supplies issued from inventory or purchased for immediate use (i.e., items used without going through inventory).

Operating Expenses



UTILITIES

This object class includes expenses for electricity, gas, water, telephone, heating oil, fuel for backup generators, and internet.

Operating Expenses



CASUALTY AND LIABILITY COSTS

Casualty and liability costs are expenses related to loss protection and losses incurred by the transit agency. Casualty and Liability Costs include the following:

Premiums for Physical Damage Insurance

- Premiums applicable to the reporting period to insure the transit agency from loss through damage to its own property caused by collision, fire, theft, flood, earthquakes and other types of losses.

Premiums for Public Liability and Property Damage Insurance

- Premiums applicable to the reporting period to insure the transit agency against loss from liability for incidents by the transit agency which cause damage to the person or property of others.

Payouts for Insured Public Liability and Property Damage Settlements

- Payments (or accruals) of actual liability to others arising from culpable acts of the transit agency that are covered by public liability insurance.

Payouts for Uninsured Public Liability and Property Damage Settlements

- Payments (or accruals) of actual liability to others arising from culpable acts of the transit agency that are not covered by public liability insurance.

Provision for Uninsured Public Liability and Property Damage Settlements

- Periodic estimates for liability to others arising from culpable acts of the transit agency that relate to the current period that are not covered by public liability insurance.

Premiums for Other Corporate Insurances

- Payments (or accruals) of actual liability to others arising from culpable acts of the transit agency that are covered by public liability insurance.

Other Corporate Losses

- Charges for actual losses resulting from the events covered by the other corporate insurance.

Operating Expenses



TAXES

Tax expenses are the charges and assessments levied against the transit agency by federal, state and local governments. Sales taxes, excise taxes, freight-in and other acquisition costs are not included in this object class.

PURCHASED TRANSPORTATION EXPENSES

This object class includes the payments or accruals to sellers of providers of service, including fare revenues retained by the seller.

Operating Expenses



MISCELLANEOUS EXPENSES

This object class includes expenses that cannot be attributed to any of the other expense object classes. Agencies must check to be sure an expense does not belong in a different object class before reporting it as miscellaneous. Some common miscellaneous expenses and their associated functions are listed below:

Dues and Subscriptions

- Fees for membership in industry organizations and subscriptions to periodicals.

Travel and Meetings

- Air, train or bus fares and allowances for transportation of traveling transit agency employees and related officials. In addition, this expense includes food and lodging, charges for participation in industry conferences and other related business meeting expenses.

Entertainment Expense

- Costs of social activities and other incidental costs relating to meals, beverages, lodgings, transportation and gratuities.

Fines and Penalties

- Costs of fines and penalties incurred by the agency.

Bad Debt Expense

- Amounts owed to the transit agency that the agency has determined to be uncollectible.

Operating Expenses



INTEREST EXPENSE

Interest expenses are charges for the use of capital borrowed by the transit agency.

Interest on Long-Term Debt Obligations

- Charges for the use of capital borrowed on a long-term basis (the liability for which is usually represented by bonds or loans) employed in the operation of the transit system. Interest charges pertaining to construction debt that are capitalized will not be reflected as interest expense.

Interest on Short-Term Debt Obligations

- Charges for the use of capital borrowed on a short-term basis employed in the operation of the transit agency.

Operating Expenses



OPERATING LEASE EXPENSES

Operating lease expenses include payments for the use of Capital Assets not owned by the transit agency. Operating leases allow the transit agency to use assets, but do not allow them the rights of asset ownership (e.g. transfer of title). As such, operating leases are not capitalized assets, but are recorded as operating expenses during the reporting period.

CAPITAL LEASES

Other than an operating lease, a transit agency may also have a capital lease. A lease is considered a capital lease if it meets any of the following four criteria at its inception (the earlier of the date of the lease agreement or commitment).

Operating Expenses



LANTA Bus Division

REVENUE, SUBSIDY &
EXPENDITURE DETAIL

FISCAL YEAR 2023



PASSENGER FARES FOR TRANSIT SERVICES

Passenger fare revenue is based on the assumption of 2.9 million passenger trips during the fiscal year, with an average of \$0.41 per trip, which represents the current observed average due to the continuation of deeply discounted rates for the LANtaBus 31-Day pass. This budget assumes no increase in the base cash fare for the LANtaBus System. The budget also assumes no provision for the FY22 proposed fare restoration plan.

SPECIAL TRANSIT FARES

This category includes revenues paid by Amazon, Fedex, and various local colleges who pay a special, reduced fare for a reason other than quantity discounts. This line item is budgeted as a decrease from the FY22 budget by \$110K, due to the ongoing reduced ridership levels.

AUXILIARY TRANSPORTATION REVENUES

This category includes vehicle and shelter advertising revenues. FY23 is budgeted at the current contract guaranteed amount. This line item is set to increase from the FY22 budget by \$50K.

NON-TRANSPORTATION REVENUES

This category includes the revenues earned from leasing ATC retail space to Dunkin Donuts for \$36K per year.

Revenue Detail - LANtaBus



FY23 PROJECTED REVENUES

Auxiliary Trans. Revenue - \$450K

- Fy23 projection represents the annual guarantee to LANTA for advertising services on revenue vehicles and bus shelters.

25%

Special Transit Fares - \$100K

- Revenues generated by various route service agreements.
- Current RSAs, Amazon, FedEx and various local colleges.

6%

Passenger Fares - \$1.2M

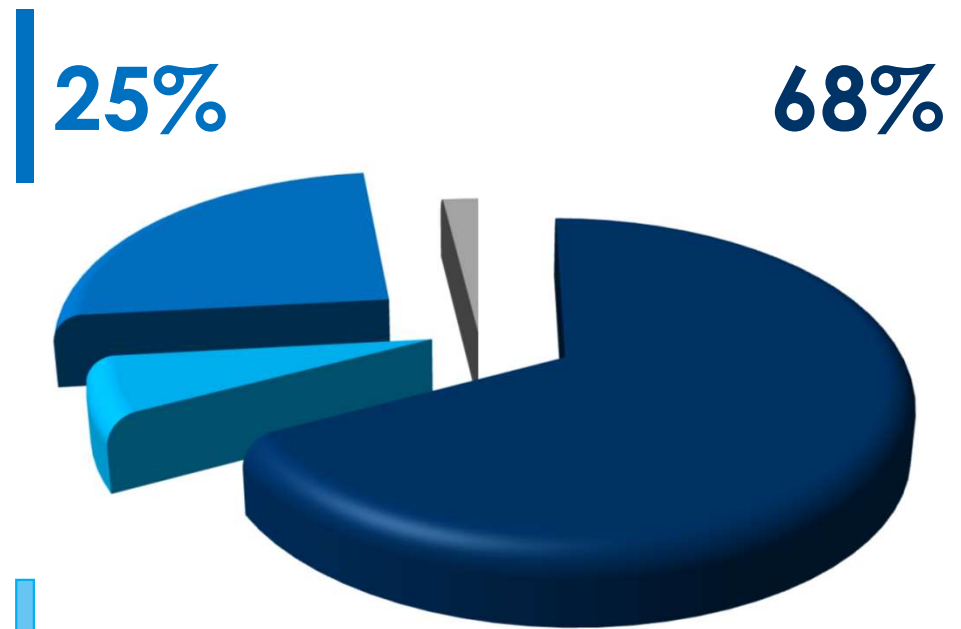
- Fy23 Ridership projection of 2,982,410 trips at an average fare of \$0.41.
- During Fy23, the Authority will be adopting a restoration plan to restore pre-COVID pricing of LANTA 31 Day Pass.

68%

Non-Transportation Revenue - \$36K

- Revenues earned on leasing ATC retail space to Dunkin' Doughnuts, \$36K

2%



\$1,809,523

FY23 LANtaBus FARE PLAN

NO CHANGES TO BASE CASH FARE

31-DAY PASS PRICE RESTORATION

INTRODUCTION OF 7-DAY PASS

Current Ridership 55% of normal 31-Day Pass \$10/\$5	Current Ridership 75% of normal (3 months) 31-Day Pass \$30/\$20	Current Ridership 90% of normal (3 months) 31-Day Pass \$60/\$50
7-Day Pass \$5 In School Only	7-Day Pass \$5 In School \$10 TC's	7-Day Pass \$5 In School \$20 TC's

LOCAL SUBSIDY

This category includes the general operating assistance revenues received from the Counties of Lehigh and Northampton. The amount of FY23 funding represents a 5% increase over FY22, as required by Act 89.

STATE SUBSIDY

This category includes the operating assistance funds from PennDOT to assist in paying the cost of operating transit services. The total amount of FY23 funding represents a 14.3% increase from FY22 allocation. LANTA anticipates not having to utilize all current FY funds and projects an estimated \$10.4M in carryover funds for use in FY24.

STATE SUBSIDY – PRIOR YEAR

This category includes the operating assistance funds from PennDOT that were not used in the FY provided and are carried over from prior years to be used in future years to assist in operations as needed. LANTA does not anticipate having to use any Prior Year State Subsidy carryover in FY23 due to the significant balance in the Act 44 reserve account.

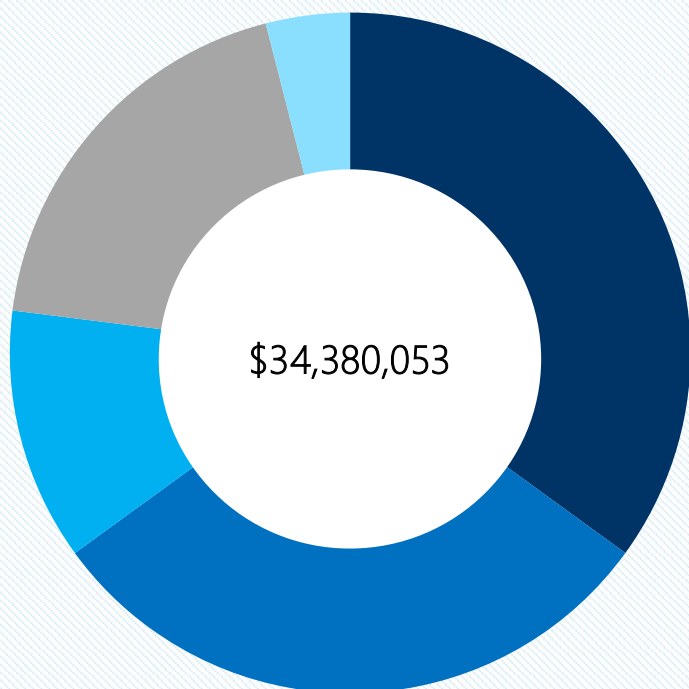
FEDERAL SUBSIDY

This category covers funds obtained from the Federal Government to assist in paying the costs of operating transit services. Formula funding for FY23 of \$6.3M will be used to fund preventative maintenance activities, tire lease expenditures, ADA total operating expenses and safety and security activities. The balance of federal subsidy is from the American Recovery Plan Act (ARPA) and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) which will subsidize labor and fringes.

Subsidy Detail - LANtaBus



FY23 PROJECTED SUBSIDY



STATE SUBSIDY \$12,321,724

- Fy23 allocation is \$22,713,449
- Act 44 Reserve to increase by \$10,391,725

FEDERAL SUBSIDY AMERICAN RESCUE PLAN \$10,221,993

- Total ARPA funds allocated to LANTA \$20,444,569
- Remaining balance to fund labor and fringes

FEDERAL CORONAVIRUS RESPONSE & RELIEF APPROPRIATIONS ACT

- Total CRRSAA funds allocated to LANTA \$4,263,263
- Remaining balance to fund labor and fringes

FEDERAL SUBSIDY ADA/PM/TL/SS \$6,351,100

- Fy23 formula funding will be used to support LANTA's operating activities

LOCAL SUBSIDY \$1,221,973

- Lehigh and Northampton counties operating assistance.
- Fy23 funding represents a 5% increase over Fy22.

ACT 44 RESERVE ANALYSIS

FY21

\$16,096,697

› +89.7% from 6/30/2020

FY20 \$8,486,226

FY22

\$ 21,082,985

› +31.0 % from 6/30/2021

As of 2/28/2022

FY23

Projected Ending Balance \$27,110,441

FY23 Allocation \$22,713,449

FY23 Expenditures \$13,628,500

FY23 Interest Income \$3,500

Projected FYE 22


\$ 18,025,492


› +12.0 % from 6/30/2021

 Federal CARES Act funds received in FY20 assisted in stabilizing operating funds for future fiscal years.

 FY21 Act 44 reserves represented 10 months of state subsidy.

 Act 44 reserve is equivalent to 15 months of state subsidy.

 \$12.3M of operating expenses to be funded at 50/50 split between federal and state subsidies.

 \$1,306,776 in state subsidy to be used to offset the projected FY23 deficit of LANtaVan.

LABOR

The budgeted amounts for all Labor were provided by the Director of Finance and reviewed and approved by the Executive Director. The staffing levels are as outlined and approved in the Executive Director's staffing plan. The salaries and wages for all employees are budgeted in this category. This budget includes all shift differentials, overtime, minimum guarantees, Collective Bargaining Agreement rates (actual and assumed) as required for covered positions and other non-fringe benefits labor costs.

As provided by the directors of LANTA's various departments, included in the numbers are 5 new hires for LANtaBus Operators in the Operations Department to provide full staffing and to address the upcoming service expansion and expected employee retirements; 4 new hires for LANtaBus Fleet Maintenance personnel due to the implementation of apprenticeship program, specialty positions and bringing majority of bus repairs back in house; and additional 4 new hires for the expectation of business needs in the Executive, Finance and Planning departments.

The anticipated net increase in labor costs, after Carbon Transit and LANtaVan allocation, is approximately \$25K over FY22 budget levels, representative of 0.2% increase, and a decrease of \$473,276 to FY22 anticipated actual expenses, or a negative 3.3%. The net budget increase is attributable to anticipated wage increases as those stipulated in the CBA wage progression as LANtaBus operators and maintenance personnel move to higher compensation levels within a new shortened wage progression schedule.

Expenditure Detail - LANtaBus



FRINGES

The FY23 budget includes employee benefits for all employees. Benefits for union employees are based on the existing Collective Bargaining Agreement and anticipated workforce requirements during the budget year, while benefits for non-union employees include provisions for all staff positions referenced above. In all cases, benefits are based on the following assumptions and amount to a 2.3% increase from FY22 Budget:

- **FICA** – The employer share of FICA is budgeted at 7.65% of wages.
- **Pension** – The projected pension contribution represents LANTA's minimum municipal obligations to the pension plans, as calculated by LANTA based on actuarial firm directive. The FY23 budget continues to include the previously lowered assumed interest rate. In addition, changes to the Non-Union Pension plan that became effective Jan. 1, 2019, are included in the MMO calculation spreadsheet provided by the actuary. No change is included in the MMO budget calculation for the Union Pension Plan. The approximate decrease from the FY22 Budget is \$303,762 or a negative 16.6%.
- **Medical Insurance** – The Authority offers its employees the Capital Blue Cross PPO Plus medical insurance plan. Dental and vision coverage are provided by Capital Blue Cross as well. The Authority's plan is self-insured, and there is a stop-loss insurance policy in place. The current year expense is derived by the Benefit Broker based on actuarial projection of a worst-case scenario less employee contributions. The amount budgeted in FY23 represents a 10.7% increase from previous FY22 Budget amount or an increase of \$561,833.

Expenditure Detail - LANtaBus



FRINGES – cont'd

- **Life and Disability Insurance** – The FY23 budget provided by the Director of Administration is based on current premiums for this coverage, plus increases for associated wage adjustments and monthly premium charges. The FY23 increase of 265.1% or \$731,609 is based on LANTA paying the first 14 days of wages with the balance of Short-Term Disability being paid through the insurance company (Mutual of Omaha).
- **Workers' Compensation** – The budget reflects the state-mandated rates currently in effect for each job classification through the State Association for Transportation Insurance ("SAFTI"). It does not reflect possible dividend payments, which LANTA has received in the past. Due to the advance timing of FY23 budget completion, SAFTI was unable to provide an estimation for the upcoming fiscal year. However, SAFTI was able to provide the formula used to calculate premiums. W/C premiums are calculated based on payroll projections. FY23 projections have expense decreasing approximately 9.6% for FY23 – a potential cost decrease of \$72,719 from FY22 projected actual.
- **Sick Leave, Holidays, Vacation, Other Paid Absences and Tool and Uniform Allowances** – These benefits are budgeted for FY23 based on the provisions of the Collective Bargaining Agreement and Non-Union Employees Staff Handbook. Staff covered under the Collective Bargaining Agreement are provided sick time as noted in the CBA and reflected in the provided numbers. All vacation time for all staff is accrued and budgeted based on discussion between the Director of Administration, Director of Finance and the Executive Director.
- **Fringe Benefit Distribution** – This category includes all benefits distributed to Carbon Transit and LANtaVan.

Expenditure Detail - LANtaBus



SERVICES

The FY23 budget includes Professional, Technical, Contracted Maintenance Services and Other Services. The FY23 budget is projected to increase 13.9% or \$269,509 from FY22 budget.

- **Professional & Technical Services** – This category includes computer, general legal, labor legal, accounting services and security services. Legal services are budgeted at contract levels as usage levels are expected to remain at normal levels. The Security Services expense budget is provided by the Senior Director of Capital Asset Management. The budget is approximately 311.3%, or \$272,748 higher than previous year budget and is based on contractual rates for 24/7 security service for ATC. All other categories in this grouping contain minimal inflationary increases or in some cases decreases from the previous budget.
- **Contract Maintenance Services** – This section of the budget is provided by the Director of Facility Maintenance. Building maintenance services are expected to increase in FY23 budget compared to FY22 budget. The Director anticipates an increase of approximately 41.3% in this area from \$159,284 to \$225,018. The other area anticipating additional funding in the upcoming fiscal year is the shop equipment maintenance and repairs. This area is expected to increase 133.3%. The increase of \$21,703 is due to routine maintenance requirements for FY23 for the additional shop equipment purchased in FY22.
- **Other Services** – This section of the budget includes \$34K to cover costs related to acquiring professional services relating to the needs of the planning and executive departments and catering services for various meetings.

Expenditure Detail - LANtaBus



FUEL

Projected fuel costs for FY23 have been calculated using the historical cost per mile, in conjunction with the total estimated mileage for each fuel type during the fiscal period. Projected cost per mile, CNG is \$.2362. Projected cost per mile, Diesel is \$. 4962. This calculation considers an increase in CNG powered buses, from 57 to 64. Although there will be an overall decrease in diesel usage, the budget amount remains higher due to a large cost per gallon price increase. If cost trends continue, the probability of deficit for this line item is high. There is also a potential for CNG usage to increase higher than projected, if service is expanded to maximize use of the additional fleet units.

TIRES AND TUBES

Provided by the Director of Maintenance. Budget is projected to decrease to \$123,017 for the upcoming FY.

Expenditure Detail - LANtaBus



MATERIALS AND SUPPLIES

Provided by Director of Maintenance. Bus Maintenance Parts and Supplies for FY23 sees an increase of \$98K above FY22 budget projections due to additional repair work being performed in house as opposed to having third party services completing repairs. As noted with prior year budget, a large majority of bus parts and supplies are now under contract based on the December 2021 advertised bid and award.

Total percentage increase of 21.5% or \$188,892 for all accounts included under the Materials and Supplies category. As stated above, the majority of the increase pertains to bus maintenance parts and supplies.

UTILITIES

Routine utility costs for items such as Water & Sewer, Gas Heat, ATC Utilities and Internet are budgeted higher than prior year budget due to the additional paratransit facility. The budget-to-budget change leaves an increase of 20.7% or \$134,300.

INSURANCE

The budget includes the projected costs for property damage and liability insurance purchased through the SAFTI program. Because of the nature of the loss recoveries, no amount is budgeted on this line item for FY23. Projected budget decrease is set at 9.8% from FY22 budget. The projection was obtained through discussion and input from SAFTI based on current trends being experienced.

Expenditure Detail - LANtaBus



TAXES

The budget includes amounts for vehicle license & registration fees and fuel recovery fees and is based on historical cost trends. Fy23 budget projects a decrease of 2.9% as less diesel fuel is being used.

PURCHASED TRANSPORTATION

Non-ADA Services: This line item represents expenditures for the LANtaFlex service. This amount is based on planning department budget statistics and TransDev contract rates for FY23.

ADA Services: For FY23, this line item represents the total operating costs of the ADA program less ADA client copays. This amount is paid by the LANtaBus Division to LANtaVan from Federal capital, State and Local operating funding.

Expenditure Detail - LANtaBus



MISCELLANEOUS

Employee Relations -This line item continues to include expense for a full year of FSA Contribution Match as described in the Collective Bargaining Agreement and available to all staff.

Travel and Training - The budgeted amount was developed based on input from Department Directors and the Director of Administration. FY23 amount does represent an increase from current year budget but aligns closely with current year actual expense being incurred.

In total, the miscellaneous area sees a slight increase compared to last year’s budget amount however is in line when compared to actual expense being incurred.

INTEREST

Budgeted amount represents what the Authority deems as a reasonable amount given the current account banking structure. Under the current account structure, the checking account always maintains a \$5,000 balance. Any monies more than the threshold amount are transferred to the Act 44 account daily by the Director of Finance. The Act 44 account is not set for automatic sweeps. In the instances when payments are presented and the threshold is not sufficient, the line of credit is used to satisfy payment. The line of credit is reconciled daily by the Director of Finance.

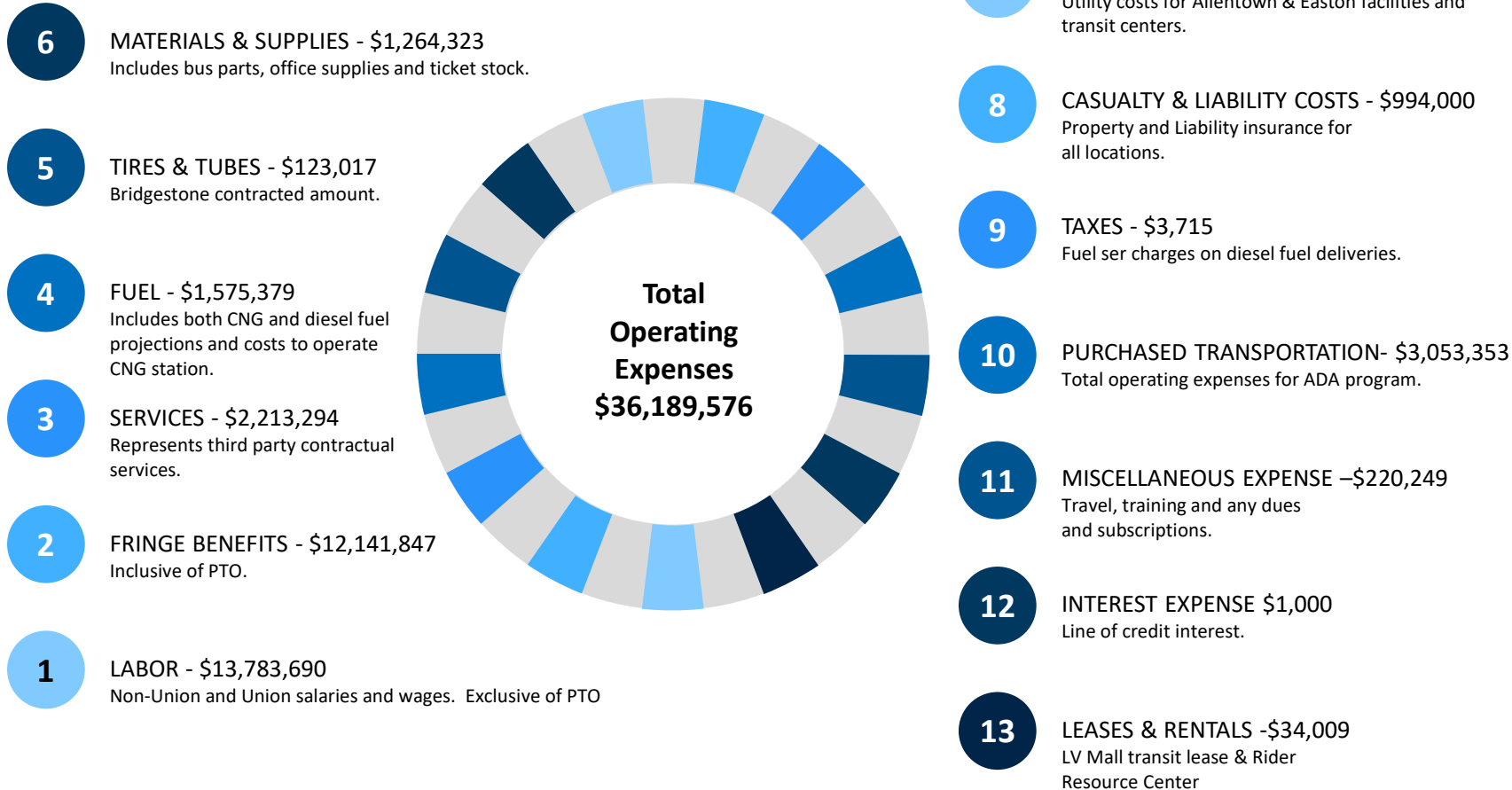
LEASES & RENTALS

Budgeted based on current contracts in place for FY23. Includes the LANtaBus allocation of rental costs for the Rider Resources Center in Bethlehem, Lehigh Valley Mall Transit Center and possible need for standby CNG units as required.

Expenditure Detail - LANtaBus



FY23 PROJECTED EXPENDITURES



LANtaBus			
Income Statement Summary			
Projected Budget Fiscal Year Ending June 30, 2023			
	Projected	2022/2023 Budget Variance	
	2023	Fy2022	
	Budget	Budget	Percent
Revenue			
Passenger Fares	1,223,523	1,700,000	-28.0%
Special Transit Fares	100,000	210,000	-52.4%
Auxiliary Transportation Revenue	450,000	400,000	12.5%
NonTransportation Revenue	36,000	96,000	-62.5%
Total Revenue	1,809,523	2,406,000	-24.8%
Expenses			
Labor	13,783,690	13,758,775	0.2%
Fringe Benefits	12,141,847	11,865,348	2.3%
Total Labor and Fringe Benefits	25,925,537	25,624,123	1.2%
Services	2,213,294	1,943,784	13.9%
Fuel	1,575,379	1,120,326	40.6%
Tires & Tubes	123,017	112,500	9.3%
Materials & Supplies	1,264,323	1,158,318	9.2%
Utilities	781,700	647,400	20.7%
Casualty & Liability	994,000	1,102,000	-9.8%
Taxes	3,715	3,825	-2.9%
Purchase of Transportation Service	3,053,353	3,525,520	-13.4%
Miscellaneous	220,249	218,920	0.6%
Interest	1,000	12,000	-91.7%
Leases & Rentals	34,009	85,431	-60.2%
Total Expenses	36,189,576	35,554,147	1.8%
Gross Surplus (Deficit)	(34,380,053)	(33,148,147)	3.7%
Subsidy			
Local Subsidy	1,221,973	1,163,784	5.0%
State Subsidy	12,321,724	15,565,328	-20.8%
Federal Subsidy - CRRSAA	4,263,263	-	0.0%
Federal Subsidy - American Rescue Plan	10,221,993	10,222,285	0.0%
Federal Subsidy	6,351,100	6,196,750	2.5%
Total Subsidy	34,380,053	33,148,147	3.7%



LANTA - LANTaBUS DIVISION		
OPERATING BUDGET		
FISCAL YEAR ENDED JUNE 30, 2023		
<u>REVENUES</u>		
PASSENGER FARES	1,223,523	
SPECIAL TRANSIT FARES	100,000	
AUXILIARY TRANSPORTATION REVENUE	450,000	
NONTRANSPORTATION REVENUE	36,000	
TOTAL REVENUES	1,809,523	
<u>EXPENSES</u>		
LABOR	13,783,690	
FRINGE BENEFITS	12,141,847	
SERVICES	2,213,294	
FUEL	1,575,379	
TIRES & TUBES	123,017	
MATERIALS & SUPPLIES	1,264,323	
UTILITIES	781,700	
CASUALTY & LIABILITY COSTS	994,000	
TAXES	3,715	
PURCHASED TRANSPORTATION	3,053,353	
MISCELLANEOUS EXPENSES	220,249	
INTEREST EXPENSES	1,000	
LEASES & RENTALS	34,009	
TOTAL OPERATING EXPENSES	36,189,576	
NET OPERATING DEFICIT	(34,380,053)	
<u>SUBSIDY</u>		
LOCAL SUBSIDY	1,221,973	
STATE SUBSIDY	12,321,724	
FEDERAL SUBSIDY - ARPA	10,221,993	
FEDERAL SUBSIDY - CRRSAA	4,263,263	
FEDERAL SUBSIDY - ADA/PM/TL/SS	6,351,100	
TOTAL SUBSIDY	34,380,053	
NET OPERATING DEFICIT	0	



LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY						
LANtaBUS DIVISION						
COMPARATIVE OPERATING SUMMARY						
		FISCAL YEAR	FISCAL YEAR		FISCAL YEAR	INCREASE/
		2020/2021	2021/22	INCREASE/	2022/23	(DECREASE)
		AUDITED	ACTUAL (8)	(DECREASE)	BUDGET	PERCENTAGE
	ACCOUNT		ESTIMATED (4)	PERCENTAGE		PERCENTAGE
OPERATING REVENUES						
	PASSENGER FARES	1,097,020	1,155,797	5.36%	1,223,523	5.86%
	SPECIAL TRANSIT FARES	210,776	105,146	-50.12%	100,000	-4.89%
	AUXILIARY TRANSPORTATION REVENUE	376,088	439,398	16.83%	450,000	2.41%
	NONTRANSPORTATION REVENUE	121,413	68,603	-43.50%	36,000	-47.52%
	TOTAL OPERATING REVENUES	1,805,297	1,768,944	-2.01%	1,809,523	2.29%
OPERATING EXPENSES						
	LABOR	12,979,548	14,256,966	9.84%	13,783,690	-3.32%
	FRINGE BENEFITS	9,614,255	11,883,820	23.61%	12,141,847	2.17%
	SERVICES	2,123,342	1,814,875	-14.53%	2,213,294	21.95%
	FUEL	1,071,091	1,352,515	26.27%	1,575,379	16.48%
	TIRES & TUBES	106,287	115,505	8.67%	123,017	6.50%
	MATERIALS & SUPPLIES	1,157,183	1,279,226	10.55%	1,264,323	-1.16%
	UTILITIES	762,152	783,009	2.74%	781,700	-0.17%
	CASUALTY & LIABILITY COSTS	1,343,728	797,428	-40.66%	994,000	24.65%
	TAXES	3,607	3,711	2.88%	3,715	0.11%
	PURCHASED TRANSPORTATION	2,317,052	2,012,418	-13.15%	3,053,353	51.73%
	MISCELLANEOUS EXPENSES	144,045	153,429	6.51%	220,249	43.55%
	INTEREST EXPENSES	20,288	445	-97.81%	1,000	124.69%
	LEASES & RENTALS	31,231	82,757	164.98%	34,009	-58.91%
	TOTAL OPERATING EXPENSES	31,673,809	34,536,104	9.04%	36,189,576	4.79%
	NET OPERATING DEFICIT	(29,868,512)	(32,767,160)	9.70%	(34,380,053)	4.92%
SUBSIDY						
	LOCAL SUBSIDY	1,108,366	1,163,784	5.00%	1,221,973	
	STATE SUBSIDY	11,487,651	15,773,125	37.31%	12,321,724	-21.88%
	STATE SUBSIDY - PRIOR YEAR	-	-	#DIV/0!	-	
	FEDERAL SUBSIDY	17,779,232	15,830,251	-10.96%	20,836,356	31.62%
	NET OPERATING SURPLUS	506,738	0	-100.00%	-	-100.00%



LEHIGH & NORTHAMPTON TRANSPORTATION AUTHORITY						
LANtaBUS DIVISION						
BUDGETED REVENUES						
			FISCAL YEAR			
	FISCAL YEAR		2021/22	INCREASE/	FISCAL YEAR	INCREASE/
	2020/2021		ACTUAL (8)	(DECREASE)	2022/23	(DECREASE)
<u>ACCOUNT</u>	<u>AUDITED</u>		<u>ESTIMATED (4)</u>	<u>PERCENTAGE</u>	<u>BUDGET</u>	<u>PERCENTAGE</u>
<u>REVENUES</u>						
PASSENGER FARES	1,097,020		1,155,797	5.36%	1,223,523	5.86%
SPECIAL TRANSIT FARES	210,776		105,146	-50.12%	100,000	-4.89%
AUXILIARY TRANSPORTATION REVENUE	376,088		439,398	16.83%	450,000	2.41%
NONTRANSPORTATION REVENUE	121,413		68,603	-43.50%	36,000	-47.52%
TOTAL REVENUES	1,805,297		1,768,944	-2.01%	1,809,523	2.29%



LANTaVan Division



REVENUE, SUBSIDY AND EXPENDITURE DETAIL
FISCAL YEAR 2023



PASSENGER FARES FOR TRANSIT SERVICES

95% of LANtaVan fares are subsidized. Passenger fares includes the amount of cash received through ticket sales paid for directly by passengers and those paid for by a third-party purchaser.

LOCAL SPECIAL FARE ASSISTANCE

Lehigh County Area Agency on Aging: This line item includes the full fares and copayments made by the Lehigh County AAA on behalf of their consumers for approved trips.

Northampton County Area Agency on Aging: This line item includes the copayments made by the Northampton County AAA on behalf of their consumers for approved trips.

LANtaBus ADA: For FY23, this line item represents the total operating costs of the ADA program less ADA client copays. This amount is paid by the LANtaBus Division to LANtaVan from Federal capital, State and Local operating funding.

Revenue Detail - LANtaVan



STATE REIMBURSEMENTS

Shared Ride Lottery: Paratransit service provided to eligible consumers over 65 years of age, provided by LANtaVan, is a Pennsylvania lottery funded program. Under a special State grant, a general public fare structure is established; those over the age of 65 pay 15% of that fare. Lottery funds reimburse the Authority the remaining 85% up to the maximum reimbursement allowed under the grant.

Persons with Disabilities Shared Ride Lottery Funding: Paratransit service provided to eligible consumers with disabilities, between the ages of 18 and 64, provided by LANtaVan, is a Pennsylvania lottery funded program. Under a special State grant, a general public fare structure is established; eligible consumers registered for the program pay 15% of that fare. Lottery funds reimburse the Authority the remaining 85% up to the maximum reimbursement allowed under the grant.

Revenue Detail - LANtaVan



STATE SPECIAL FARE ASSISTANCE

Lehigh County MATP: The Pennsylvania Department of Human Services Medical Assistance Transportation Program (MATP) pays for transportation to eligible medical appointments for Lehigh County Medical Assistance consumers. The least-costly, most effective mode is assigned to the consumer: mileage reimbursement, bus reimbursement or paratransit service.

Beginning in October 2016, LANtaVan charges a negotiated flat fare for all paratransit trips for eligible consumers under 65, pass-through, mileage reimbursement and bus reimbursement trips. Reconciliations based on cost for the various modes are prepared throughout the year and final payment is based on the cost to operate the program. Revenue for this program is currently based on cost. The MATP program also reimburses LANtaVan for the posted copayment for eligible consumers over 65.

Northampton County MATP: The Pennsylvania Department of Human Services Medical Assistance Transportation Program (MATP) pays for transportation to eligible medical appointments for Northampton County Medical Assistance consumers. The least-costly, most effective mode is assigned to the consumer: mileage reimbursement, bus reimbursement or paratransit service.

Beginning in October 2016, LANtaVan charges a negotiated flat fare for all paratransit trips for eligible consumers under 65, pass-through, mileage reimbursement and bus reimbursement trips. Reconciliations based on cost for the various modes are prepared throughout the year and final payment is based on the cost to operate the program. Revenue for this program is currently based on cost. The MATP program also reimburses LANtaVan for the posted copayment for eligible consumers over 65.

LANtaVan continues the very conservative approach of cost-based reimbursement in this budget for this revenue source.

Revenue Detail - LANtaVan



STATE SUBSIDY

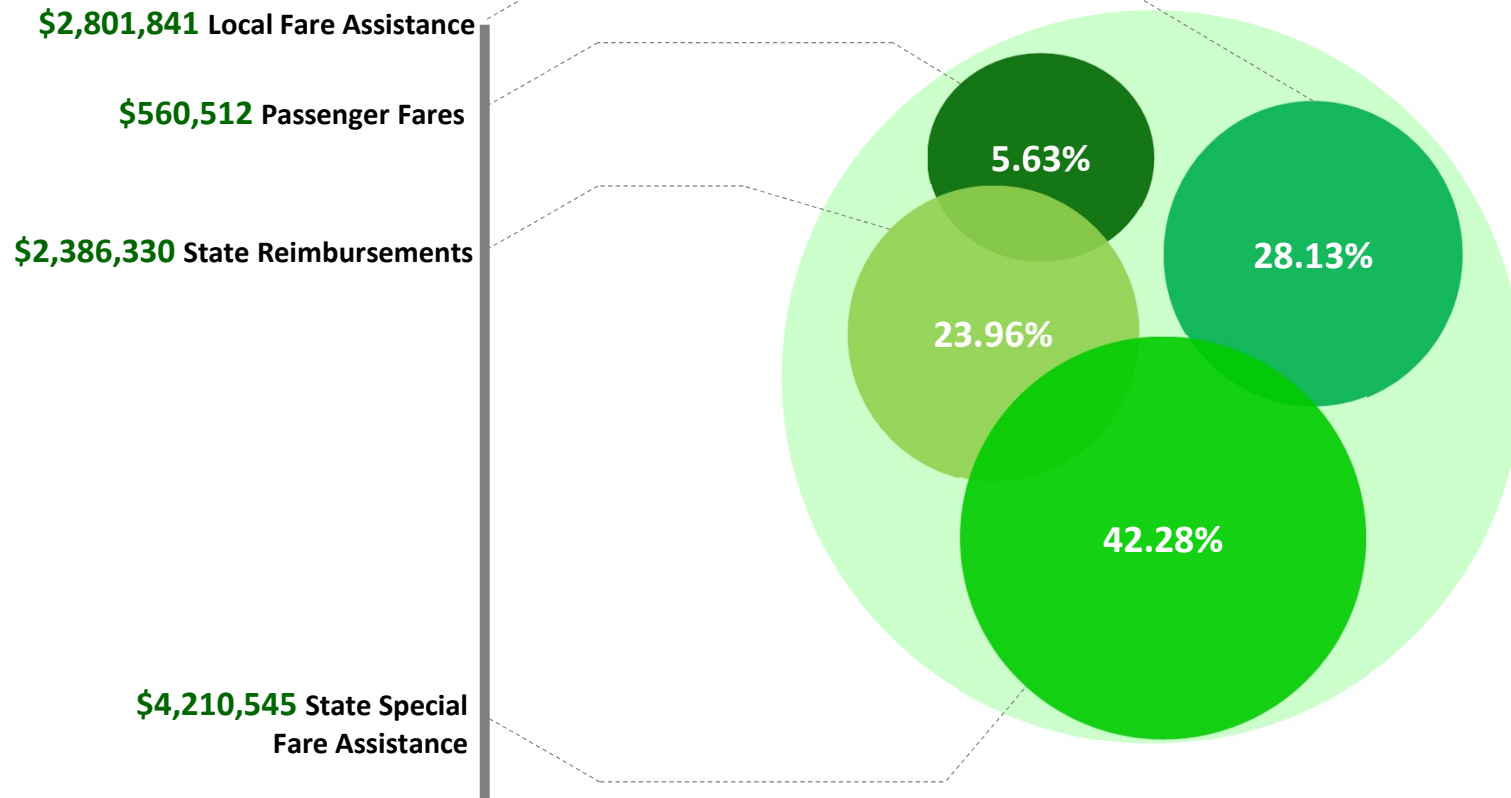
This category includes the operating assistance funds from PennDOT to assist in paying the cost of operating transit services. The total amount of FY23 funding represents a 12.17% increase from FY22 allocation.

Subsidy Detail - LANtaVan



FY23 PROJECTED REVENUES

TOTAL REVENUES \$9,959,228



SALARIES AND WAGES

Salaries and benefits for the Authority's Accessibility Service Specialists and Paratransit Scheduler(s), Executive Director, Director of Finance, Finance Specialist – LANtaVan, Director of Rider Resources & Communications, Manager Rider Resources, Administrative Services Manager, Treasury Clerks, both Finance Specialists – General Ledger and the Rider Resource Reps are budgeted on this line item. The amount of salary and benefits allocated to LANtaVan are equivalent to the direct time spent performing tasks related to the LANtaVan Division.

The FY23 salaries are based on an average 3% rate increase along with the provisions of the Authority's approved compensation plan as approved in the Executive Directors Staffing Plan and created through discussion with the Director of Administration.

FRINGE BENEFITS

The budget includes FICA expense and transfer of benefit costs to the LANtaVan Division for staff time to administer the paratransit program. Fringe benefits are budgeted at 84.33% of total wages.

Expenditure Detail - LANtaVan



SERVICES

Management Services: This budget line item has been eliminated for FY23 as no significant amount of expense has been incurred during FY22 and there is no anticipation of any expenses for FY23.

Legal Fees: There is no budget amount for FY23 as previous and current years have not incurred any legal expense attributable solely to LANtaVan.

Accounting and Auditing Fees: The FY23 budget includes a 5% percent increase over FY22 budget projections due to the current Audit contract ending with FY22.

Computer and Other Technical Services: The FY23 budget amount represents a 40% allocation of the Syncretic contract for maintaining the Authority's computer network. There is an additional \$5K allocated to this line item for additional third-party services needed that are outside Syncretic's scope of service.

Radio Equipment Maintenance and Repair: This line item includes the monthly cost for LANtaVan's radio system, including base station encoder and charger, and monthly radio tower rental. Also included is an estimate for necessary repair/maintenance work not covered by the service contract.

Online Sales Fees: This line item includes the fees associated with online sales transactions for EcoPay and ticket purchases made through our online platform, Square Inc.

Janitorial Services: This budget line item is based on janitorial services provided to the Rider Resources Center located at 60 West Broad Street in Bethlehem, PA. Janitorial costs are based on contract rate agreements for FY23.

Security Services: This budget line item represents the costs associated with the key card security system provided by Vector Security.

Expenditure Detail - LANtaVan



MATERIALS AND SUPPLIES

Office Supplies: Costs are included for routine purchases of office and computer supplies, LANtaVan tickets and reprinting of LANtaVan applications, brochures, and other LANtaVan literature. FY23 includes an estimate for bulk ticket purchases and replenishment of program brochures as needed.

Postage: Costs are included for LANtaVan postage.

UTILITIES

Costs are budgeted for telephone, including the IVR system for Ecolane, modem lines for the paratransit scheduling software system and cellular data usage fees for Ecolane.

FY23 budgeted numbers include an increase to various line items to account for the allocation costs for the Rider Resources Center and replacement of tablets used for paratransit services. FY23 budget shows increase of 6.9%, an amount of approximately \$7K over FY22 budget projections.

INSURANCE

The budget includes the LANtaVan allocated share of costs for professional liability insurance through the SAFTI program. Per discussion with Executive Director, FY23 budget amount of \$13K, increased by 100% over FY22 budget projection of \$6,500.

Expenditure Detail - LANtaVan



PURCHASED TRANSPORTATION

For FY23, the new purchased transportation contract with TransDev, that will be in place as of July 1, 2022, was used to create the budget expense. The expense reflects the two components of the contract, the per trip charge as well as the agreed upon Fixed Cost portion. The below-mentioned items account for the anticipated and budgeted costs in this area.

Shared Ride: This line item represents expenditures for the in-county paratransit service currently operated by TransDev, LANTA's subcontractor for Carbon Transit service. FY23 costs are budgeted at the contract rates. This line item includes State Shared Ride, PwD, ADA and MATP transportation.

Premium Service: This line item represents expenditures for the MATP premium transportation. Costs are estimated using the future contract with TransDev. This line item is now based on a per trip projection versus the previous per live hour/wait hour rate.

Bus Reimbursements: This line item represents the fixed route reimbursements for the MATP program. Fixed route trips are reimbursed at a rate of \$.66 per trip.

Mileage Reimbursements: This line item represents the mileage, parking, and toll reimbursements for the MATP program. Mileage is currently reimbursed at an increased rate of \$.25 per mile, due to the COVID pandemic, while parking and tolls are based on the actual costs. The FY23 budget is prepared based on an anticipated increase from the anticipated current fiscal year end actual. DHS has provided no indication of a return to pre-COVID mileage reimbursement rates.

Pass-Through Service: LANTA subcontracts with six agencies who provide MATP transportation services to eligible consumers who require a higher level of service than is provided by LANTaVan. Costs associated with these subcontracts are included in this line item.

Expenditure Detail - LANTaVan



FUEL

Under new Purchased Transportation Contract with TransDev, LANTA is required to purchase the fuel for vehicles either through delivered contracted diesel or gasoline purchased at public sites.

RENT EXPENSE

The FY23 expense is associated with the annual cost of renting office space at the Rider Resources Center, located at 60 W. Broad Street. The cost is based on a 67% allocation to LANtaVan. The allocation is based on a percent to total of calls answered. Also included is the cost of renting the new paratransit facility as of July 1, 2022.

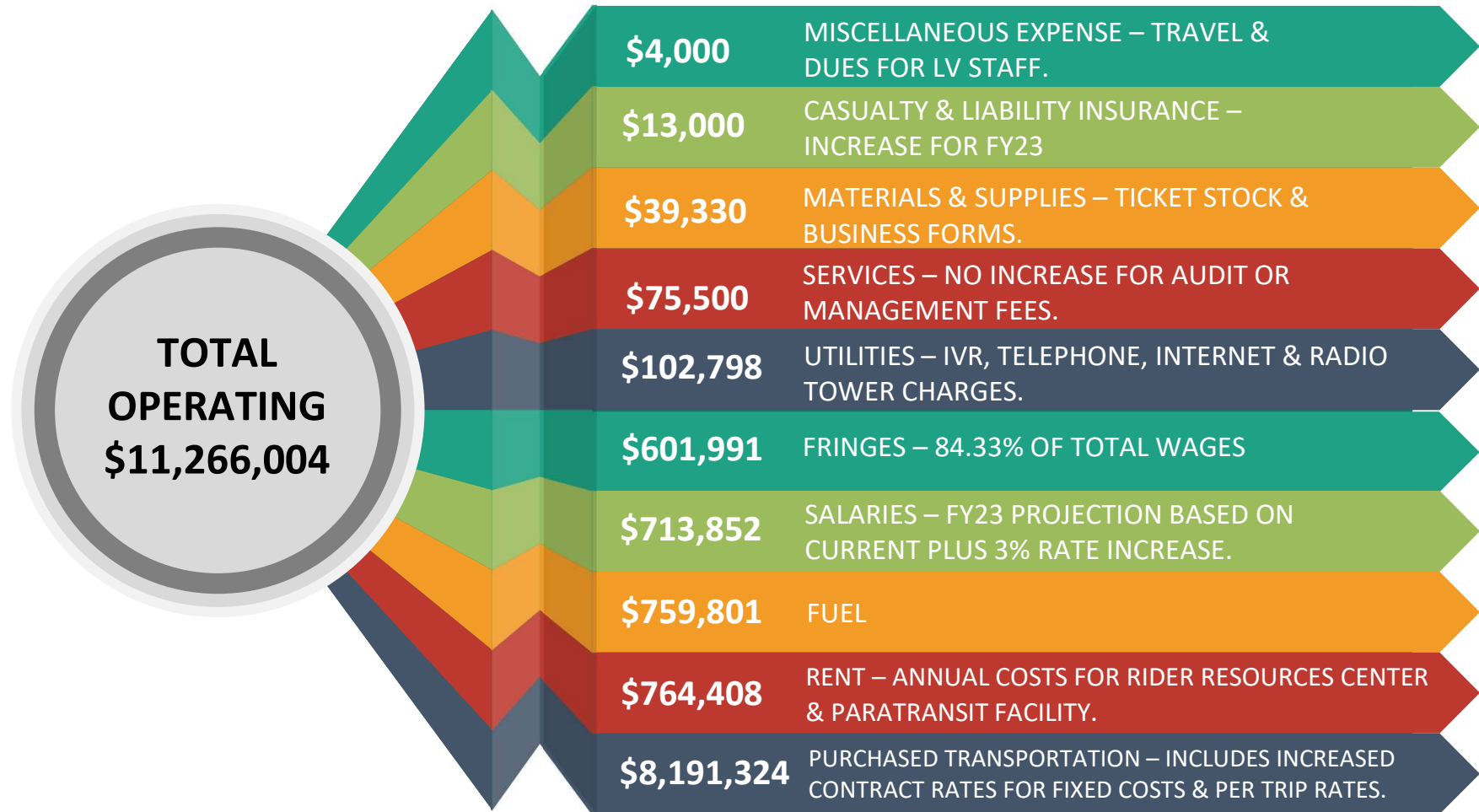
MISCELLANEOUS

The "Miscellaneous" line item is used to properly classify paratransit related expenditures which, under NTD reporting, cannot be included in any other expense line item. Dues and Subscriptions costs are budgeted at \$500 for FY23 with the remainder of the line-item budget amount set aside for travel and training costs anticipated for LANtaVan staff.

Expenditure Detail - LANtaVan



FY23 PROJECTED EXPENDITURES



LANtaVan			
Income Statement Summary			
Projected Budget Fiscal Year Ending June 30, 2023			
	Projected	2022/2023 Budget Variance	
	2023	2022	
	Budget	Budget	Percent
Revenue			
Passenger Fares	560,512	1,299,162	-56.9%
Non-Transportation Revenues	-	65,000	-100.0%
Local Special Fare Assistance	2,801,841	3,579,620	-21.7%
State Reimbursements	2,386,330	3,492,272	-31.7%
State Special Fare Assistance	4,210,545	2,626,929	60.3%
			0.0%
Total Revenue	9,959,228	11,062,983	-9.98%
Expenses			
Labor	713,852	783,087	-8.8%
Fringe Benefits	601,991	712,609	-15.5%
Total Labor and Fringe Benefits	1,315,843	1,495,696	-12.02%
Services	75,500	89,115	-15.3%
Fuel	759,801	-	0.0%
Tires & Tubes	-	-	0.0%
Materials & Supplies	39,330	55,476	-29.1%
Utilities	102,798	96,168	6.9%
Casualty & Liability	13,000	6,500	100.0%
Taxes	-	-	0.0%
Purchase of Transportation Service	8,191,324	8,771,530	-6.6%
Rent Expense	764,408	353,342	116.3%
Miscellaneous	4,000	7,500	-46.7%
Interest	-	-	0.0%
Leases & Rentals	-	-	0.00%
Total Expenses	11,266,004	10,875,327	3.59%
Gross Surplus (Deficit)	(1,306,776)	187,656	-796.37%
Subsidy			
Local Subsidy	-	-	
State Subsidy	1,306,776	-	
Federal Subsidy	-	-	
Total Subsidy	1,306,776	-	-
Surplus (Deficit)	-	187,656	-100.00%



LANTA - LANTaVAN DIVISION		
OPERATING BUDGET		
FISCAL YEAR ENDED JUNE 30, 2023		
<u>REVENUES</u>		
	PASSENGER FARES	560,512
	NON-TRANSPORTATION REVENUES	-
	LOCAL SPECIAL FARE ASSISTANCE	2,801,841
	STATE REIMBURSEMENTS	2,386,330
	STATE SPECIAL FARE ASSISTANCE	4,210,545
	TOTAL REVENUES	9,959,228
<u>EXPENSES</u>		
	SALARIES	713,852
	FRINGE BENEFITS	601,991
	SERVICES	75,500
	MATERIALS & SUPPLIES	39,330
	UTILITIES	102,798
	CASUALTY AND LIABILITY COSTS	13,000
	TAXES	-
	PURCHASED TRANSPORTATION	8,191,324
	FUEL	759,801
	RENT	764,408
	MISCELLANEOUS	4,000
	TOTAL OPERATING EXPENSES	11,266,004
	EXCESS OF REVENUES OVER EXPENSES	(1,306,776)
	SUBSIDY - STATE OPERATING ASSISTANCE	1,306,776
	NET SURPLUS (LOSS)	(0)



LANTA - LANTA VAN DIVISION						
OPERATING BUDGET						
FISCAL YEAR ENDED JUNE 30, 2023						
			FISCAL YEAR	FISCAL YEAR		
			2020/21	2021/22	INCREASE/	FISCAL YEAR
			AUDITED	ACTUAL (8)	(DECREASE)	2022/23
				ESTIMATED (4)	PERCENTAGE	BUDGET
						INCREASE/
						(DECREASE)
						PERCENTAGE
<u>REVENUES</u>						
	PASSENGER FARES	630,019	630,666	0.10%	560,512	-11.12%
	NON-TRANSPORTATION REVENUES	65,000	32,500	-50.00%	-	-100.00%
	LOCAL SPECIAL FARE ASSISTANCE	1,651,468	1,981,748	20.00%	2,801,841	41.38%
	STATE REIMBURSEMENTS	1,666,136	2,008,741	20.56%	2,386,330	18.80%
	STATE SPECIAL FARE ASSISTANCE	2,658,725	2,445,173	-8.03%	4,210,545	72.20%
	FEDERAL OEPRATING ASSISTANCE - CARES ACT	625,817	-			
	TOTAL REVENUES	7,297,165	7,098,828	▼ -2.72%	9,959,228	40.29%
<u>EXPENSES</u>						
	SALARIES	667,894	657,000	-1.63%	713,852	8.65%
	FRINGE BENEFITS	632,162	571,590	-9.58%	601,991	5.32%
	SERVICES	109,053	77,928	-28.54%	75,500	-3.12%
	MATERIALS & SUPPLIES	56,394	86,236	52.92%	39,330	-54.39%
	UTILITIES	88,524	86,204	-2.62%	102,798	19.25%
	CASUALTY AND LIABILITY COSTS	6,504	6,500	-0.06%	13,000	100.00%
	TAXES	-	-	0.00%	-	0.00%
	FUEL	524,089	683,334	30.38%	759,801	11.19%
	RENT	31,061	241,342	676.99%	764,408	216.73%
	PURCHASED TRANSPORTATION	5,331,076	5,844,449	9.63%	8,191,324	40.16%
	MISCELLANEOUS	2,437	9,216	278.12%	4,000	-56.60%
	TOTAL OPERATING EXPENSES	7,449,195	8,263,798	▼ 10.94%	11,266,004	36.33%
NET OPERATING DEFICIT			(152,030)	(1,164,970) ▼	666.28%	(1,306,776)
SUBSIDY						
	STATE SUBSIDY	-	2,731,048	100.00%	1,306,776	-52.15%
BEGINNING FUND BALANCE			(1,414,048)	(1,566,078)	-10.75%	(0)
NET SURPLUS (LOSS)			(1,566,078)	(0)	-100.00%	(0)

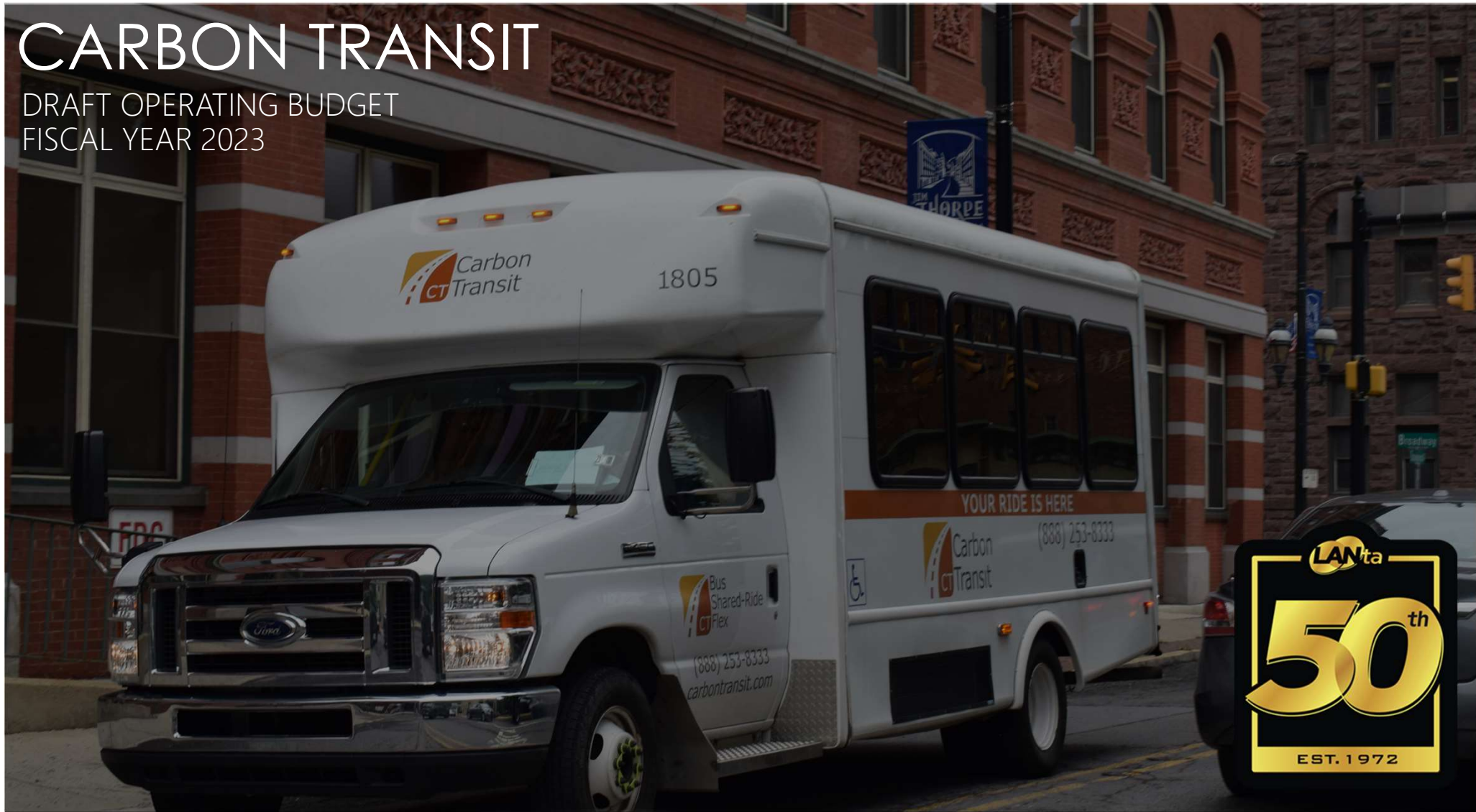


LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY						
LANtaVAN DIVISION						
BUDGETED REVENUES						
		FISCAL YEAR	FISCAL YEAR		FISCAL YEAR	
		2020/21	2021/22	INCREASE/	2022/23	INCREASE/
		AUDITED	ACTUAL (8)	(DECREASE)	BUDGET	(DECREASE)
	ACCOUNT		ESTIMATED (4)	PERCENTAGE		PERCENTAGE
<u>REVENUES</u>						
	PASSENGER REVENUES	630,019	630,666	0.10%	560,512	-11.12%
	NON-TRANSPORTATION REVENUES					
	CCCT MANAGEMENT FEE	65,000	32,500	-50.00%	-	-100.00%
	LOCAL SPECIAL FARE ASSISTANCE					
	LEHIGH COUNTY AAA	20,662	23,730	14.85%	52,175	119.87%
	NORTHAMPTON COUNTY AAA	1,252	48,700	3790.05%	37,863	-22.25%
	LANtaBUS CER	36,774	51,771	40.78%	58,000	12.03%
	LANtaBUS ADA	1,592,780	1,857,547	16.62%	2,653,803	42.87%
	STATE SPECIAL FARE ASSISTANCE					
	SHARED RIDE LOTTERY	1,502,759	1,855,991	23.51%	2,196,058	18.32%
	PERSONS WITH DISABILITIES	163,377	152,750	-6.50%	190,272	24.56%
	LEHIGH COUNTY MATP	1,640,896	1,489,292	-9.24%	2,273,694	52.67%
	NORTHAMPTON COUNTY MATP	1,017,829	955,881	-6.09%	1,936,851	102.62%
	TOTAL REVENUES	6,671,348	7,098,828	6.41%	9,959,228	40.29%



CARBON TRANSIT

DRAFT OPERATING BUDGET
FISCAL YEAR 2023





Carbon Transit comprises a portion of the activities of public transportation for Carbon County, Pennsylvania. The transportation services consist of demand response and fixed route services within the County and to several points outside of the County, including the regional shopping mall area in Whitehall, Lehigh County and the Lehigh Valley Hospital. The Lehigh and Northampton Transportation Authority (LANTA), a municipal authority organized under the Pennsylvania Municipal Authorities Act, entered into a Mutual Cooperation Agreement as of January 1, 2022, to continue to operate and manage Carbon Transit. The agreement provides, in part, that the County agrees to pay the local share required under the terms of any federal and state grants to which the County is a party relating to the operation of Carbon Transit. The agreement also provides that the County will cause all obligations arising out of Carbon Transit to be paid in full in accordance with the approved budget of Carbon Transit.

Carbon Transit is funded by a combination of passenger fares, operating revenues, federal, state, and county operating and capital grants.

PASSENGER FARES FOR TRANSIT SERVICES

The Fixed Route category includes revenues earned from carrying passengers along regularly scheduled routes. Anticipated FY23 revenue and ridership levels have been adjusted based on actual FY22 data. The Paratransit category includes the amount of cash received through ticket sales paid for directly by passengers. The majority of passenger fares for paratransit services are subsidized. Passenger fares, as well as all fares, are budgeted at the current and/or new fare structure effective July 2020.

LOCAL SPECIAL FARE ASSISTANCE

Carbon County Area Agency on Aging: This line item includes the full fares and copayments made by the Carbon County AAA on behalf of their consumers for approved trips.

Revenue Detail – Carbon Transit



STATE REIMBURSEMENTS

Shared Ride Lottery: Paratransit service provided to eligible consumers over 65 years of age, provided by Carbon Transit, is a Pennsylvania lottery funded program. Under a special State grant, a general public fare structure is established; those over the age of 65 pay 15% of that fare. Lottery funds reimburse the Authority the remaining 85% up to the maximum reimbursement allowed under the grant.

Persons with Disabilities Shared Ride Lottery Funding: Paratransit service provided to eligible consumers with disabilities, between the ages of 18 and 64, provided by Carbon Transit, is a Pennsylvania lottery funded program. Under a special State grant, a general public fare structure is established; eligible consumers registered for the program pay 15% of that fare. Lottery funds reimburse the Authority the remaining 85% up to the maximum reimbursement allowed under the grant.

Revenue Detail – Carbon Transit



STATE SPECIAL FARE ASSISTANCE

Carbon County MATP: The Pennsylvania Department of Human Services Medical Assistance Transportation Program (MATP) pays for transportation to eligible medical appointments for Carbon County Medical Assistance consumers. The least-costly, most effective mode is assigned to the consumer: mileage reimbursement, bus reimbursement or paratransit service.

Beginning in October 2016, Carbon County charges a negotiated flat fare for all paratransit trips for eligible consumers under 65, pass-through, mileage reimbursement and bus reimbursement trips. Reconciliations based on cost for the various modes are prepared throughout the year and final payment is based on the cost to operate the program. Revenue for this program is currently based on cost. The MATP program also reimburses Carbon Transit for the posted copayment for eligible consumers over 65.

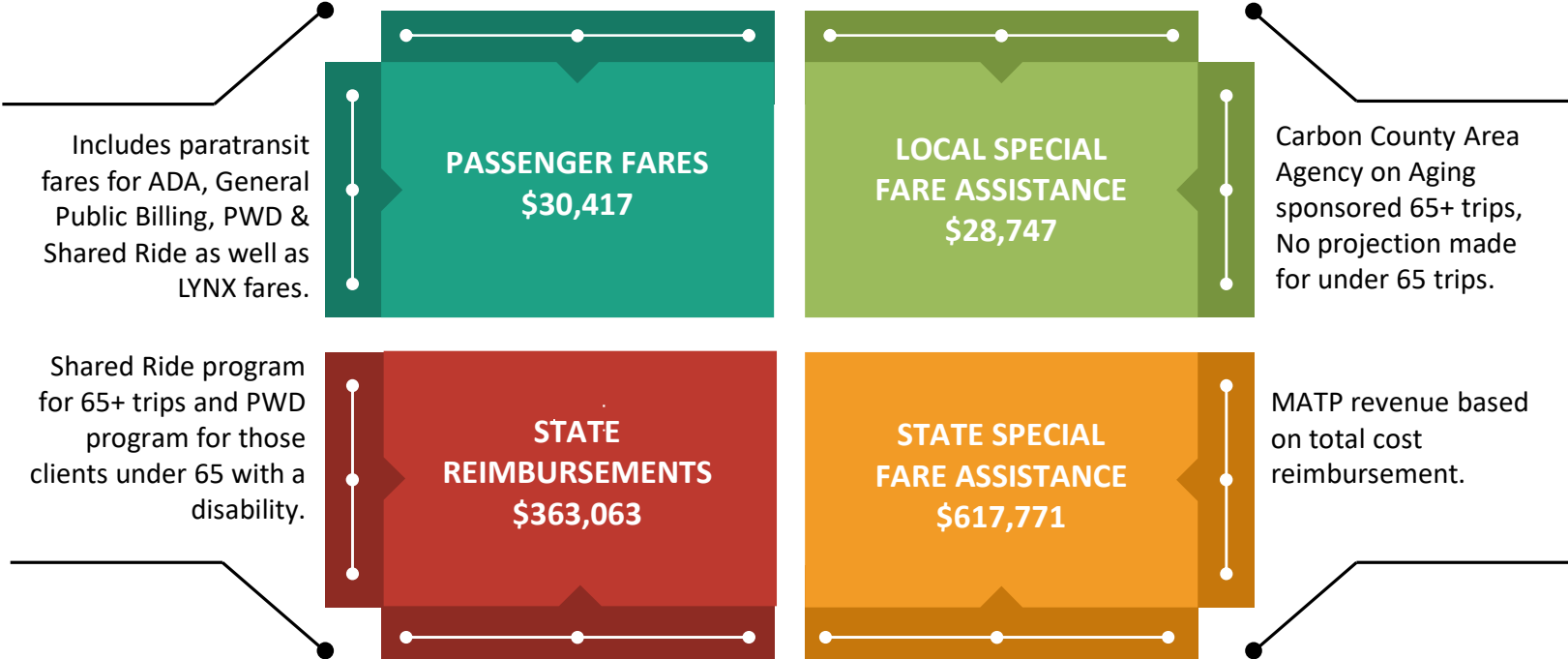
Carbon Transit continues the very conservative approach of cost-based reimbursement in this budget for this revenue source.

Revenue Detail – Carbon Transit



FY23 PROJECTED REVENUES

TOTAL REVENUES \$ 1,039,998



LOCAL SUBSIDY

This category includes the general operating assistance revenues of \$46,943 received from Carbon County. The amount of FY23 funding is equivalent to 15% of FY23 state operating assistance.

STATE SUBSIDY

This category includes the operating assistance funds of \$312,953 from PennDOT to assist in paying the cost of operating transit services. The FY23 funding has increased by 11.9% over FY22 allocation.

STATE SUBSIDY – PRIOR YEAR

This category includes the operating assistance funds from PennDOT that were not used in the FY provided and are carried over from prior years to be used in future years to assist in operations as needed. Carbon does not anticipate having any unused state subsidy for Fy22.

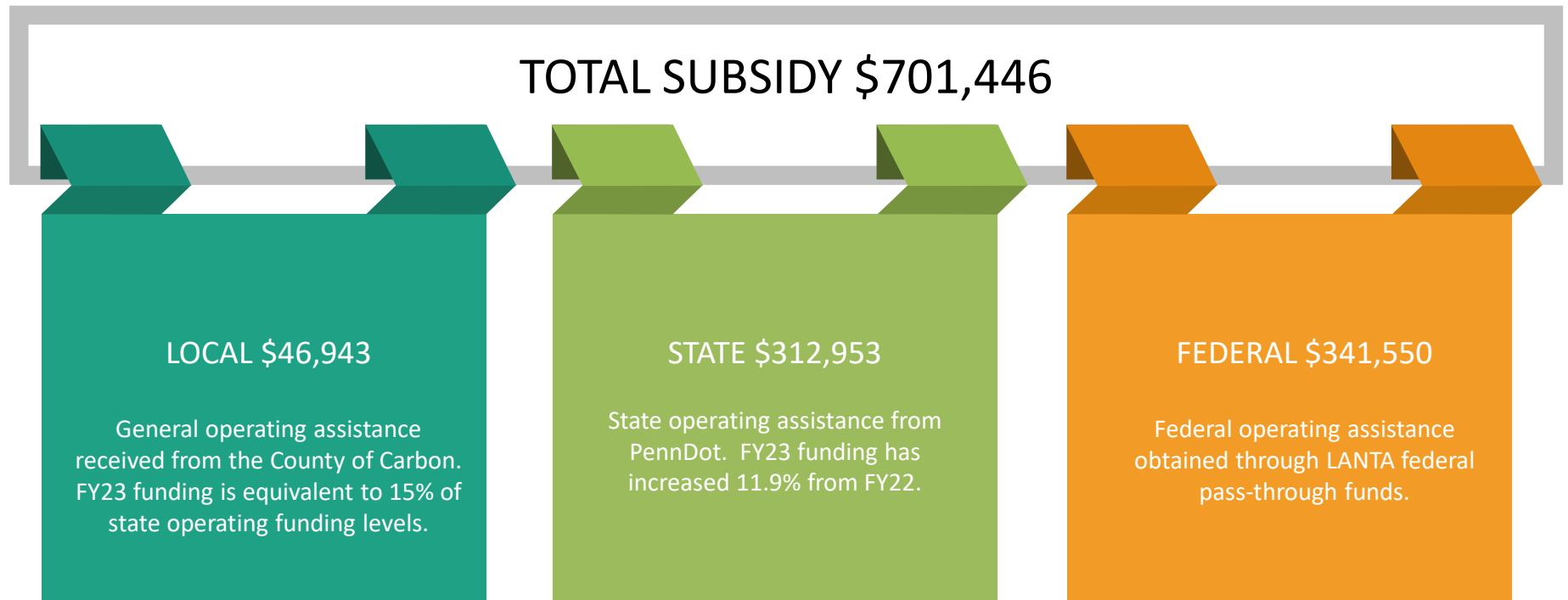
FEDERAL SUBSIDY

This category covers funds obtained from the Federal Government to assist in paying the cost of operating transit services - \$341,550. Funding for FY23 has increased approximately \$98K or 40.1%.

Subsidy Detail – Carbon Transit



FY23 PROJECTED SUBSIDY



SALARIES AND WAGES

Salaries and benefits for the Authority's Accessibility Service Specialists and Paratransit Scheduler(s), Executive Director, Director of Finance, Finance Specialist – LANtaVan, Director of Rider Resources & Communications, Manager Rider Resources, Administrative Services Manager, Treasury Clerks, both Finance Specialists – General Ledger and the Rider Resource Reps are budgeted on this line item. The amount of salary and benefits allocated to Carbon Transit are equivalent to the direct time spent performing tasks related to the Carbon Transit Division.

The FY23 salaries are based on an average 3% rate increase along with the provisions of the Authority's approved compensation plan as approved in the Executive Directors Staffing Plan and created through discussion with the Director of Administration.

FRINGE BENEFITS

The budget includes FICA expense and transfer of benefit costs to the Carbon Transit Division for staff time to administer both the fixed route and paratransit programs. Fringe benefits are budgeted at 84.33% of total wages.

Expenditure Detail – Carbon Transit



SERVICES

- Management Services:** This budget line item has been eliminated due to the Mutual Cooperation Agreement that went into effect January 1,2022.
- Accounting and Auditing Fees:** The FY23 budget includes a 5% percent increase over FY22 budget projections due to the current Audit contract ending with FY22.
- Banking Services:** This line item includes the fees associated with banking transactions relating to Carbon Transit operations.
- Computer and Other Technical Services:** The FY23 budget amount represents a 1.5% allocation of the Syncretic contract for maintaining the Authority's computer network.
- Online Sales Fees:** This line item includes the fees associated with online sales transactions for ticket purchases made through our online platform, Square Inc.

Expenditure Detail – Carbon Transit



MATERIALS AND SUPPLIES

Office Supplies: Costs are included for routine purchases of office and computer supplies, Carbon Transit tickets and reprinting of Carbon Transit applications, brochures, and other Carbon Transit literature.

Postage: Costs are included for Carbon Transit postage.

UTILITIES

Costs are budgeted for telephone, including the IVR system for Ecolane, modem lines for the paratransit scheduling software system and cellular data usage fees for Ecolane.

FY23 budgeted numbers include an increase to various line items to account for the new Rider Resources Center which will house all paratransit office staff in one location. FY23 budget shows increase of 16%, an amount of approximately \$4K over FY22 budget projections.

Expenditure Detail – Carbon Transit



PURCHASED TRANSPORTATION

For FY23, the new purchased transportation contract with TransDev, that will be in place as of July 1, 2022, was used to create the budget expense. The expense reflects the two components of the contract, the per trip charge as well as the agreed upon Fixed Cost portion. The below-mentioned items account for the anticipated and budgeted costs in this area.

Shared Ride: This line item represents expenditures for the in-county paratransit service currently operated by TransDev, LANTA's subcontractor for Carbon Transit service. FY23 costs are budgeted at the contract rates. This line item includes State Shared Ride, PwD, ADA and MATP transportation.

Premium Service: This line item represents expenditures for the MATP premium transportation. Costs are estimated using the future contract with TransDev. This line item is now based on a per trip projection versus the previous per live hour/wait hour rate.

Mileage Reimbursements: This line item represents the mileage, parking, and toll reimbursements for the MATP program. Mileage is currently reimbursed at an increased rate of \$.25 per mile, due to the COVID pandemic, while parking and tolls are based on the actual costs. The FY23 budget is prepared based on an anticipated increase from the anticipated current fiscal year end actual. DHS has provided no indication of a return to pre-COVID mileage reimbursement rates.

Pass-Through Service: LANTA subcontracts with six agencies who provide MATP transportation services to eligible consumers who require a higher level of service than is offered by the current shared ride program. One of those six agencies provides transportation for clients in Carbon County. Costs associated with that one agency are included in this line item.

Expenditure Detail – Carbon Transit



FUEL

Under the upcoming contract with TransDev, LANTA is required to purchase the fuel for vehicles either through delivered contracted diesel or gasoline purchased at public sites. As the fleet continues to transition from diesel to gasoline vehicles, the associated gasoline cost is taken into account when creating the fuel cost for Carbon Transit. The gasoline is purchased at public fueling stations at this time.

INTEREST EXPENSE

The FY23 expense is representative of the expected allocation of interest due to any line of credit activity needed to fund operations.

MISCELLANEOUS

The "Miscellaneous" line item is used to properly classify paratransit related expenditures which, under NTD reporting, cannot be included in any other expense line item. Dues and Subscriptions costs are budgeted at \$900 for FY23 with the remainder of the line-item budget amount set aside for travel and training costs anticipated for Carbon Transit operations.

Expenditure Detail – Carbon Transit



FY23 PROJECTED EXPENDITURES



Carbon Transit			
Income Statement Summary			
Projected Budget Fiscal Year Ending June 30, 2023			
	Projected	2022/2023 Budget Variance	
	2023	2022	
	Budget	Budget	Percent
Revenue			
Passenger Fares	30,417	20,511	48.3%
Non-Transportation Revenues	-	-	#DIV/0!
Local Special Fare Assistance	28,747	17,922	60.4%
State Reimbursements	363,063	299,569	21.2%
State Special Fare Assistance	617,771	454,544	35.9%
Revenue from Fare Increase	-	-	
Total Revenue	1,039,998	792,546	31.2%
Expenses			
Labor	# 132,827	-	0.00%
Fringe Benefits	112,013	-	0.00%
Total Labor and Fringe Benefits	# 244,840	-	0.00%
Services	16,962	136,250	-87.6%
Fuel	165,309	-	0.0%
Tires & Tubes	-	-	0.0%
Materials & Supplies	17,000	9,700	75.3%
Utilities	26,800	16,800	59.5%
Casualty & Liability	-	-	0.0%
Taxes	-	-	0.0%
Purchase of Transportation Service	1,265,633	1,170,914	8.1%
Miscellaneous	2,500	9,340	-73.2%
Interest	2,400	7,500	-68.0%
Leases & Rentals	-	-	0.00%
Total Expenses	1,741,444	1,350,504	28.9%
Gross Surplus (Deficit)	(701,446)	(557,958)	25.7%
Subsidy			
Local Subsidy	46,943	40,969	14.6%
State Subsidy	312,953	273,126	14.6%
Federal Subsidy	341,550	243,863	40.1%
Total Subsidy	701,446	557,958	25.7%
Surplus (Deficit)	-	-	#DIV/0!



LANTA - CT		
CARBON TRANSIT DIVISION		
FISCAL YEAR ENDED JUNE 30, 2023		
<u>REVENUES</u>		
	PASSENGER FARES	30,417
	LOCAL SPECIAL FARE ASSISTANCE	28,747
	STATE REIMBURSEMENTS	363,063
	STATE SPECIAL FARE ASSISTANCE	617,771
	TOTAL REVENUES	1,039,998
<u>EXPENSES</u>		
	SALARIES	132,827
	FRINGE BENEFITS	112,013
	SERVICES	16,962
	MATERIALS & SUPPLIES	17,000
	UTILITIES	26,800
	FUEL	165,309
	CASUALTY AND LIABILITY COSTS	-
	INTEREST	2,400
	PURCHASED TRANSPORTATION	1,265,633
	MISCELLANEOUS	2,500
	TOTAL OPERATING EXPENSES	1,741,444
	EXCESS OF REVENUES OVER EXPENSES	(701,446)
<u>SUBSIDY.</u>		
	LOCAL SUBSIDY	46,943
	STATE SUBSIDY	312,953
	FEDERAL SUBSIDY	341,550
	TOTAL SUBSIDY	701,446
	SURPLUS (DEFICIT)	(0)



LANTA - CCCT DIVISION					
OPERATING BUDGET					
FISCAL YEAR ENDED JUNE 30, 2023					
		FISCAL YEAR	FISCAL YEAR		
		2020/21	2021/22	INCREASE/	FISCAL YEAR
		AUDITED	ACTUAL (8)	(DECREASE)	2022/23
			ESTIMATED (4)	PERCENTAGE	BUDGET
					INCREASE/
					(DECREASE)
					PERCENTAGE
REVENUES					
	PASSENGER FARES	33,984	29,345	-13.65%	30,417
	NON-TRANSPORTATION REVENUES	64	17	-73.44%	-
	LOCAL SPECIAL FARE ASSISTANCE	17,795	23,626	32.77%	28,747
	STATE REIMBURSEMENTS	261,525	292,903	12.00%	363,063
	STATE SPECIAL FARE ASSISTANCE	423,932	524,239	23.66%	617,771
		-	-	0.00%	-
	TOTAL REVENUES	737,300	870,129	18.02%	1,039,998
EXPENSES					
	SALARIES	-	-	0.00%	132,827
	FRINGE BENEFITS	-	-	0.00%	112,013
	SERVICES	161,157	76,085	-52.79%	16,962
	MATERIALS & SUPPLIES	10,864	18,911	74.08%	17,000
	UTILITIES	23,094	19,011	-17.68%	26,800
	CASUALTY AND LIABILITY COSTS	-	-	0.00%	-
	INTEREST	6,999	1,257	0.00%	2,400
	PURCHASED TRANSPORTATION	1,064,822	1,247,763	17.18%	1,430,942
	MISCELLANEOUS	2,087	1,995	-4.43%	2,500
	TOTAL OPERATING EXPENSES	1,269,024	1,365,022	7.56%	1,741,444
EXCESS OF REVENUES OVER EXPENSES		(531,724)	(494,893)	-6.93%	(701,446)
	LOCAL SUBSIDY	40,969	41,940	2.37%	46,943
	STATE SUBSIDY	183,784	396,323	115.65%	312,953
	FEDERAL SUBSIDY	637,729	56,630	-91.12%	341,550
	TOTAL SUBSIDY	862,482	494,893		701,446
	SURPLUS (DEFICIT)	330,758	0		-



LANTA - CT		
CARBON TRANSIT DIVISION		
FISCAL YEAR ENDED JUNE 30, 2023		
<u>REVENUES</u>		
	PASSENGER FARES	30,417
	LOCAL SPECIAL FARE ASSISTANCE	28,747
	STATE REIMBURSEMENTS	363,063
	STATE SPECIAL FARE ASSISTANCE	617,771
	TOTAL REVENUES	1,039,998
<u>EXPENSES</u>		
	SALARIES	132,827
	FRINGE BENEFITS	112,013
	SERVICES	16,962
	MATERIALS & SUPPLIES	17,000
	UTILITIES	26,800
	FUEL	165,309
	CASUALTY AND LIABILITY COSTS	-
	INTEREST	2,400
	PURCHASED TRANSPORTATION	1,265,633
	MISCELLANEOUS	2,500
	TOTAL OPERATING EXPENSES	1,741,444
	EXCESS OF REVENUES OVER EXPENSES	(701,446)
<u>SUBSIDY.</u>		
	LOCAL SUBSIDY	46,943
	STATE SUBSIDY	312,953
	FEDERAL SUBSIDY	341,550
	TOTAL SUBSIDY	701,446
	SURPLUS (DEFICIT)	(0)



