



LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY  
**DRAFT** FY 2025 (JULY 1, 2025 – JUNE 30, 206)  
OPERATING BUDGETS BY DIVISION



To be Considered for Adoption by the  
LANTA Board of Directors  
June 11, 2024

## **LANTA**

### **Budget Introduction**

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The Lehigh and Northampton Transportation Authority (LANTA) is pleased to submit for your information and consideration the Authority's FY 2025 proposed Financial Plan. The proposed plan is also intended as a summary and overview of the information provided in greater detail within the Budget Document.

The Authority requires \$46,482,439 in local, state and federal funding to subsidize its fixed route and paratransit operations throughout Carbon, Lehigh and Northampton counties.

The total amount of Federal subsidy, \$8,952,883, represents 19% of the amount of funds relative to FY 2025 to subsidize the Authority's ADA, Preventative Maintenance, Tire Lease, Safety and Security, Vehicle Overhaul programs as well as labor and fringe benefits. There are projected increases in the aforementioned categories due in part to active negotiations for a new Collective Bargaining Agreement, increases in staffing, salary recommendations and inflationary cost increases that have greatly impacted materials, supplies and healthcare costs.

The total amount of State subsidy, \$35,792,410, represents 77% of the amount of funds relative to FY 2025, which includes the state's match to the federally subsidized programs and the projected ADA Program operating deficits for the paratransit division of Carbon Transit and LANTaVan. FY 2025 anticipates the utilization of \$11,647,603 of prior year Act 44 reserves to fully subsidize the operations of LANTaBus and the operating deficits of the ADA Program for both LANTaVan and Carbon Transit. For both LANTaVan and Carbon Transit, the operating deficit for the Senior Shared Ride (SSR) Program will remain unfunded for FY 2025. Due to the increasing costs of the Senior Shared Ride Program and the slower than anticipated return to pre-Covid ridership, the Authority has made the decision to not fund the operating deficit under the SSR Program in the hopes that program and funding changes can be made by LANTA and PennDot to address the deficit.

The total amount of Local subsidy, \$1,347,227, represents 3% of the amount of funds relative to FY 2025, which is the local match requirement determined by the FY 2025 State Operating Assistance allocation.

Revenues for FY 2025 have been conservatively budgeted to take into account the lingering impacts of the pandemic. LANTA is diligently working to provide the best utilization of current funding and Act 44 reserves. LANTA is working towards long-term strategies that will lessen the gaps between revenues and expenditures through limiting discretionary spending and possible modifications in service levels.

Total LANTA revenues are projected at \$14.5M for FY 2025. FY 2025 revenues are expected to increase \$435K over projected FY 2024 actual revenues of \$14.1M, collectively. The

## LANTA FY 2025 Draft Operating Budget

expected increases are primarily related to the contractual increase of advertising commissions, increase in operating costs for the Medical Assistance Transportation Program (MATP) and projected increases to specific revenue service agreements.

The proposed LANTA Budget for FY 2025 includes a total operating budget of \$65.3 million collectively, between LANTaBus, LANTaVan and Carbon Transit. FY 2025 budgeted expenditures are \$5.69 million over projected FY 2024 actual expenditures of \$59.6 million, collectively. The increase is composed primarily of higher labor, materials & supplies, security, professional services, fuel, healthcare and Paratransit costs. The increased costs are primarily due to the anticipated effects of the Collective Bargaining Agreement and normal inflationary and contractual increases.

LANTA's FY 2025 Operating Expenditure budget is only partially balanced with its revenues and subsidy at \$61 million, which is approximately 6.1% less than the previous budget year. This decrease of approximately \$4M is directly related to the conservative approach to revenue projections for all divisions and no increase to the state operating assistance allocation for FY 2025.

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.

## **LANTA**

### **Budget Categories and Definitions**

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#### **REVENUES**

##### ***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

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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.

### ***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.

### ***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.

***SUBSIDY***

***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.

## ***OPERATING EXPENSES – OBJECT CLASSES***

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 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.

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**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***

#### ***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).



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### ***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 crew members.

### ***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.

## ***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 performed 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 do 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

## ***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).

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### ***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).

### ***UTILITIES***

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

### ***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.

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### ***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.

### ***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.

***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 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).

## ***LANtaBus***

### **Operating Budget Assumptions**

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To assist the preparation of the Authority's FY 2025 Annual Budget, various assumptions relating to revenues, service levels and other factors that affect costs and revenues were applied. In addition to the assumptions listed below, the annual budget was calculated to maintain the current transportation service levels within Carbon, Lehigh and Northampton Counties.

#### **Service Levels – Fixed Route**

LANtaBus operates Monday through Friday, 3:06 am through 2:20am, Saturdays 3:26 am through 2:20 am and Sundays, 3:06 am through 10:50 pm.

The FY 2025 Budget anticipates no changes to the current service levels.

#### **Ridership – Fixed Route**

Annual Revenue Passenger Trips of 4,349,063 – 12.5% increase above FY 2024 budget ridership projections.

#### **Revenues**

Auxiliary revenue projections based on contractual guarantee.

#### **Passenger Fares**

The FY 2025 Budget assumes a projection of an average fare of \$0.55 per trip.

No increase to fixed route fare structure or fare media is projected.

#### **Expenses**

Expenditures incurred applicable to all divisions are allocated by call volume percentages as of 12/31/2023. The percentages used for FY 2025 are as follows:

- 6.7% Carbon Transit
- 33.2% LANtaBus
- 60.1% LANtaVan

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### **Labor**

#### **Non-Union**

The FY 2025 salary projections are based on 4.0% merit increases for applicable non-union staff. Merit increases were allocated based on the date of hire of each employee.

The budget assumes the filling of current planned vacancies including:

- 1 Project Manager – Capital Asset, Planning and Maintenance
- 1 Treasury Clerk – Finance
- 1 Finance Specialist – Finance
- 1 Intern – Human Resources
- 1 Facilities Maintenance Coordinator – Maintenance
- 1 Technical Trainer – Maintenance
- 2 Operations Supervisors – Operations
- 1 Office Clerk – Paratransit
- 1 Scheduler – Paratransit
- 1 Emergency Preparedness Coordinator – Safety & Security
- 2 Customer Experience Specialist – Rider Resources
- 21 Union bus operators

The allocation of non-union labor costs to Carbon Transit and LANtaVan is as follows:

Salaries for call center staff and Rider Resources Manager are allocated by call volume percentages as of 12/31/2023. The percentages used for FY 2025 are as follows:

- 6.7% Carbon Transit
- 33.2% LANtaBus
- 60.1% LANtaVan

Applicable remaining staff salaries are allocated based on an assumption of actual time worked applicable to Carbon Transit and LANtaVan.

The FY 2025 wage projection for all union positions incorporated an anticipated 5.5% increase as of July 1, 2024. The projection also considered a 5.5% increase on those employees not currently at top rate and receiving progression rate increases after July 1, 2024, in line with their applicable anniversary dates.

Union rates are subject to change due to active Collective Bargaining Agreement (CBA) negotiations.

### **Fringes**



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FY 2025 Healthcare cost projections were provided by the Authority's benefits broker, BSI.

Healthcare costs are budgeted in the "worst-case" scenario less anticipated employee contributions and guaranteed rebates.

Paid time off (PTO) costs were budgeted based on each applicable employee's anticipated length of employment for FY 2025.

### **Purchased Transportation – Flex Services**

The proposed budget assumes an increase of 3% above all current purchased transportation rates.

## LANtaBus FY 2025 Draft Operating Budget

LEHIGH & NORTHAMPTON TRANSPORTATION AUTHORITY						
LANtaBUS DIVISION						
BUDGETED REVENUES						
		FISCAL YEAR	FISCAL YEAR		FISCAL YEAR	INCREASE/
		2022/23	2023/24		2024/25	(DECREASE)
		ACTUAL (9)	ESTIMATED (3)	INCREASE/	BUDGET	(DECREASE)
ACCOUNT	AUDITED			PERCENTAGE		PERCENTAGE
<b>REVENUES</b>						
PASSENGER FARES	1,322,151	2,264,193	71.25%	2,396,151	5.83%	
SPECIAL TRANSIT FARES	177,185	268,830	51.72%	235,000	-12.58%	
AUXILIARY TRANSPORTATION REVENUE	511,210	545,964	6.80%	512,500	-6.13%	
NONTRANSPORTATION REVENUE	37,783	10,408	-72.45%	-	-100.00%	
TOTAL REVENUES	2,048,329	3,089,395	50.83%	3,143,651	1.76%	

*Note: Totals and percentage may not be precise due to independent rounding*

### **FY 2025 Projected Revenues - \$3,143,651**

#### **Passenger Revenue - \$2,396,151**

Passenger fare revenue is based on an assumption of 4.34 million passenger trips during the fiscal year, with an average of \$0.55 per trip. The budget assumes fare media prices remain unchanged as well as no increase to single ride cash fares.

#### **Special Transit Fares - \$235,000**

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 also includes the revenue service agreement (RSA) between Allentown School District and LANTA. While the Authority does not anticipate any changes to the current RSAs in place, a 5% increase was projected over FY 2024 actuals.

#### **Auxiliary Transportation Revenues - \$512,500**

This category includes vehicle and shelter advertising revenues. FY 2025 is budgeted at the current contract guaranteed amount. This line item is set to increase from the FY 2024 contract guaranteed amount by 5.1%.

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**Non-Transportation Revenues - \$0**

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LEHIGH & NORTHAMPTON TRANSPORTION AUTHORITY						
LANtaBUS DIVISION						
BUDGETED EXPENSES						
			FISCAL YEAR		FISCAL YEAR	
		FISCAL YEAR	2023/24	INCREASE/	FISCAL YEAR	INCREASE/
		2022/2023	ACTUAL (9)	(DECREASE)	2024/25	(DECREASE)
	ACCOUNT	AUDITED	ESTIMATED (3)	PERCENTAGE	BUDGET	PERCENTAGE
EXPENSES						
	LABOR	16,411,321	17,710,311	7.92%	19,356,608	9.30%
	FRINGE BENEFITS	12,490,971	14,339,958	14.80%	16,441,686	14.66%
	SERVICES	2,270,991	3,133,962	38.00%	2,738,842	-12.61%
	FUEL	1,682,309	1,844,674	9.65%	2,091,988	13.41%
	TIRES & TUBES	136,083	136,367	0.21%	137,035	0.49%
	MATERIALS & SUPPLIES	2,676,488	2,617,670	-2.20%	2,964,957	13.27%
	UTILITIES	1,023,890	848,261	-17.15%	942,456	11.10%
	CASUALTY & LIABILITY COSTS	806,936	1,101,200	36.47%	1,406,089	27.69%
	TAXES	22,442	24,177	7.73%	4,296	-82.23%
	PURCHASED TRANSPORTATION	3,251,169	2,935,699	-9.70%	2,684,946	-8.54%
	MISCELLANEOUS EXPENSES	240,345	220,472	-8.27%	271,891	23.32%
	INTEREST EXPENSES	8,561	8,701	1.64%	1,200	-86.21%
	LEASES & RENTALS	662,332	108,712	-83.59%	28,709	-73.59%
	TOTAL EXPENSES	41,683,838	45,030,162	8.03%	49,070,703	8.97%

*Note: Totals and percentage may not be precise due to independent rounding*

## **FY 2025 Projected Expenditures - \$49,070,703**

### **Labor - \$19,356,608**

The anticipated net increase in labor costs, after Carbon Transit and LANtaVan allocations, is approximately \$1.6M over FY 2024 anticipated actuals, representative of a 9.3% increase. The net budget increase is attributable to an anticipated 5.5% wage increase for union employees governed by the Collective Bargaining Agreement (CBA), 4% merit increases to applicable non-union staff and continued payment of overtime to bus operators until sufficient staffing levels can be achieved.

The budgeted amounts for all Labor categories were provided by the Senior 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 (CBA) rates (assumed) as required for covered positions and other non-fringe benefits labor costs.

As provided by the directors of LANTA's various departments, the budget assumes the filling of current planned vacancies including:

- 1 Project Manager – Capital Asset, Planning and Maintenance

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- 1 Treasury Clerk – Finance
- 1 Finance Specialist – Finance
- 1 Intern – Human Resources
- 1 Facilities Maintenance Coordinator – Maintenance
- 1 Technical Trainer – Maintenance
- 2 Operations Supervisors – Operations
- 1 Office Clerk – Paratransit
- 1 Scheduler – Paratransit
- 1 Emergency Preparedness Coordinator – Safety & Security
- 2 Customer Experience Specialist – Rider Resources
- 21 Union bus operators

The FY 2025 budget reflects a \$1.4 million increase in Union Operator Wages over FY 2024 actuals due to the increase of 21 union bus operators, anticipated labor negotiated increase of 5.5% and the continuance of current overtime trends.

Anticipated union employee counts for FY 2025 are 202 bus operators and 38 vehicle and non-vehicle maintenance employees. Currently, 62% of bus operators are at the top rate.

The FY 2025 salary projections are based on 4.0% merit increases for applicable non-union staff. Merit increases were allocated based on the date of hire of each employee.

The Rider Resources call center staff and Rider Resources Manager salaries are allocated by call volume percentages through December 31, 2023. The percentages used for FY 2025 are as follows:

- 6.7% Carbon Transit
- 33.2% LANtaBus
- 60.1% LANtaVan

### **Fringe Benefits - \$16,441,686**

#### **FICA - \$1,787,714**

The FY 2025 budget includes a projection for FICA expenses, which represents the employer share and is based on the calculation of 7.65% of projected salaries and wages.

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### Pension - \$2,171,520

The projected employer pension contributions represent LANTA's minimum municipal obligations (MMO) to both pension plans, as calculated by LANTA based on actuarial firm directive. The FY 2025 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. The MMO budget projections were calculated using the actuarial evaluations for the 2024 MMO worksheet, with an adjustment of 5% to both projected payrolls for 2024.

### Union - \$1,868,370

<b>Anticipated Union 2025 MMO Calculation</b>		
<b>1 Projected W-2 payroll for 2024</b>	<b>\$</b>	<b>17,916,000</b>
<b>2 Normal Cost Percentage</b>		<b>9.64%</b>
<b>3 Total Normal Cost (Item 1 X Item 2)</b>	<b>\$</b>	<b>1,727,102</b>
<b>4 Total Amortization Requirement</b>		<b>951,624</b>
<b>5 Total Administrative Expenses</b>		<b>34,499</b>
<b>6 Total Financial Requirements</b>		<b>2,713,225</b>
<b>7 Total Member Contributions</b>	<b>\$</b>	<b>806,220</b>
<b>8 Funding Adjustment</b>		<b>0</b>
<b>9 Minimum Municipal Obligation</b>	<b>\$</b>	<b>1,907,005</b>
<b>Monthly Contribution - 1/1/2025</b>	<b>\$</b>	<b>158,917</b>
<b>Monthly Contribution - 1/1/2024</b>	<b>\$</b>	<b>152,478</b>
<b>FY 2025 ER Union Contribution</b>	<b>\$</b>	<b>1,868,370</b>

### Non-Union - \$303,150

<b>Anticipated Non-Union 2024 MMO Calculation</b>		
<b>1 W-2 payroll for 2024</b>	<b>\$</b>	<b>5,629,241</b>
<b>2 Normal Cost Percentage</b>		<b>8.28%</b>
<b>3 Total Normal Cost (Item 1 X Item 2)</b>	<b>\$</b>	<b>466,101</b>
<b>4 Total Amortization Requirement</b>		<b>23,239</b>
<b>5 Total Administrative Expenses</b>		<b>21,736</b>
<b>6 Total Financial Requirements</b>		<b>511,076</b>
<b>7 Total Member Contributions</b>	<b>\$</b>	<b>191,102</b>
<b>8 Funding Adjustment</b>		<b>-</b>
<b>9 Minimum Municipal Obligation</b>	<b>\$</b>	<b>319,974</b>
<b>Monthly Contribution - 1/1/2025</b>	<b>\$</b>	<b>26,665</b>
<b>Monthly Contribution - 1/1/2024</b>	<b>\$</b>	<b>23,860</b>
<b>FY 2025 ER Union Contribution</b>	<b>\$</b>	<b>303,150</b>

## LANtaBus FY 2025 Draft Operating Budget

### Non-Union 457 ER Match - \$42,108

This amount represents the anticipated total employer contribution to employees IRC 457(b) plans who are covered by the Non-Union Pension Plan Alternative B.

### Medical Insurance - \$8,004,227

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 LANTA's benefit broker, BSI, based on actuarial projection of a worst-case scenario less employee contributions and guaranteed rebates. The amount budgeted in FY 2025 represents an 18.4% increase from anticipated FY 2024 actuals, an increase of \$1.25M.

<b>FY25 Healthcare Costs</b>	
Medical Claims	\$ 5,714,951
Prescription Claims	2,067,885
Dental	126,709
Vision	18,795
Administration Costs	807,602
Projected HealthCare Costs	<b>\$ 8,735,942</b>
Less Rebates	(544,980)
Less Employee Contributions	(186,735)
<b>Finalized Net Healthcare Costs</b>	<b>\$ 8,004,227</b>

### Life Insurance - \$90,998

The FY 2025 budget amount was provided by LANTA's benefit broker, BSI, and is based on current premiums for this coverage, plus increases for associated wage adjustments and monthly premium charges. FY 2025 is budgeted at FY 2024 rate.

### Short-Term Disability Insurance - \$368,907

The FY 2025 budget amount was provided by LANTA's benefit broker, BSI, and is based on current premiums for this coverage, plus increases for associated wage adjustments and monthly premium charges. FY 2025 reflects an increase of 17.8% over FY 2024 anticipated actuals.

## LANtaBus FY 2025 Draft Operating Budget

### Long-Term Disability Insurance - \$7,653

The FY 2025 budget amount was provided by LANTA's benefit broker, BSI, and is based on current premiums for this coverage, plus increases for associated wage adjustments and monthly premium charges. FY 2025 is budgeted at FY 2024 rate and aligns with FY 2024 anticipated actuals.

### Workers' Compensation Insurance - \$1,128,177

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. Per SAFTI, the increase in cost is primarily due to LANTA's experience modification worsening from 1.074 to 1.331. The 2024-25 experience mod results from increased LANTA losses during the 2020-2023 years used in the calculation.

### Sick Leave, Holiday, Vacation and Other Paid Absences - \$2,657,130

These benefits are budgeted for FY 2025 based on the provisions of the current CBA and Non-Union Employees Staff Handbook. Staff covered under the CBA are given sick time as noted in the CBA and reflected in the provided numbers. Sick and vacation time for all union employees is accrued and budgeted based on the CBA as union employees are paid out for all unused sick and vacation time. Sick and vacation time for non-union employees is accrued and budgeted under the assumption that non-union staff will take all allotted PTO for the calendar year. Earnings paid under sick, vacation, holiday or other paid absences are deducted from the labor line item as to not duplicate earnings.

### Tool and Uniform Allowance - \$132,252

The budget assumes no increase to operator uniform allowances and maintenance tool allowances determined by the current CBA. This line item is subject to change due to active CBA negotiations.

### Fringe Benefits – Other - \$15,000

This line item includes for employee reimbursement of employment required expenses, such as CDL reimbursements and DOT physicals.

### Fringe Benefit Distribution – (\$1,084,059)

This category includes all benefits allocated to Carbon Transit and LANTaVan.

- Carbon Transit \$279,846
- LANTaVan \$804,213



## LANtaBus FY 2025 Draft Operating Budget

### **Outside Services - \$2,738,842**

The FY 2025 budget includes Professional, Technical, Contracted Maintenance Services and Other Services. The FY 2025 budget is projected to decrease 12.6% or \$395,120 from FY 2024 anticipated actuals.

### **Professional & Technical Services - \$639,225**

The FY 2025 budget reflects an increase of 31.3% over FY 2024 anticipated actuals. The net increase can be attributed to an increase in specific services due to contractual rate increases and/or increase in demand.

This category includes the following third-party services:

- Auditing - \$12,236, 32% of FY 2025 audit fee of \$38K.
- Advertising - \$87K, Due to anticipated advertising of new fare collection platform.
- Banking - \$48,500, Service charges for all LANTA accounts with Fulton Financial. No increase for FY 2025.
- Certification - \$45K, Cognitive and physical assessments completed by GoodWill. An increase of 13.2% above FY 2024 anticipated actuals.
- Computer - \$161,173, LANTA's allocation of Syncretic contract.
- Courier - \$36K, Armored car services, a decrease of 7.71%
- Labor Negotiation Services - \$10K; FY 2025 sees anticipated costs due to pending litigations.
- Legal - \$36,840, Anticipated increase of 24.21% over FY 2024 anticipated actuals.
- Management - \$7,476, Fees associated with the management of FSA plan.
- Online Sales - \$82,500, Fees for the online transactions; increase of 5.1% over FY 2024 anticipated actuals due to new fare collection platform being launched early calendar year of 2025.
- Payroll Processing - \$72,500, iSolved payroll processing fees as well as W-2 and ACA processing.
- Personnel Screenings - \$25K, Screenings applicable to all new hires and random testing of CDL holders. FY 2025 sees a decrease of 26.2% when compared to FY 2024 actuals.
- Temporary Help - \$15,000, Fees for the potential need of contracted work

## LANtaBus FY 2025 Draft Operating Budget

### Contracted Maintenance Services - \$714,344

The Director of Fleet Maintenance provided the figures for third party fleet maintenance services. The Director anticipates a decrease of approximately 30.9% in this area when compared to FY 2024 actuals. The overall decrease can be attributed to bus maintenance repair work conducted in-house rather than by an on-site third-party vendor. Additional areas anticipating decreases in funding in the upcoming fiscal year are:

- Office Equipment Maintenance and Repairs – decrease of 24.3%
- Radio Maintenance and Repairs – decrease of 6%
- Service Vehicles Maintenance and Repairs – decrease of 47.4%

Areas requiring an increase in funding are:

- Security Services – Non-Patrol - +62.5%
- Building Maintenance and Repairs - +63.2%

This area is expected to increase 13.5%, collectively. The increase of \$85K is attributed to current cost trends.

### Custodial Services - \$67,876

This section of the budget includes the janitorial costs for LANTA's Allentown and Easton locations as well as the Allentown, Bethlehem and Easton Transit Centers. FY 2025 budgeted costs are based on contractual rates and represent an increase of \$14K, 27.6% over FY 2024 actuals.

### Security Services - \$1,264,947

This section of the budget includes the patrolled security services for the Allentown, Bethlehem and Easton Transit Centers. FY 2025 budgeted costs are based on contractual rates and represent an increase of \$277,883, 28.2% over FY 2024 actuals. The increase is attributed to the 24 hours, 7 days a week service at ATC, BTC and ETC.

The Authority receives federal and state grant funding to subsidize security services.

### Other Services - \$52,450

Other Services – This section of the budget includes \$32,500 to cover costs related to acquiring professional services relating to the needs of the planning and executive departments and \$19,950 in catering services for various meetings.

**Fuel - \$2,091,988**

Projected fuel costs for FY2025 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 \$0.31 and projected cost per mile, Diesel is \$0.65. This calculation considers the addition of 13 CNG powered buses approximately 1 month into the fiscal year. The number Hybrid Diesel Electric buses will remain the same. The budget amount remains higher for Diesel in FY2025 due to a cost per gallon price increase, although the total mileage is expected to be lower because of the additional CNG buses being added to the fleet.

**Tires and Tubes - \$137,035**

Provided by the Director of Maintenance. FY 2025 budget is based on current trends and directly related to an increase in miles run per month for the upcoming fiscal year.

**Materials and Supplies - \$2,964,957**

Bus Maintenance Parts and Supplies budget for FY 2025 sees an increase of approximately \$108K overall (exclusive of VOH), due to several contributing factors. The cost of materials has increased across the board for all items purchased for bus vehicle maintenance. Inspection repairs have significantly increased due to areas of deficiency being identified throughout the current fiscal year. In addition, the level of in-house repair work has been further expanded, including more frequent exterior paint and body repair, and major mechanical defect repairs such as engine replacements, transmission replacements, cylinder head repairs and after treatment device replacements.

Total percentage increase of 13.27% or \$347K for all accounts included under the Materials and Supplies category.

**Utilities - \$942,456**

Routine utility costs for items such as Refuse Removal, Water & Sewer, Electric, Gas Heat, transit center utilities and Internet are budgeted higher than the prior year budget due to inflationary costs. The actual-to-budget change results in an increase of 11.1% or \$94K.

**Casual & Liability Insurance - \$1,406,089**

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

## LANtaBus FY 2025 Draft Operating Budget

amount is budgeted on this line item for FY 2025. Due to the advance timing of FY 2025 budget completion, SAFTI was unable to provide an estimation for the upcoming property and liability premiums. However, SAFTI's recommendation for budgeting purposes was +10-15% over current costs, with the assumption that LANTA's loss performance is not significantly better relative to other SAFTI members and current market conditions being relatively the same.

### **Taxes - \$4,296**

This budget category includes expense line items for vehicle license & registration fees and fuel recovery fees and is based on historical cost trends.

### **Purchased Transportation - \$2,684,946**

For FY 2025, an increase of 3% to the current purchased transportation rates was utilized to project the budget expense. The expense reflects the three components that affect the Purchased Transportation line item for LANtaBus. The below-mentioned items account for the anticipated and budgeted costs in this area.

#### **Carbon Transit Fixed Route - \$266,323**

This line item represents expenditures for the in-county fixed route service currently operated by TransDev, LANTA's subcontractor for Carbon Transit and LANtaVan services. FY 2025 costs are budgeted at the current contract per trip rate plus 3%.

#### **ADA Services - \$2,269,801**

For FY 2025, this line item represents the total operating costs of the ADA program less ADA client copays. This amount represents the amount paid by the LANtaBus Division to LANtaVan from Federal capital, State and Local operating funding. FY 2025 annual revenue trip projection is 33,033; with annual anticipated copayments of approximately \$140K. FY 2025 total operating costs for the ADA program are \$2,269,801.

#### **Non-ADA Services - \$108,110**

This line item represents expenditures for the LANtaFlex service. This amount is based on finance department budget statistics and anticipated TransDev contract rates for FY 2025.

#### **CER Services - \$40,712**

This line item represents the cost of the LANTA sponsored transportation for potential paratransit consumers to/from their evaluations. This amount is based on an annual projection of 1,049 certification trips.

**Miscellaneous - \$271,891**

The "Miscellaneous" line item is used to properly classify related expenditures which, under NTD reporting, cannot be included in any other expense line item.

**Employee Relations - \$70,000**

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 - \$96,192**

The budgeted amount was developed based on input from Department Directors and the Director of Administration. FY 2025 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 an increase of 23.3% when compared to FY 2024 actuals.

**Interest - \$1,200**

FY 2025 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 Senior 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 Senior Director of Finance.

**Leases - \$28,709**

FY 2025 budgeted based on current contracts in place for FY2024. Includes the rental costs for the Lehigh Valley Mall Transit Center and various office equipment. No expense was budgeted for standby CNG units.

## LANtaBus FY 2025 Draft Operating Budget

### **Subsidy - \$45,927,052**

#### **Local Subsidy - \$1,347,227**

This category includes the general operating assistance revenues received from the Counties of Lehigh and Northampton. The amount of FY 2025 funding represents a 5% increase over FY 2024, as required by Act 89.

#### **State Subsidy - \$35,792,410**

#### **Current Year - \$24,144,807**

This category includes the operating assistance funds from PennDOT to assist in paying the cost of operating transit services. The total allocation of FY 2025 funding is equivalent to FY 2024 allocation. LANTA anticipates having to utilize the total allocation of \$24,144,807 for FY 2025 to subsidize all operating costs for fixed route services of LANtaBus and Carbon Transit.

#### **Prior Year - \$11,647,603**

This category includes the operating assistance funds from PennDOT that were not used in the fiscal year provided and are carried over from prior years to be used in future years to assist in operations as needed. LANTA anticipates having to use Prior Year State Subsidy carryover in FY 2025 due to the increase in operating costs. The projected utilization is as follows:

- LANtaBus - \$11,482,135 deficit remaining after all other subsidy applied.
- LANtaVan - \$76,638 ADA deficit remaining after all other ADA subsidy applied.
- Carbon Transit - \$88,830 ADA deficit remaining after all other ADA subsidy applied.

#### **Federal Subsidy - \$8,952,883**

This category covers funds obtained from the Federal Government to assist in paying the costs of operating transit services. Formula funding for FY 2025 of \$8.1M 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 provided from the Vehicle Overhaul Program (VOH) that will subsidize the fleet maintenance program.

# LANtaBus FY 2025 Draft Operating Budget

## LANtaBus Revenue and Expense Department Detail

<b>LANtaBus</b>				
<b>June 30, 2025</b>				
	<b>Operations</b>	<b>Maintenance</b>	<b>General Administration</b>	<b>Total</b>
<b>Salaries &amp; Wages</b>	14,730,051.00	3,099,963.00	1,526,594.00	<b>\$ 19,356,608.00</b>
<b>Fringe Benefits</b>	12,228,966.00	3,214,282.00	998,438.00	<b>16,441,686.00</b>
<b>Services</b>	1,282,447.00	576,067.00	880,328.00	<b>2,738,842.00</b>
<b>Materials &amp; Supplies</b>	53,400.00	2,757,057.00	154,500.00	<b>2,964,957.00</b>
<b>Fuel</b>	2,091,988.00	-	-	<b>2,091,988.00</b>
<b>Tires and Tubes</b>	137,035.00	-	-	<b>137,035.00</b>
<b>Utilities</b>	-	-	942,456.00	<b>942,456.00</b>
<b>Insurances</b>	-	-	1,406,089.00	<b>1,406,089.00</b>
<b>Taxes</b>	-	-	4,296.00	<b>4,296.00</b>
<b>Purchased Transportation</b>	2,684,946.00	-	-	<b>2,684,946.00</b>
<b>Miscellaneous Expense</b>	31,750.00	42,886.00	197,255.00	<b>271,891.00</b>
<b>Interest Expense</b>	-	-	1,200.00	<b>1,200.00</b>
<b>Leases</b>	-	-	28,709.00	<b>28,709.00</b>
<b>Total Expenditures</b>	<b>33,240,583.00</b>	<b>9,690,255.00</b>	<b>6,139,865.00</b>	<b>\$ 49,070,703.00</b>
<b>Revenue</b>				
<b>Passenger Fares</b>	2,396,151.00			<b>2,396,151.00</b>
<b>Special Route Guarantees</b>	235,000.00			<b>235,000.00</b>
<b>Advertising Commissions</b>	512,500.00			<b>512,500.00</b>
<b>Total Revenue</b>	<b>3,143,651.00</b>	<b>-</b>	<b>-</b>	<b>\$ 3,143,651.00</b>
<b>Gross Surplus/(Deficit)</b>	<b>(30,096,932.00)</b>	<b>(9,690,255.00)</b>	<b>(6,139,865.00)</b>	<b>\$ (45,927,052.00)</b>
<b>Subsidy</b>				
<b>Tire Lease - Federal/State/Local</b>	109,628.00			<b>\$ 109,628.00</b>
<b>ADA - Federal/State/Local</b>	960,999.00			<b>960,999.00</b>
<b>Safety &amp; Security - Federal/State</b>	632,474.00			<b>632,474.00</b>
<b>Preventative Maint - Federal/State/Local</b>		6,457,124.00		<b>6,457,124.00</b>
<b>VOH - Federal/State/Local</b>		792,658.00		<b>792,658.00</b>
<b>Local Operating Assistance</b>	1,347,227.00	-	-	<b>1,347,227.00</b>
<b>State Operating Assistance - CY</b>	24,144,807.00			<b>24,144,807.00</b>
<b>State Operating Assistance - PY</b>	2,901,797.00	2,440,473.00	6,139,865.00	<b>11,482,135.00</b>
<b>Total Subsidy by Expense Class</b>	<b>30,096,932.00</b>	<b>9,690,255.00</b>	<b>6,139,865.00</b>	<b>\$ 45,927,052.00</b>
<b>Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note: Totals and percentage may not be precise due to independent rounding

### Notations

1. Annual revenue ridership projection of 4,349,063
2. Complete utilization of FY 2025 State Operating Assistance allocation
3. Utilization of \$11.4 million in prior year Act 44 reserves to subsidize remaining deficit after all available FY 2025 funding
4. Anticipated CBA wage increases of 5.5%

# LANtaBus FY 2025 Draft Operating Budget

## Budget to Budget Comparison

LANtaBus			
Income Statement Summary			
Projected Budget Fiscal Year Ending June 30, 2025			
	Projected	2024/2025 Budget Variance	
	2025	Fy2024	
	Budget	Budget	Percent
<b>Revenue</b>			
Passenger Fares	2,396,151	2,898,148	-17.3%
Special Transit Fares	235,000	220,984	6.3%
Auxiliary Transportation Revenue	512,500	487,500	5.1%
NonTransportation Revenue	-	-	0.0%
<b>Total Revenue</b>	<b>3,143,651</b>	<b>3,606,632</b>	<b>-12.8%</b>
<b>Expenses</b>			
Labor	19,356,608	17,294,999	11.9%
Fringe Benefits	16,441,686	16,823,164	-2.3%
<b>Total Labor and Fringe Benefits</b>	<b>35,798,294</b>	<b>34,118,163</b>	<b>4.9%</b>
Services	2,738,842	2,573,309	6.4%
Fuel	2,091,988	1,757,442	19.0%
Tires & Tubes	137,035	145,214	-5.6%
Materials & Supplies	2,964,957	4,175,303	-29.0%
Utilities	942,456	1,009,393	-6.6%
Casualty & Liability	1,406,089	1,390,360	1.1%
Taxes	4,296	32,551	-86.8%
Purchase of Transportation Service	2,684,946	3,222,835	-16.7%
Miscellaneous	271,891	244,279	11.3%
Interest	1,200	1,200	0.0%
Leases & Rentals	28,709	28,709	0.0%
<b>Total Expenses</b>	<b>49,070,703</b>	<b>48,698,758</b>	<b>0.8%</b>
<b>Gross Surplus (Deficit)</b>	<b>(45,927,052)</b>	<b>(45,092,126)</b>	<b>1.9%</b>
<b>Subsidy</b>			
Local Subsidy	1,347,227	1,283,072	5.0%
State Subsidy	35,626,942	22,094,195	61.3%
Federal Subsidy - VOH	792,658	1,339,113	0.0%
Federal Subsidy - ARP Competitive	-	12,544,967	-100.0%
Federal Subsidy	8,160,225	7,830,779	4.2%
<b>Total Subsidy</b>	<b>45,927,052</b>	<b>45,092,126</b>	<b>1.9%</b>
<b>Surplus (Deficit)</b>	<b>-</b>	<b>1</b>	

Note: Totals and percentage may not be precise due to independent rounding



LANtaBus FY 2025 Draft Operating Budget

***LANtaBus FY 2025 Operating Budget***

<b>LANTA - LANtaBUS DIVISION</b>			
<b>OPERATING BUDGET</b>			
<b>FISCAL YEAR ENDED JUNE 30, 2025</b>			
<b>REVENUES</b>			
	PASSENGER FARES		2,392,167
	PASSENGER FARES - FLEX		3,984
	SPECIAL TRANSIT FARES		235,000
	AUXILIARY TRANSPORTATION REVENUE		512,500
	TOTAL REVENUES		3,143,651
<b>EXPENSES</b>			
	LABOR		19,356,608
	FRINGE BENEFITS		16,441,686
	SERVICES		2,738,842
	FUEL		2,091,988
	TIRES & TUBES		137,035
	MATERIALS & SUPPLIES		2,964,957
	UTILITIES		942,456
	CASUALTY & LIABILITY COSTS		1,406,089
	TAXES		4,296
	PURCHASED TRANSPORTATION		2,684,946
	MISCELLANEOUS EXPENSES		271,891
	INTEREST EXPENSES		1,200
	LEASES & RENTALS		28,709
	TOTAL OPERATING EXPENSES		49,070,703
	NET OPERATING DEFICIT		(45,927,052)
<b>SUBSIDY</b>			
	LOCAL SUBSIDY		1,347,227
	STATE SUBSIDY - CY		24,144,807
	STATE SUBSIDY - PY		11,482,135
	FEDERAL SUBSIDY - ADA		960,999
	FEDERAL SUBSIDY - Safety & Security		632,474
	FEDERAL SUBSIDY - VOH		792,658
	FEDERAL SUBSIDY - Preventative Maintenance		6,457,124
	FEDERAL SUBSIDY - Tire Lease		109,628
	TOTAL SUBSIDY		45,927,052
	NET OPERATING DEFICIT		(0)

*Note: Totals and percentage may not be precise due to independent rounding*

## LANtaBus FY 2025 Operating Budget

*Note: Totals and percentage may not be precise due to independent rounding*

## ***LANtaVan***

### **Operating Budget Assumptions**

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To assist the preparation of the FY 2025 Annual Budget, various assumptions relating to revenues, service levels and other factors that affect costs and revenues were applied. In addition to the assumptions listed below, the annual budget was calculated to maintain the current transportation service levels within Lehigh and Northampton Counties.

#### **Service Levels – Paratransit**

Paratransit services operate Monday through Friday, 5:30 am through 11:00 pm and Sundays, 7:30 am through 6:45 pm.

The proposed budget anticipates no change in service levels for paratransit services.

#### **Ridership – Paratransit**

The proposed budget anticipates a total of annual passenger fare revenue trips of 209,952.

The FY 2025 Budget assumes that there will be no significant ridership and revenue recovery. FY 2025 ridership is budgeted at current fiscal year end projections, with no increase.

#### **Revenues**

Fare Revenue for Paratransit services continues to be a challenge area since the onset of Covid-19 pandemic. Ridership has been significantly impacted by telehealth, human service program closures and alternative in-home services.

Current year trends have seen increases to ridership across all funding sources which to date, have resulted in a net 19.4% increase overall. While we are confident that current trends will continue, the Authority has decided on a more conservative approach to ridership projection. The FY 2025 ridership is budgeted at current fiscal year end projections, with no increase.

#### **Passenger Fares**

The FY 2025 Budget assumes a decrease to the current ADA capped fare of \$4.40 to \$4.00 as of January 1, 2025.

## LANtaVan FY 2025 Draft Operating Budget

### **State Reimbursements**

The proposed budget projects a full reimbursement of 85% from the Lottery Program for Shared Ride and Persons with Disabilities (PWD) services.

### **State Special Fare Assistance**

Medical Assistance Transportation Program (MATP) Revenue equates to the total operating expenditures of the program.

### **Expenses**

#### **Salaries and Wages**

Salaries for call center staff and Rider Resources Manager are allocated by call volume percentages as of 12/31/2023. The percentages used for FY2025 are as follows:

- 6.7% Carbon Transit
- 33.2% LANtaBus
- 60.1% LANtaVan

Applicable remaining staff salaries are allocated based on an assumption of actual time worked.

The FY 2025 salary projections are based on 4.0% merit increases for applicable non-union staff. Merit increases were allocated based on the date of hire of each employee.

#### **Fringes**

A percentage of 80% of total wages is used as the basis to allocate fringe benefit costs.

#### **Purchased Transportation**

The proposed budget assumes an increase of 3% above all current purchased transportation rates.

#### **Contractual Services**

The proposed budget assumes an increase of 3% above all current contractual rates.

## LANtaVan FY 2025 Draft Operating Budget

LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY						
LANtaVAN DIVISION						
BUDGETED REVENUES						
	FISCAL YEAR	FISCAL YEAR	INCREASE/	FISCAL YEAR	INCREASE/	
	2022/23	2023/24	(DECREASE)	2024/25	(DECREASE)	
ACCOUNT	AUDITED	ESTIMATED (3)	PERCENTAGE	BUDGET	PERCENTAGE	
<b>REVENUES</b>						
PASSENGER REVENUES	466,881	498,448	6.76%	443,396	-11.04%	
LOCAL SPECIAL FARE ASSISTANCE						
LEHIGH COUNTY AAA	23,410	41,566	77.55%	40,294	-3.06%	
NORTHAMPTON COUNTY AAA	54,574	71,533	31.08%	70,643	-1.24%	
LANtaBUS CER	27,272	38,926	42.73%	40,712	4.59%	
LANtaBUS ADA	2,573,096	2,381,034	-7.46%	2,053,173	-13.77%	
STATE SPECIAL FARE ASSISTANCE						
SHARED RIDE LOTTERY	2,073,191	2,494,560	20.32%	2,580,251	3.44%	
PERSONS WITH DISABILITIES	159,663	172,466	8.02%	172,333	-0.08%	
LEHIGH COUNTY MATP	2,449,106	2,396,382	-2.15%	2,639,352	10.14%	
NORTHAMPTON COUNTY MATP	1,693,187	1,466,922	-13.36%	1,621,585	10.54%	
<b>TOTAL REVENUES</b>	<b>9,520,378</b>	<b>9,561,837</b>	<b>0.44%</b>	<b>9,661,739</b>	<b>1.04%</b>	

*Note: Totals and percentage may not be precise due to independent rounding*

## **FY 2025 Projected Revenues - \$9,661,739**

### **Passenger Revenues (GPF) - \$443,396**

Due to the lingering effects of the Covid-19 Pandemic, Passenger Fare Revenue, for both Fixed Route and Paratransit service has seen a slow return in revenue recovery. While paratransit revenue ridership has seen a 19.4% increase over the previous fiscal year as of February 29, 2024, the FY 2025 Budget assumes no increase in revenue ridership across all funding sources.

The FY 2025 Budget assumes a decrease to the current ADA capped fare of \$4.40 to \$4.00 as of January 1, 2025

GPF Copays represent the copay amounts due at the time services are rendered for the ADA, GPB, Shared Ride and PWD services. GPF Copays for FY 2025 represent 15% of the established zone fare for those clients receiving sponsored services. The projected budget includes a projection of 2,732 revenue trips for unsponsored services that would result in a 100% full fare payment from the client and/or agency.

**Local Special Fare Assistance - \$2,204,822**

Lehigh County Area Agency on Aging (AAA) - \$40,294

Lehigh County AAA has limited sponsorship for clients aged 60-64. FY 2025 Budget is based on current fiscal year end projections and assumes no increase in ridership for all consumers. The FY 2025 budget includes a total of \$3,638 for full fare consumers. The remaining \$36K in revenue projections represents the copayments made by the Lehigh County AAA on behalf of their consumers aged 65 years and older for approved trips.

Northampton County Area Agency on Aging (AAA) - \$70,643

While current year trends have seen an increase in the number of Northampton County AAA sponsorships for consumers aged 60-64, no increase in revenue ridership is projected for the upcoming fiscal year. FY 2025 budget includes a total of \$5,783 for full fare consumers. The remaining \$64K in revenue projections represents the copayments made by the Northampton County AAA on behalf of their consumers aged 65 years and older for approved trips.

LANtaBus American with Disabilities Act (ADA) - \$2,053,173

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. For FY 2025, the ADA program will have to utilize \$76,638 in Act 44 reserves to fully fund the program.

FY 2025 annual revenue trip projection is 33,033, with annual anticipated copayments of \$139,991. Total operating costs for the ADA program are \$2,269,801.

Certification Services (CER) - \$40,712

This line item represents the cost of the LANTA sponsored transportation for potential paratransit consumers to/from their evaluations. This amount is based on an annual projection of 1,049 certification trips. LANtaBus reimburses LANtaVan at the full fare rate for each certification trip.

**State Reimbursements - \$2,752,584**

Shared Ride Lottery - \$2,580,251

A 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

## LANtaVan FY 2025 Draft Operating Budget

funds reimburse the Authority the remaining 85% up to the maximum reimbursement allowed under the grant. FY 2025 budget projections include a total 86,318 revenue trips, with a projected client copay collection of \$212K and Lottery fund reimbursement of \$2,580,251.

### Persons with Disabilities (PWD) - \$172,333

A 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. FY 2025 budget projections include a total of 5,019 trips, with annual client copay collection of approximately \$30,397 and Lottery fund reimbursement of \$172,333.

### **State Special Fare Assistance - \$4,260,937**

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 total cost of operating the program. The MATP program also reimburses LANtaVan for the posted copayment for eligible consumers over 65.

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

### Lehigh County MATP - \$2,639,352

FY 2025 budget projections are for a total of 63,128 MATP trips, with a total operating costs of \$2,639,352.

### Northampton County MATP - \$1,621,585

FY 2025 budget projections are for a total of 34,340 MATP trips, with a total operating costs of \$1,621,585.

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LEHIGH & NORTHAMPTON TRANSPORTATION AUTHORITY					
LANtaVAN DIVISION					
BUDGETED EXPENSES					
		FISCAL YEAR			
	FISCAL YEAR	2023/24	INCREASE/	FISCAL YEAR	INCREASE/
	2022/23	ACTUAL (9)	(DECREASE)	2024/25	(DECREASE)
ACCOUNT	AUDITED	ESTIMATED (3)	PERCENTAGE	BUDGET	PERCENTAGE
<b>EXPENSES</b>					
SALARIES & WAGES	662,879	622,147	-6.14%	1,005,266	61.58%
FRINGE BENEFITS	559,006	410,616	-26.55%	804,213	95.86%
SERVICES	272,851	175,011	-35.86%	193,159	10.37%
MATERIALS & SUPPLIES	71,770	46,137	-35.72%	45,000	-2.46%
UTILITIES	205,474	168,307	-18.09%	185,673	10.32%
INSURANCE	13,000	13,000	0.00%	13,000	0.00%
TAXES	19,679	107,032	0.00%	97,000	100.00%
FUEL	1,034,947	1,033,907	-0.10%	1,046,096	1.18%
RENT	831,269	834,337	0.37%	871,356	4.44%
PURCHASED TRANSPORTATION	8,505,165	8,642,503	1.61%	8,925,877	3.28%
LEASES	4,088	-	-100.00%	-	0.00%
MISCELLANEOUS	82,770	16,495	-80.07%	22,700	37.62%
TOTAL EXPENSES	12,262,898	12,069,492	-1.58%	13,209,340	9.44%

*Note: Totals and percentage may not be precise due to independent rounding*

## **FY 2025 Projected Expenditures - \$13,209,340**

### **Salaries and Wages - \$1,005,266**

Salaries for the Authority's Accessibility Service Specialists, Paratransit Schedulers, Executive Director, Director of Paratransit Service, Sr. Director of Finance, Controller, Finance Specialists, Sr. Director of Service Accessibility, Manager Rider Resources, Treasury Clerks, and the Rider Resource Representatives are budgeted within this line item.

The FY 2025 salary projections are based on 4.0% merit increases for applicable non-union staff. Merit increases were allocated based on the date of hire of each employee.

The Rider Resources call center staff and Rider Resources Manager salaries are allocated by call volume percentages through December 31, 2023. The percentages used for FY 2025 are as follows:

- 6.7% Carbon Transit
- 33.2% LANtaBus
- 60.1% LANtaVan



## LANtaVan FY 2025 Draft Operating Budget

The remaining staff salaries allocated to LANtaVan are equivalent to the anticipated direct time spent performing tasks related to the LANtaVan Division.

Projected labor costs allocated to LANtaVan by department:

- Executive - \$29,249
- Finance - \$254,239
- Paratransit - \$369,977
- Rider Resources - \$339,572
- Service Accessibility - \$12,229

### **Fringe Benefits - \$804,213**

#### FICA - \$76,903

The FY 2025 budget includes a projection for FICA expenses, which is based on the calculation of 7.65% of projected salaries and wages.

#### Fringe Benefits- \$727,310

The budget includes the allocation of benefit costs to the LANtaVan Division for staff time to administer both the fixed route and paratransit programs. Fringe benefits are budgeted at 80% of total wages.

### **Outside Services - \$193,159**

The FY 2025 budget reflects an increase of 15.9% over FY 2024 anticipated actuals. The net increase can be attributed to an increase in specific services due to contractual rate increases and/or increase in demand.

This category includes the following third-party services:

- Auditing - \$22,838, LV's allocation represents 60% of the FY 2025 Audit Fee of \$38,000.
- Computer & Technical- \$115,500, LV's allocation of Syncretic contract.
- Online Sales - \$10,885, FY 2025 budget amount represents a 5.0% increase due to the increase of online transactions to replenish EcoPay accounts and ticket purchases.
- Radio Maintenance & Repairs - \$33,936, FY 2025 budget amount represents a 3.25% contractual rate increase. This line item includes the monthly cost for LANtaVan's radio system, including base station encoder and charger, and monthly

## LANtaVan FY 2025 Draft Operating Budget

radio tower rental. Also included is an estimate for necessary repair/maintenance work not covered by the service contract.

- Office Equipment Maintenance & Repairs - \$1,500 - This line item includes the costs to maintain the current office equipment in a state of good repair.
- Building Maintenance and Repairs - \$5,200, This line item includes the costs to maintain the current paratransit building occupied by Transdev, in a state of good repair.
- Janitorial Services - \$1,750, FY 2025 amount is based on contractual rate agreements. This budget line represents janitorial services provided to the Rider Resources Center located at 60 West Broad Street in Bethlehem, PA.
- Security Services - \$1,550, FY 2025 amount is based on contractual rate agreements. This budget line represents non-patrol security services provided to the Rider Resources Center located at 60 West Broad Street in Bethlehem, PA.

### **Materials and Supplies - \$45,000**

#### **Office Supplies - \$32,500**

Projected costs for routine purchases of office and computer supplies, LANtaVan tickets and reprinting of LANtaVan applications, brochures, and other LANtaVan literature.

#### **Postage - \$12,500**

Projected costs are for mailings exclusive to LANtaVan activities.

The postage received on each online ticket purchase offsets the costs of this line item at a rate of \$1.50 per transaction.

### **Utilities - \$185,673**

FY 2025 budget shows an overall increase of 18%, an amount of approximately \$28K over FY 2024 anticipated year end projections. Costs are budgeted for electric and heating of the paratransit facility as well as telephone, IVR system calls for Ecolane, modem lines for the paratransit scheduling software system and cellular data usage fees for Ecolane.

- IVR - \$13,000, Automated call service advising clients of pickup times, low and negative prepaid balance notifications.
- Telephone - \$15,000, Telephone services at Rider Resources Center.
- Electric - \$40,000, Electrical costs at Paratransit facility.
- Heating - \$8,000, Heating costs for the Paratransit Facility.
- Water & Sewer - \$8,000, Water and sewage fees for the Paratransit Facility.

## LANtaVan FY 2025 Draft Operating Budget

- Internet Fees - \$49,069, Costs associated with the internet services for tablet usage.
- Radio/Tower Infrastructure - \$38,604, Preventative maintenance contract on LANtaVan radio equipment and cell tower.

### **Casual & Liability Insurance - \$13,000**

The budget includes the LANtaVan allocated share of costs for professional liability insurance through the SAFTI program. No increase for FY 2025 projections.

### **Taxes - \$97,000**

In accordance with NTD requirements, LANtaVan must recognize taxes paid as a separate functional category and object class.

This line item for FY 2025 represents the amount of real estate taxes paid to the City of Allentown on behalf of the paratransit facility.

### **Fuel - \$1,005,861**

Under the 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. FY 2025 amount is based on current year end projections plus a 1.18% increase.

### **Purchased Transportation - \$8,925,877**

For FY 2025, an increase of 3% to the current purchased transportation rates was utilized to project the budget expense. The expense reflects the four components of the contract, the per trip charge, per revenue hour 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 - \$8,260,280**

This line item represents expenditures for the in-county paratransit service currently operated by TransDev, LANTA's subcontractor for LANtaVan service. FY 2025 costs are budgeted at the current contract per trip rate plus 3%. This line item includes State Shared Ride, PwD, ADA and MATP transportation. The budget assumes a projection total of revenue ridership trips of 94,362.

## LANtaVan FY 2025 Draft Operating Budget

### Premium Service - \$301,772

This line item represents expenditures for the MATP premium transportation. MATP premium transportation represents medical transportation outside of Carbon County. Costs attributed to Transdev are budgeted at the current contract per trip rate plus 3%.

This line item also includes the projection of costs for those MATP premium trips provided by YourWay Taxi Service. The Authority entered into a contract with YourWay Taxi Service during FY 2024 to assist in meeting the demands of the MATP Out of County (OOC) service.

### Mileage Reimbursements - \$89,235

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. DHS has provided no indication of a return to pre-COVID mileage reimbursement rate of \$0.12 per mile. The FY 2025 budget is prepared based on an anticipated increase from the anticipated current fiscal year end actual.

### Pass-Through Service - \$62,356

LANTA subcontracts with five agencies who provide MATP transportation services to eligible consumers who require a higher level of service than is provided by LANtaVan. FY 2025 pass-through service was budgeted using FY 2024 year-end projections.

### **Leases - \$871,356**

The FY 2025 expense is associated with the annual cost of the rental agreement for the paratransit facility located at 12th street. Also included is the renting office space at the Rider Resources Center, located at 60 W. Broad Street. The cost for the Rider Resources Center rent is based on a 60.1% allocation to LANtaVan.

### **Miscellaneous - \$22,700**

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.

## LANtaVan FY 2025 Draft Operating Budget

### Dues and Subscriptions - \$17,200

Dues and Subscriptions costs are budgeted at \$17,200 for FY 2025.

### Training and Travel – \$5,500

Travel and training costs for LANtaVan staff. Projection includes costs for applicable training and PPTA conferences.

## LANtaVan FY 2025 Draft Operating Budget

### **Subsidy - \$76,638**

#### **State Subsidy**

FY 2025 budgeted amount is representative of the operating assistance funds from PennDOT to assist in paying the cost of operating transit services.

FY 2025 budget anticipates the use of \$76,638 in Act 44 reserves to fund the projected ADA deficit.

### **Contingency:**

The FY 2025 budget reflects a \$3,218,495 unfunded deficit applicable to the PennDOT Lottery sponsored Senior Shared Ride Program. For budgeting purposes, the deficit will remain unfunded for the fiscal year. Staff will be pursuing various actions to remediate the deficit in FY 2025 and future fiscal years including the use of alternative grant sources, changes to program parameters and service delivery, and fare increases.

# LANtaVan FY 2025 Draft Operating Budget

## Paratransit Revenue and Expense Detail – ADA Program

LANTA - LANTaVAN DIVISION					
OPERATING BUDGET - ADA					
FISCAL YEAR ENDED JUNE 30, 2025					
		FISCAL YEAR			
		2022/23	2023/24	INCREASE/	FISCAL YEAR
			ACTUAL (9)	(DECREASE)	2024/25
<u>REVENUES</u>	<u>AUDITED</u>	<u>ESTIMATED (3)</u>	<u>PERCENTAGE</u>	<u>BUDGET</u>	<u>PERCENTAGE</u>
PASSENGER FARES	175,182	185,551	5.92%	139,991	-24.55%
LOCAL SPECIAL FARE ASSISTANCE	2,233,804	2,202,414	-1.41%	2,053,173	-6.78%
TOTAL REVENUES	2,408,986	2,387,965	-0.87%	2,193,164	-8.16%
<u>EXPENSES</u>					
SALARIES	141,491	122,081	-13.72%	159,587	30.72%
FRINGE BENEFITS	119,319	80,573	-32.47%	127,669	58.45%
SERVICES	59,309	35,367	-40.37%	31,777	-10.15%
MATERIALS & SUPPLIES	15,319	9,207	-39.90%	7,144	-22.41%
UTILITIES	43,858	33,026	-24.70%	29,476	-10.75%
CASUALTY AND LIABILITY COSTS	2,775	2,551	-8.07%	2,064	-19.10%
TAXES	4,201	21,002	0.00%	15,399	-26.68%
FUEL	220,908	202,879	-8.16%	159,681	-21.29%
RENT	178,306	147,491	-17.28%	138,328	-6.21%
PURCHASED TRANSPORTATION	1,935,139	1,891,097	-2.28%	1,592,752	-15.78%
LEASES	-	-	#DIV/0!	-	
MISCELLANEOUS	27,653	21,311	-22.93%	5,925	-72.20%
TOTAL OPERATING EXPENSES	2,748,277	2,566,585	-6.61%	2,269,801	-11.56%
NET OPERATING DEFICIT	(339,292)	(178,620)	-47.35%	(76,638)	-57.09%
<u>SUBSIDY</u>					
STATE SUBSIDY	339,292	178,620	100.00%	76,638	-57.09%
BEGINNING FUND BALANCE	-	-	0.00%	-	0.00%
NET SURPLUS (LOSS)	-	-	0.00%	-	0.00%

Note: Totals and percentage may not be precise due to independent rounding

### Notations

1. Annual revenue ridership projection of 33,330 trips
2. No increase to ridership; FY 2024 anticipated annualized numbers
3. Reduction to the per trip ADA capped fare to \$4.00 per trip as of January 1, 2025
4. Purchased Transportation rate increases of 3%
5. Operating deficit funded by Act 44 reserves

# LANtaVan FY 2025 Draft Operating Budget

## Paratransit Revenue and Expense Detail – SSR/PWD Programs

LANTA - LANtaVAN DIVISION						
OPERATING BUDGET - SRR/PWD						
FISCAL YEAR ENDED JUNE 30, 2025						
			FISCAL YEAR			
	FISCAL YEAR	2023/24	INCREASE/	FISCAL YEAR	INCREASE/	
	2022/23	ACTUAL (9)	(DECREASE)	2024/25	(DECREASE)	
<u>REVENUES</u>	<u>AUDITED</u>	<u>ESTIMATED (3)</u>	<u>PERCENTAGE</u>	<u>BUDGET</u>	<u>PERCENTAGE</u>	
PASSENGER FARES	175,182	498,448	184.53%	303,405	-39.13%	
LOCAL SPECIAL FARE ASSISTANCE	2,233,804	75,766	-96.61%	110,937	46.42%	
STATE REIMBURSEMENTS	2,232,854	2,667,026	19.44%	2,631,372	-1.34%	
STATE SPECIAL FARE ASSISTANCE	103,996	120,690	16.05%	121,212	0.43%	
TOTAL REVENUES	4,745,835	3,361,930	-29.16%	3,166,926	-5.80%	
<u>EXPENSES</u>						
SALARIES	282,022	273,991	-2.85%	451,812	64.90%	
FRINGE BENEFITS	237,829	180,834	-23.96%	361,450	99.88%	
SERVICES	118,216	79,375	-32.86%	89,966	13.34%	
MATERIALS & SUPPLIES	30,535	20,663	-32.33%	20,225	-2.12%	
UTILITIES	87,419	74,122	-15.21%	83,450	12.58%	
CASUALTY AND LIABILITY COSTS	5,531	5,725	3.51%	5,843	2.05%	
TAXES	8,373	47,136	0.00%	43,596	-7.51%	
FUEL	440,319	455,329	3.41%	452,080	-0.71%	
PURCHASED TRANSPORTATION	3,857,154	4,244,266	10.04%	4,509,309	6.24%	
LEASES	363,775	331,020	-9.00%	391,627		
MISCELLANEOUS	46,745	47,829	2.32%	16,775	-64.93%	
TOTAL OPERATING EXPENSES	5,477,917	5,760,290	5.15%	6,426,133	11.56%	
NET OPERATING DEFICIT	(732,082)	(2,398,360)	227.61%	(3,259,206)	35.89%	
SUBSIDY						
STATE SUBSIDY	732,082	2,398,360	227.61%	-	-100.00%	
BEGINNING FUND BALANCE	-	-	0.00%	-	0.00%	
NET SURPLUS (LOSS)	-	-	0.00%	(3,259,206)	100.00%	

Note: Totals and percentage may not be precise due to independent rounding

### Notations

1. Annual revenue ridership projection of 94,362 trips
2. No increase to ridership; FY 2024 anticipated annualized numbers
3. Purchased Transportation rate increases of 3%
4. Operating deficit to remain unfunded



# LANtaVan FY 2025 Draft Operating Budget

## Paratransit Revenue and Expense Detail – MATP

LANTA - LANTaVAN DIVISION					
OPERATING BUDGET - MATP					
FISCAL YEAR ENDED JUNE 30, 2025					
		FISCAL YEAR			
		FISCAL YEAR	2023/24	INCREASE/	FISCAL YEAR
		2022/23	ACTUAL (9)	(DECREASE)	2024/25
		AUDITED	ESTIMATED (3)	PERCENTAGE	BUDGET
<b>REVENUES</b>					
	STATE SPECIAL FARE ASSISTANCE	4,142,292	3,742,614	-9.65%	4,260,936
	TOTAL REVENUES	4,142,292	3,742,614	-9.65%	4,260,936
<b>EXPENSES</b>					
	SALARIES	239,366	226,074	-5.55%	393,867
	FRINGE BENEFITS	201,857	149,209	-26.08%	315,094
	SERVICES	95,327	59,487	-37.60%	71,416
	MATERIALS & SUPPLIES	25,916	17,049	-34.21%	17,631
	UTILITIES	74,197	61,159	-17.57%	72,747
	CASUALTY AND LIABILITY COSTS	4,694	4,724	0.63%	5,093
	TAXES	7,106	38,893	0.00%	38,005
	FUEL	373,720	375,699	0.53%	394,100
	PURCHASED TRANSPORTATION	2,780,507	2,449,736	-11.90%	2,522,347
	MA REIMBURSEMENT	37,954	57,404	51.24%	89,235
	MISCELLANEOUS	-	30,050	100.00%	-
	LEASES	301,648	273,130	-9.45%	341,401
	TOTAL OPERATING EXPENSES	4,142,292	3,742,614	-9.65%	4,260,936
	NET OPERATING DEFICIT	0	0	-96.15%	-
<b>SUBSIDY</b>					
	STATE SUBSIDY	-	-	0.00%	-
	BEGINNING FUND BALANCE	-	-	0.00%	-
	NET SURPLUS (LOSS)	-	-	0.00%	-

Note: Totals and percentage may not be precise due to independent rounding

### Notations

1. Annual revenue ridership projection of 82,260 trips
2. No increase to ridership; FY 2024 anticipated annualized numbers
3. Purchased Transportation rate increases of 3%
4. No increase in per trip mileage reimbursement rate
5. Anticipated revenue equates to anticipated costs

LANtaVan FY 2025 Draft Operating Budget

**Budget to Budget Comparison**

LANtaVan				
Income Statement Summary				
Projected Budget Fiscal Year Ending June 30, 2025				
	Projected	2024/2025 Budget Variance		
	2025	2024		
	Budget	Budget		Percent
<b>Revenue</b>				
Passenger Fares	443,396	530,267		-16.4%
Non-Transportation Revenues	-	-		0.0%
Local Special Fare Assistance	2,204,822	3,021,752		-27.0%
State Reimbursements	2,752,584	2,522,996		9.1%
State Special Fare Assistance	4,260,937	4,492,889		-5.2%
				0.0%
<b>Total Revenue</b>	<b>9,661,739</b>	<b>10,567,904</b>		<b>-8.57%</b>
<b>Expenses</b>				
Labor	1,005,266	723,255		39.0%
Fringe Benefits	804,213	593,069		35.6%
<b>Total Labor and Fringe Benefits</b>	<b>1,809,479</b>	<b>1,316,324</b>		<b>37.46%</b>
Services	193,159	182,604		5.8%
Fuel	1,005,861	1,276,429		-21.2%
Materials & Supplies	45,000	40,337		11.6%
Utilities	185,673	236,587		-21.5%
Casualty & Liability	13,000	13,000		0.0%
Taxes	97,000	75,000		29.3%
Purchase of Transportation Service	8,713,643	9,446,518		-7.8%
Rent Expense	871,356	893,768		-2.5%
Miscellaneous	22,700	25,500		-11.0%
Leases & Rentals	-	2,160		-100.0%
<b>Total Expenses</b>	<b>12,956,871</b>	<b>13,508,227</b>		<b>-4.08%</b>
<b>Gross Surplus (Deficit)</b>	<b>(3,295,132)</b>	<b>(2,940,323)</b>		<b>12.07%</b>
<b>Subsidy</b>				
Local Subsidy	-	-		
State Subsidy	76,638	2,940,323		-97.4%
Federal Subsidy	-	-		
<b>Total Subsidy</b>	<b>76,638</b>	<b>2,940,323</b>		<b>-97.4%</b>
<b>Surplus (Deficit)</b>	<b>(3,218,494)</b>	<b>(0)</b>		<b>804623399.3%</b>

Note: Totals and percentage may not be precise due to independent rounding

LANtaVan FY 2025 Draft Operating Budget

***LANtaVan FY 2025 Operating Budget***

<b>LANTA - LANtaVAN DIVISION</b>			
<b>OPERATING BUDGET</b>			
<b>FISCAL YEAR ENDED JUNE 30, 2025</b>			
<u>REVENUES</u>			
	PASSENGER FARES		443,396
	AREA AGENCY ON AGING		110,937
	ADA		2,053,173
	ADA - CER		40,712
	SHARED RIDE REIMBURSEMENT		2,580,251
	PWD REIMBURSEMENT		172,333
	LEHIGH COUNTY MATP		2,639,352
	NORTHAMPTON COUNTY MATP		1,621,585
	TOTAL REVENUES		9,661,739
<u>EXPENSES</u>			
	SALARIES		1,005,266
	FRINGE BENEFITS		804,213
	SERVICES		193,159
	MATERIALS & SUPPLIES		45,000
	UTILITIES		185,673
	CASUALTY AND LIABILITY COSTS		13,000
	TAXES		97,000
	PURCHASED TRANSPORTATION - SHARED RIDE FARE STRUCTURE		8,260,280
	PURCHASED TRANSPORTATION - MA PASSTHRUS		62,356
	PURCHASED TRANSPORTATION -MA REIMB		89,235
	PURCHASED TRANSPORTATION -MA OOC		301,772
	FUEL		1,005,861
	LEASES/RENT		871,356
	DUES AND SUBSCRIPTIONS		17,200
	TRAVEL AND MEETINGS		5,500
	MISCELLANEOUS		-
	TOTAL OPERATING EXPENSES		12,956,871
EXCESS OF REVENUES OVER EXPENSES			(3,295,132)
SUBSIDY - STATE ACT 89 FUNDS ADA			76,638
NET SURPLUS (LOSS) - LIFE TO DATE			(3,218,495)

*Note: Totals and percentage may not be precise due to independent rounding*

# LANtaVan FY 2025 Draft Operating Budget

## LANtaVan FY 2025 Operating Budget

<b>LANTA - LANTaVAN DIVISION</b>						
<b>OPERATING BUDGET</b>						
<b>FISCAL YEAR ENDED JUNE 30, 2025</b>						
		FISCAL YEAR				
		FISCAL YEAR	2023/24	INCREASE/	FISCAL YEAR	INCREASE/
		2022/23	ACTUAL (9)	(DECREASE)	2024/25	(DECREASE)
<b>REVENUES</b>	<b>AUDITED</b>	<b>ESTIMATED (3)</b>	<b>PERCENTAGE</b>	<b>BUDGET</b>	<b>PERCENTAGE</b>	
PASSENGER FARES	466,881	498,448	6.76%	443,396	-11.04%	
LOCAL SPECIAL FARE ASSISTANCE	2,678,351	2,533,059	-5.42%	2,204,822	-12.96%	
STATE REIMBURSEMENTS	2,232,854	2,667,025	19.44%	2,752,584	3.21%	
STATE SPECIAL FARE ASSISTANCE	4,142,292	3,863,304	-6.74%	4,260,937	10.29%	
<b>TOTAL REVENUES</b>	<b>9,520,378</b>	<b>9,561,836</b>	<b>0.44%</b>	<b>9,661,739</b>	<b>1.04%</b>	
<b>EXPENSES</b>						
SALARIES	662,879	622,147	-6.14%	1,005,266	61.58%	
FRINGE BENEFITS	559,006	410,616	-26.55%	804,213	95.86%	
SERVICES	272,851	175,011	-35.86%	193,159	10.37%	
MATERIALS & SUPPLIES	71,770	46,137	-35.72%	45,000	-2.47%	
UTILITIES	205,474	168,307	-18.09%	185,673	10.32%	
CASUALTY AND LIABILITY COSTS	13,000	13,000	0.00%	13,000	0.00%	
TAXES	19,679	107,032	0.00%	97,000	-9.37%	
FUEL	1,034,947	1,033,907	-0.10%	1,005,861	-2.71%	
RENT	831,269	834,337	0.37%	871,356	4.44%	
PURCHASED TRANSPORTATION	8,505,165	8,642,503	1.61%	8,713,643	0.82%	
LEASES	4,088	-	-100.00%	-		
MISCELLANEOUS	82,770	16,495	-80.07%	22,700	37.62%	
<b>TOTAL OPERATING EXPENSES</b>	<b>12,262,898</b>	<b>12,069,491</b>	<b>-1.58%</b>	<b>12,956,871</b>	<b>7.35%</b>	
<b>NET OPERATING DEFICIT</b>	<b>(2,742,520)</b>	<b>(2,507,655)</b>	<b>-8.56%</b>	<b>(3,295,132)</b>	<b>31.40%</b>	
<b>SUBSIDY</b>						
STATE SUBSIDY	2,742,521	2,507,655	100.00%	76,638	-96.94%	
<b>BEGINNING FUND BALANCE</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>0.00%</b>	
<b>NET SURPLUS (LOSS)</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>(3,218,494)</b>	<b>0.00%</b>	

*Note: Totals and percentage may not be precise due to independent rounding*

## ***Carbon Transit***

### **Operating Budget Assumptions**

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To assist the preparation of the FY 2025 Annual Budget, various assumptions relating to revenues, service levels and other factors that affect costs and revenues were applied. In addition to the assumptions listed below, the annual budget was calculated to maintain the current transportation service levels within Carbon County.

#### **Service Levels – Fixed Route**

Fixed route service operates Monday, Wednesday and Friday, 8:50 am through 2:23 pm and Tuesday and Thursday, 8:50 am through 5:25 pm.

The proposed budget anticipates a return of the Fall Foliage Bus Shuttle in the fall of 2024.

#### **Service Levels – Paratransit**

Paratransit services operate Monday through Friday, 7:00 am through 5:30 pm.

The proposed budget anticipates no change in service levels for paratransit services.

#### **Ridership – Fixed Route**

The proposed budget anticipates an annual total of 7,814 fare paying passengers. The FY 2025 Budget assumes a 12.5% increase in fixed route ridership.

#### **Ridership – Paratransit**

The proposed budget anticipates a total of annual passenger fare revenue trips of 26,930. The FY 2025 Budget assumes that there will be no significant ridership and revenue recovery. FY 2025 ridership is budgeted at current fiscal year end projections, with no increase.

Ridership projections for the Area Agency on Aging reflect revenue trips for consumers 65 years and older, only.

## Carbon Transit FY 2025 Draft Operating Budget

### **Revenues**

#### **Fares**

There is no change in either the current fixed route or paratransit fare pricing structure proposed at this time.

#### **Local Special Fare Assistance**

Projected revenue is based on 85% reimbursement from Carbon County's Area Agency on Aging (AAA) for AAA sponsored trips for individuals over 65 years of age.

#### **State Reimbursements**

The proposed budget projects a full reimbursement of 85% from the Lottery Program for Shared Ride and Persons with Disabilities (PWD) services.

#### **State Special Fare Assistance**

Medical Assistance Transportation Program (MATP) Revenue equates to the total operating expenditures of the program.

### **Expenses**

#### **Salaries and Wages**

Salaries for call center staff and Rider Resources Manager are allocated by call volume percentages as of 12/31/2023. The percentages used for FY2025 are as follows:

- 6.7% Carbon Transit
- 33.2% LANtaBus
- 60.1% LANtaVan

Applicable remaining staff salaries are allocated based on an assumption of actual time worked.

#### **Fringes**

A percentage of 80% of total wages is used as the basis to allocate fringe benefit costs.

## Carbon Transit FY 2025 Draft Operating Budget

### **Purchased Transportation**

The proposed budget assumes an increase of 3% above all current purchased transportation rates.

### **Contractual Services**

The proposed budget assumes an increase of 3% above all current contractual rates.

## Carbon Transit FY 2025 Draft Operating Budget

LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY						
CARBON COUNTY DIVISION						
BUDGETED REVENUES						
		FISCAL YEAR	FISCAL YEAR			
		2022/23	2023/24	INCREASE/	FISCAL YEAR	INCREASE/
			ACTUAL (9)	(DECREASE)	2024/25	(DECREASE)
ACCOUNT		AUDITED	ESTIMATED (3)	PERCENTAGE	BUDGET	PERCENTAGE
<b>REVENUES</b>						
PASSENGER REVENUES						
GPF-COPAYS		26,858	28,637	6.62%	29,362	2.53%
GPF-FIXED ROUTE		1,799	9,988	455.20%	10,169	1.81%
LOCAL FARE ASSISTANCE						
CARBON COUNTY AAA		26,486	25,477	-3.81%	23,345	-8.37%
STATE REIMBURSEMENTS						
SHARED RIDE LOTTERY		278,972	272,012	-2.49%	273,762	0.64%
PERSONS WITH DISABILITIES		30,705	25,967	-15.43%	24,820	-4.42%
STATE SPECIAL FARE ASSISTANCE						
CARBON COUNTY MATP		1,135,899	1,110,543	-2.23%	1,385,161	24.73%
<b>TOTAL REVENUES</b>		<b>1,500,719</b>	<b>1,472,624</b>	<b>-1.87%</b>	<b>1,746,619</b>	<b>18.61%</b>

*Note: Totals and percentage may not be precise due to independent rounding*

## **FY 2025 Projected Revenues - \$1,746,619**

### **Passenger Revenues - \$46,247**

Due to the lingering effects of the Covid-19 Pandemic, Passenger Fare Revenue, for both Fixed Route and Paratransit service has seen a slow return in revenue recovery. While paratransit revenue ridership has seen a 7.9% increase over the previous fiscal year as of February 29, 2024, the FY 2025 Budget assumes no increase in revenue ridership across all funding sources.

#### **General Public Fares (GPF) Copays -\$36,078**

GPF Copays represent the copay amounts due at the time services are rendered for the ADA, GPB, Shared Ride and PWD services. GPF Copays for FY 2025 represent 15% of the established zone fare for those clients receiving sponsored services. The projected budget does not include a projection of unsponsored services that would result in a 100% full fare payment from the client.

#### **General Public Fares (GPF) Fixed Route -\$10,169**

GPF Fixed Route represents the cash fares for the fixed route transportation service plus the anticipated Fall Foliage Service in Carbon County.



**Local Special Fare Assistance - \$32,243**

Carbon County Area Agency on Aging (AAA)

AAA has eliminated sponsorship for clients aged 60-64. FY 2025 Budget is based on current fiscal year end projections and assumes a 7.9% increase in ridership for consumers aged 65 years and older. This revenue line item represents the 85% reimbursement made by AAA on behalf of their consumers for approved trips.

**State Reimbursements - \$411,964**

Shared Ride Lottery - \$318,106

Is a 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 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. FY 2025 Budget is based on a projection of 11,060 revenue trips and full 85% reimbursement from the Shared Ride Lottery Program.

Persons with Disabilities (PWD) - \$35,765

Is a paratransit service provided to eligible consumers with disabilities that are between the ages of 18 and 64 and live outside of the designated ADA service area. PWD 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. FY 2025 Budget is based on a projection of 874 revenue trips and full 85% reimbursement from the Shared Ride Lottery Program.

**State Special Fare Assistance - \$1,423,787**

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 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 and mileage reimbursement trips. Reconciliations based on cost for the various modes are prepared throughout the year and

## Carbon Transit FY 2025 Draft Operating Budget

final payment is based on the cost of operating the program. The MATP program also reimburses Carbon Transit for the posted copayment for eligible consumers over 65. The FY 2025 State Special Fare Assistance Revenue is based on the projected total operating costs of the Medical Assistance Transportation Program (MATP). Trips for MATP were based on current fiscal year end projections with a net increase of 18.2%. Total projected revenue trips for MATP for FY 2025 are 13,005. MATP revenue is based on trips provided under the Shared Ride Fare Structure, Mileage Reimbursements, MATP Pass-Through Entity and Out of County Premium service.

## Carbon Transit FY 2025 Draft Operating Budget

LEHIGH & NORTHAMPTON TRANSPORTATION AUTHORITY					
CARBON TRANSIT					
BUDGETED EXPENDITURES					
		FISCAL YEAR			
	FISCAL YEAR	2023/24	INCREASE/	FISCAL YEAR	INCREASE/
	2022/23	ACTUAL (9)	(DECREASE)	2024/25	(DECREASE)
<u>ACCOUNT</u>	<u>AUDITED</u>	<u>ESTIMATED (3)</u>	<u>PERCENTAGE</u>	<u>BUDGET</u>	<u>PERCENTAGE</u>
<b>EXPENDITURES</b>					
SALARIES & WAGES	159,160	204,135	28.26%	349,808	71.36%
FRINGE BENEFITS	138,469	134,729	-2.70%	279,846	107.71%
OUTSIDE SERVICES	24,896	24,237	-2.65%	26,226	8.21%
MATERIALS & SUPPLIES	17,826	14,546	-18.40%	19,000	30.62%
UTILITIES	32,369	21,766	-32.76%	44,135	102.77%
FUEL	206,220	212,944	3.26%	227,872	7.01%
INTEREST	-	-	0.00%	-	0.00%
PURCHASED TRANSPORTATION	1,926,966	1,857,249	-3.62%	2,030,380	9.32%
LEASES	55,633	49,126	-11.70%	53,491	8.89%
MISCELLANEOUS	207	-	-100.00%	225	100.00%
<b>TOTAL EXPENDITURES</b>	<b>2,561,746</b>	<b>2,518,732</b>	<b>-1.68%</b>	<b>3,030,983</b>	<b>20.34%</b>

*Note: Totals and percentage may not be precise due to independent rounding*

### **FY 2025 Projected Expenditures - \$3,030,983**

#### **Salaries and Wages - \$349,808**

Salaries for the Authority's Accessibility Service Specialists, Paratransit Schedulers, Executive Director, Director of Paratransit Service, Sr. Director of Finance, Controller, Finance Specialists, Sr. Director of Service Accessibility, Manager Rider Resources, Treasury Clerks, the Rider Resource Representatives are budgeted within this line item.

The FY 2025 salary projections are based on 4.0% merit increases for applicable non-union staff. Merit increases were allocated based on the date of hire of each employee.

The Rider Resources call center staff and Rider Resources Manager salaries are allocated by call volume percentages through December 31, 2023. The percentages used for FY 2025 are as follows:

- 6.7% Carbon Transit
- 33.2% LANtaBus
- 60.1% LANtaVan

The remaining staff salaries allocated to Carbon Transit are equivalent to the anticipated direct time spent performing tasks related to the Carbon Transit Division.

Projected labor costs allocated to Carbon Transit by department:

## Carbon Transit FY 2025 Draft Operating Budget

- Executive - \$9,750
- Finance - \$97,959
- Marketing - \$712
- Paratransit - \$190,516
- Planning - \$11,845
- Rider Resources - \$37,856
- Service Accessibility - \$1,085

### **Fringe Benefits - \$279,846**

#### FICA - \$26,760

The FY 2025 budget includes a projection for FICA expenses, which is based on the calculation of 7.65% of projected salaries and wages.

#### Fringe Benefits- \$253,086

The budget includes the allocation 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 80% of total wages.

### **Outside Services - \$26,226**

The FY 2025 budget reflects an increase of 7.2% over FY 2024 anticipated actuals. The net increase can be attributed to an increase in specific services due to contractual rate increases and/or increase in demand.

This category includes the following third-party services:

- Auditing - \$2,926, CT's portion represents 8% of the FY 2025 Audit Fee of \$38,000.
- Advertising - \$2,000, Anticipated costs for the advertising of Carbon Transit fixed route services and all applicable marketing ads taken on behalf of Carbon Transit in Carbon community publications.
- Banking - \$2,250, This line item includes the fees associated with banking transactions relating to Carbon Transit operations.
- Computer & Technical Services - \$17,500, The FY 2025 budget amount represents an 8% allocation of the Syncretic contract for maintaining the Authority's computer network.
- Online Sales - \$1,550, This line item includes the fees associated with online sales transactions for ticket purchases via the current online platform, Square Inc.

## Carbon Transit FY 2025 Draft Operating Budget

### **Materials and Supplies - \$19,000**

#### **Office Supplies - \$16,000**

Projected costs for routine purchases of office and computer supplies, Carbon Transit tickets and reprinting of Carbon Transit applications, brochures, and other Carbon Transit literature.

#### **Postage - \$3,000**

Projected costs for postage of Carbon Transit specific items. The postage received on each online ticket purchase offsets the costs of this line item at a rate of \$1.50 per transaction.

### **Utilities - \$44,135**

FY 2025 budget shows an overall increase of 21.7%, an amount of approximately \$8K over FY 2024 anticipated year end projections. Costs are budgeted for electric and heating of the Nesquehoning Office as well as telephone, IVR system calls for Ecolane, modem lines for the paratransit scheduling software system and cellular data usage fees for Ecolane.

- IVR - \$2,800, Automated call service advising clients of pickup times, low and negative prepaid balance notifications.
- Telephone - \$16,500, Telephone services at the Nesquehoning Office.
- Electric - \$9,000, Electrical costs at the Nesquehoning Office.
- Heating - \$4,635, Heating costs for the Nesquehoning Office.
- Water & Sewer - \$1,200, Water and sewage fees for the Nesquehoning Office.
- Internet Fees - \$10,000, Historically the internet fees were combined with telephone charges. During FY 2024, the decision was made to separate the two costs. A projection of \$10K is being used due to the anticipated increase in coverage for FY 2025.

### **Fuel - \$227,872**

Per the terms of the Purchased Transportation contract, LANTA is responsible for the fuel costs for the revenue fleet vehicles. LANTA provides Transdev with WEX fuel cards, to be used at any public gas station for fueling the vans.

## Carbon Transit FY 2025 Draft Operating Budget

### **Interest - \$0**

No expense is projected for FY 2025.

### **Purchased Transportation - \$2,030,380**

For FY 2025, an increase of 3% to the current purchased transportation rates was utilized to project the budget expense. The expense reflects the four components of the contract, the per trip charge, per revenue hour 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 - \$1,089,605**

This line item represents expenditures for the in-county paratransit service currently operated by TransDev, LANTA's subcontractor for Carbon Transit service. FY 2025 costs are budgeted at the current contract per trip rate plus 3%. This line item includes State Shared Ride, PwD, ADA and MATP transportation. The budget assumes a projection total of revenue ridership trips of 19,005.

#### **Fixed Route - \$266,323**

This line item represents expenditures for the in-county fixed route service currently operated by TransDev, LANTA's subcontractor for Carbon Transit service. FY 2025 costs are budgeted at the current contract rate per revenue hour plus 3%.

#### **Premium Service - \$646,221**

This line item represents expenditures for the MATP premium transportation. MATP premium transportation represents medical transportation outside of Carbon County. Costs are budgeted at the current contract per trip rate plus 3%.

#### **Mileage Reimbursements - \$28,231**

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. DHS has provided no indication of a return to pre-COVID mileage reimbursement rate of \$0.12 per mile. The FY 2025 budget is prepared based on an anticipated increase from the anticipated current fiscal year end actual.

## Carbon Transit FY 2025 Draft Operating Budget

### **Leases - \$53,491**

The Nesquehoning Lease has a 1.5% increase for year 3 of the lease. There is a 2% increase on the allocation of rent for the Rider Resources Center. FY 2025 also sees an increase in the percentage used to allocate Carbon Transit's portion of the Rider Resources rent.

### **Miscellaneous - \$225**

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 \$225 for FY 2025.

## Carbon Transit FY 2025 Draft Operating Budget

### **Subsidy - \$478,749**

#### **Local Subsidy - \$50,859**

FY 2025 budgeted amount represents the general operating assistance revenues received from Carbon County. The amount of FY2025 funding is equivalent to 15% of FY 2025 state operating assistance.

#### **State Subsidy - \$339,060**

FY 2025 budgeted amount represents the operating assistance funds of \$339,060 from PennDOT to assist in funding the cost of operating transit services. No increase has been projected over FY 2024 amounts as LANTA's FY 2025 allocation is unchanged in comparison to FY 2024.

#### **Other Subsidy - \$88,830**

This category includes the utilization of LANTA's state operating assistance fund reserves, Act 44, to offset the projected operating deficit under the federally mandated required ADA service. FY 2025 budget anticipates the use of \$88,830 in Act 44 reserves to fund the projected ADA deficit.

### **Contingency:**

The FY 2025 budget reflects a \$805,615 unfunded deficit applicable to the PennDOT Lottery sponsored Senior Shared Ride Program. For budgeting purposes, the deficit will remain unfunded for the fiscal year. Staff will be pursuing various actions to remediate the deficit in FY 2025 and future fiscal years including the use of alternative grant sources, changes to program parameters and service delivery, and fare increases.



## Carbon Transit FY 2025 Draft Operating Budget

### ***Fixed Route Revenue and Expense Detail***

LANTA - CARBON TRANSIT DIVISION					
OPERATING BUDGET - FIXED ROUTE					
FISCAL YEAR ENDED JUNE 30, 2025					
		FISCAL YEAR			
		2022/23	2023/24	INCREASE/	FISCAL YEAR
			ACTUAL (9)	(DECREASE)	2024/25
<b>REVENUES</b>		<b>AUDITED</b>	<b>ESTIMATED (3)</b>	<b>PERCENTAGE</b>	<b>BUDGET</b>
PASSENGER FARES		1,799	9,988	455.19%	10,169
TOTAL REVENUES		1,799	9,988	455.19%	10,169
<b>EXPENSES</b>					
SALARIES		7,570	7,688	0.00%	11,845
FRINGE BENEFITS		6,586	5,075	0.00%	9,476
SERVICES		903	342	-62.13%	2,326
MATERIALS & SUPPLIES		-	-	0.00%	-
UTILITIES		303	105	-65.31%	1,240
FUEL		2,062	1,983	-3.84%	6,836
CASUALTY AND LIABILITY COSTS		-	-	0.00%	-
INTEREST		-	-	0.00%	-
PURCHASED TRANSPORTATION		223,162	246,799	10.59%	266,323
LEASES		556	450	-19.11%	1,605
MISCELLANEOUS		-	-	0.00%	-
TOTAL OPERATING EXPENSES		241,142	262,441	8.83%	299,651
EXCESS OF REVENUES OVER EXPENSES		(239,342)	(252,453)	5.48%	(289,482)
LOCAL SUBSIDY		46,943	49,760	6.00%	50,859
STATE SUBSIDY		192,399	202,693	5.35%	238,623
FEDERAL SUBSIDY		-	-	0.00%	-
OTHER SUBSIDY ACT 44 RESERVES		-	-	0.00%	-
TOTAL SUBSIDY		239,342	252,453		289,482
SURPLUS (DEFICIT)		-	-		-

*Note: Totals and percentage may not be precise due to independent rounding*

#### ***Notations***

1. Annual revenue ridership projection of 7,814 trips
2. 12.5% increase to ridership
3. Return of the Fall Foliage Bus Shuttle; FY 2025 revenue projection of \$7K
4. Purchased Transportation rate increases of 3%
5. Operating deficit funded by Local and State Operating Assistance

## Carbon Transit FY 2025 Draft Operating Budget

### ***Paratransit Revenue and Expense Detail – ADA Program***

LANTA - CARBON TRANSIT DIVISION					
OPERATING BUDGET - ADA					
FISCAL YEAR ENDED JUNE 30, 2025					
		FISCAL YEAR	FISCAL YEAR		
		2022/23	2023/24	INCREASE/	FISCAL YEAR
		AUDITED	ACTUAL (9)	(DECREASE)	2024/25
			ESTIMATED (3)	PERCENTAGE	BUDGET
					INCREASE/
					(DECREASE)
					PERCENTAGE
<b>REVENUES</b>					
	PASSENGER FARES	6,789	8,093	19.21%	8,124
	TOTAL REVENUES	6,789	8,093	19.21%	8,124
<b>EXPENSES</b>					
	SALARIES	13,295	20,530	0.00%	27,090
	FRINGE BENEFITS	11,567	13,550	0.00%	21,672
	SERVICES	2,111	2,583	22.39%	1,916
	MATERIALS & SUPPLIES	1,563	1,520	0.00%	1,523
	UTILITIES	2,839	2,264	-20.26%	3,538
	FUEL	18,087	22,053	21.93%	18,266
	CASUALTY AND LIABILITY COSTS	-	-	0.00%	-
	INTEREST	-	-	0.00%	-
	PURCHASED TRANSPORTATION	129,322	145,375	12.41%	119,081
	LEASES	4,879	5,087	4.25%	4,288
	MISCELLANEOUS	18	-	0.00%	18
	TOTAL OPERATING EXPENSES	183,681	212,961	15.94%	197,391
	EXCESS OF REVENUES OVER EXPENSES	(176,892)	(204,868)	15.81%	(189,267)
<b>LOCAL SUBSIDY</b>					
	LOCAL SUBSIDY	-	-	0.00%	-
	STATE SUBSIDY	166,849	129,037	-22.66%	100,437
	FEDERAL SUBSIDY	-	-	0.00%	-
	OTHER SUBSIDY ACT 44 RESERVES	10,043	75,831	0.00%	88,830
	TOTAL SUBSIDY	176,892	204,868		189,267
	SURPLUS (DEFICIT)	-	-		-

*Note: Totals and percentage may not be precise due to independent rounding*

#### **Notations**

1. Annual revenue ridership projection of 2,621 trips
2. No increase to ridership; FY 2024 anticipated annualized numbers
3. Purchased Transportation rate increases of 3%
4. Operating deficit funded by Act 44 reserves

## Carbon Transit FY 2025 Draft Operating Budget

### ***Paratransit Revenue and Expense Detail – SSR/PWD Programs***

LANTA - CARBON TRANSIT DIVISION					
OPERATING BUDGET - SSR/PWD					
FISCAL YEAR ENDED JUNE 30, 2025					
		FISCAL YEAR			
		FISCAL YEAR	2023/24	INCREASE/	FISCAL YEAR
		2022/23	ACTUAL (9)	(DECREASE)	2024/25
<b>REVENUES</b>	<b>AUDITED</b>	<b>ESTIMATED (3)</b>	<b>PERCENTAGE</b>	<b>BUDGET</b>	<b>PERCENTAGE</b>
PASSENGER FARES	20,069	28,637	42.69%	21,238	-25.84%
LOCAL SPECIAL FARE ASSISTANCE	26,486	25,477	-3.81%	23,345	-8.37%
STATE REIMBURSEMENTS	309,676	297,979	-3.78%	298,582	0.20%
<b>TOTAL REVENUES</b>	<b>356,231</b>	<b>352,093</b>	<b>-1.16%</b>	<b>343,165</b>	<b>-2.54%</b>
<b>EXPENSES</b>					
SALARIES	72,717	89,951	0.00%	158,989	76.75%
FRINGE BENEFITS	63,264	59,368	0.00%	127,191	114.24%
SERVICES	11,472	11,318	-1.34%	11,243	-0.66%
MATERIALS & SUPPLIES	8,551	6,660	0.00%	8,938	0.00%
UTILITIES	15,225	9,918	-34.85%	19,523	96.83%
FUEL	96,860	96,624	-0.24%	100,362	3.87%
CASUALTY AND LIABILITY COSTS	-	-	0.00%	-	0.00%
INTEREST	-	-	0.00%	-	0.00%
PURCHASED TRANSPORTATION	707,315	636,963	-9.95%	698,868	9.72%
LEASES	26,131	22,288	-14.70%	23,559	5.70%
MISCELLANEOUS	99	-	0.00%	106	0.00%
<b>TOTAL OPERATING EXPENSES</b>	<b>1,001,635</b>	<b>933,091</b>	<b>-6.84%</b>	<b>1,148,780</b>	<b>23.12%</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>(645,403)</b>	<b>(580,998)</b>	<b>-9.98%</b>	<b>(805,615)</b>	<b>38.66%</b>
LOCAL SUBSIDY	-	-	0.00%	-	0.00%
STATE SUBSIDY	-	-	0.00%	-	0.00%
FEDERAL SUBSIDY	341,550	-	-100.00%	-	0.00%
OTHER SUBSIDY ACT 44 RESERVES	303,853	904,454	197.66%	-	0.00%
<b>TOTAL SUBSIDY</b>	<b>645,403</b>	<b>904,454</b>	<b>40.14%</b>	<b>-</b>	
<b>SURPLUS (DEFICIT)</b>	<b>-</b>	<b>-</b>		<b>(805,615)</b>	

*Note: Totals and percentage may not be precise due to independent rounding*

#### **Notations**

1. Annual revenue ridership projection of 11,499 trips
2. No increase to ridership; FY 2024 anticipated annualized numbers
3. Purchased Transportation rate increases of 3%
4. Operating deficit to remain unfunded

## Carbon Transit FY 2025 Draft Operating Budget

### ***Paratransit Revenue and Expense Detail – MATP***

LANTA - CARBON TRANSIT DIVISION					
OPERATING BUDGET - MATP					
FISCAL YEAR ENDED JUNE 30, 2025					
		FISCAL YEAR			
		2023/24			
		ACTUAL (9)			
		ESTIMATED (3)			
			INCREASE/		
			(DECREASE)		
			PERCENTAGE		
				FISCAL YEAR	
				2024/25	
				BUDGET	
					INCREASE/
					(DECREASE)
					PERCENTAGE
<b>REVENUES</b>					
	STATE SPECIAL FARE ASSISTANCE	1,135,899	1,111,529	-2.15%	1,385,161
	TOTAL REVENUES	1,135,899	1,111,529	-2.15%	1,385,161
<b>EXPENSES</b>					
	SALARIES	65,578	85,967	0.00%	151,884
	FRINGE BENEFITS	57,053	56,738	0.00%	121,507
	SERVICES	10,410	10,236	-1.68%	10,741
	MATERIALS & SUPPLIES	7,712	6,365	0.00%	8,539
	UTILITIES	14,003	9,479	-32.31%	19,835
	FUEL	89,210	92,344	3.51%	102,408
	CASUALTY AND LIABILITY COSTS	-	-	0.00%	-
	INTEREST	-	-	0.00%	-
	PURCHASED TRANSPORTATION	850,264	808,680	-4.89%	917,877
	MA REIMBURSEMENT	17,512	19,432	10.97%	28,231
	LEASES	24,067	22,288	-7.39%	24,039
	MISCELLANEOUS	89	-	0.00%	101
	TOTAL OPERATING EXPENSES	1,135,898	1,111,529	-2.15%	1,385,161
	EXCESS OF REVENUES OVER EXPENSES	-	-	0.00%	-
	LOCAL SUBSIDY	-	-	0.00%	-
	STATE SUBSIDY	-	-	0.00%	-
	FEDERAL SUBSIDY	-	-	0.00%	-
	OTHER SUBSIDY ACT 44 RESERVES	-	-	0.00%	-
	TOTAL SUBSIDY	-	-		-
	SURPLUS (DEFICIT)	-	-		-

*Note: Totals and percentage may not be precise due to independent rounding*

#### Notations

1. Annual revenue ridership projection of 12,810 trips
2. No increase to ridership; FY 2024 anticipated annualized numbers
3. Purchased Transportation rate increases of 3%
4. No increase in per trip mileage reimbursement rate
5. Anticipated revenue equates to anticipated costs

# Carbon Transit FY 2025 Draft Operating Budget

## Budget to Budget Comparison

Carbon Transit				
Income Statement Summary				
Projected Budget Fiscal Year Ending June 30, 2025				
	Projected	2024/2025 Budget Variance		
	2025	2024		
	Budget	Budget		Percent
<b>Revenue</b>				
Passenger Fares	39,531	33,549		17.8%
Non-Transportation Revenues	-	-		0.0%
Local Special Fare Assistance	23,345	26,951		-13.4%
State Reimbursements	298,582	353,872		-15.6%
State Special Fare Assistance	1,385,161	1,181,812		17.2%
<b>Total Revenue</b>	<b>1,746,619</b>	<b>1,596,183</b>		<b>9.4%</b>
<b>Expenses</b>				
Labor	349,808	241,712		44.7%
Fringe Benefits	279,846	198,204		41.2%
<b>Total Labor and Fringe Benefits</b>	<b>629,654</b>	<b>439,916</b>		<b>43.1%</b>
Services	26,226	22,580		16.1%
Fuel	227,872	215,991		5.5%
Materials & Supplies	19,000	17,000		11.8%
Utilities	44,135	41,125		7.3%
Casualty & Liability	-	-		0.0%
Taxes	-	-		0.0%
Purchase of Transportation Service	2,030,380	2,022,205		0.4%
Miscellaneous	225	225		0.0%
Interest	-	-		0.0%
Leases & Rentals	53,491	49,180		8.8%
<b>Total Expenses</b>	<b>3,030,983</b>	<b>2,808,222</b>		<b>7.9%</b>
<b>Gross Surplus (Deficit)</b>	<b>(1,284,364)</b>	<b>(1,212,039)</b>		<b>6.0%</b>
<b>Subsidy</b>				
Local Subsidy	50,859	49,759		2.2%
State Subsidy	339,060	331,730		2.2%
Other Subsidy	88,830	830,550		-89.3%
<b>Total Subsidy</b>	<b>478,749</b>	<b>1,212,039</b>		<b>-60.5%</b>
<b>Surplus (Deficit)</b>	<b>(805,615)</b>	<b>0</b>		<b>0.0%</b>

Note: Totals and percentage may not be precise due to independent rounding

## Carbon Transit FY 2025 Draft Operating Budget

**Carbon Transit FY 2025 Operating Budget**

Carbon Transit				
Income Statement Summary				
Projected Budget Fiscal Year Ending June 30, 2025				
		Projected	2024/2025 Budget Variance	
		2025	2024	
		Budget	Budget	Percent
<b>Revenue</b>				
Passenger Fares		39,531	33,549	17.8%
Non-Transportation Revenues		-	-	0.0%
Local Special Fare Assistance		23,345	26,951	-13.4%
State Reimbursements		298,582	353,872	-15.6%
State Special Fare Assistance		1,385,161	1,181,812	17.2%
<b>Total Revenue</b>		<b>1,746,619</b>	<b>1,596,183</b>	<b>9.4%</b>
<b>Expenses</b>				
Labor		349,808	241,712	44.7%
Fringe Benefits		279,846	198,204	41.2%
<b>Total Labor and Fringe Benefits</b>		<b>629,654</b>	<b>439,916</b>	<b>43.1%</b>
Services		26,226	22,580	16.1%
Fuel		227,872	215,991	5.5%
Materials & Supplies		19,000	17,000	11.8%
Utilities		44,135	41,125	7.3%
Casualty & Liability		-	-	0.0%
Taxes		-	-	0.0%
Purchase of Transportation Service		2,030,380	2,022,205	0.4%
Miscellaneous		225	225	0.0%
Interest		-	-	0.0%
Leases & Rentals		53,491	49,180	8.8%
<b>Total Expenses</b>		<b>3,030,983</b>	<b>2,808,222</b>	<b>7.9%</b>
<b>Gross Surplus (Deficit)</b>		<b>(1,284,364)</b>	<b>(1,212,039)</b>	<b>6.0%</b>
<b>Subsidy</b>				
Local Subsidy		50,859	49,759	2.2%
State Subsidy		339,060	331,730	2.2%
Other Subsidy		88,830	830,550	-89.3%
<b>Total Subsidy</b>		<b>478,749</b>	<b>1,212,039</b>	<b>-60.5%</b>
<b>Surplus (Deficit)</b>		<b>(805,615)</b>	<b>0</b>	<b>0.0%</b>

Note: Totals and percentage may not be precise due to independent rounding

# Carbon Transit FY 2025 Draft Operating Budget

## Carbon Transit FY 2025 Operating Budget

LANTA - CCCT DIVISION							
OPERATING BUDGET							
FISCAL YEAR ENDED JUNE 30, 2025							
			FISCAL YEAR				
			FISCAL YEAR				
			2023/24				
			ACTUAL (9)	INCREASE/	FISCAL YEAR	INCREASE/	
				(DECREASE)	2024/25	(DECREASE)	
<u>REVENUES</u>			<u>AUDITED</u>	<u>ESTIMATED (3)</u>	<u>PERCENTAGE</u>	<u>BUDGET</u>	<u>PERCENTAGE</u>
		PASSENGER FARES	28,657	31,883	11.26%	39,531	23.99%
		NON-TRANSPORTATION REVENUES	-	-	#DIV/0!	-	0.00%
		LOCAL SPECIAL FARE ASSISTANCE	26,486	25,477	-3.81%	23,345	-8.37%
		STATE REIMBURSEMENTS	309,676	297,980	-3.78%	298,582	0.20%
		STATE SPECIAL FARE ASSISTANCE	1,135,899	1,110,542	-2.23%	1,385,161	24.73%
		TOTAL REVENUES	1,500,718	1,465,882	-2.32%	1,746,619	19.15%
<u>EXPENSES</u>							
		SALARIES	159,160	204,135	0.00%	349,808	71.36%
		FRINGE BENEFITS	138,469	134,729	0.00%	279,846	107.71%
		SERVICES	24,896	24,237	-2.65%	26,226	8.21%
		MATERIALS & SUPPLIES	17,826	14,546	-18.40%	19,000	30.62%
		UTILITIES	32,369	21,766	-32.76%	44,135	102.77%
		FUEL	206,220	212,944	3.26%	227,872	7.01%
		CASUALTY AND LIABILITY COSTS	-	-	0.00%	-	0.00%
		INTEREST	-	-	0.00%	-	0.00%
		PURCHASED TRANSPORTATION	1,926,966	1,857,249	-3.62%	2,030,380	9.32%
		LEASES	55,633	49,126	-11.70%	53,491	8.89%
		MISCELLANEOUS	207	-	-100.00%	225	100.00%
		TOTAL OPERATING EXPENSES	2,561,747	2,518,732	-1.68%	3,030,983	20.34%
EXCESS OF REVENUES OVER EXPENSES			(1,061,029)	(1,052,850)	-0.77%	(1,284,364)	21.99%
		LOCAL SUBSIDY	46,943	48,438	3.18%	50,859	5.00%
		STATE SUBSIDY	359,248	322,920	-10.11%	339,060	5.00%
		FEDERAL SUBSIDY	341,550	-	-100.00%	-	100.00%
		OTHER SUBSIDY ACT 44 RESERVES	313,288	681,492	0.00%	88,830	0.00%
		TOTAL SUBSIDY	1,061,029	1,052,850		478,749	
		SURPLUS (DEFICIT)	-	(0)		(805,615)	

Note: Totals and percentage may not be precise due to independent rounding