

FY 2009 Preliminary Budget

Presented to the
LYNX Board of Directors

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July 1, 2008



Key Budget Assumptions

- Prepare “Status Quo” budget
- Include revised “Level of Service” and timetable for implementation
- Basis of funding will be done on the Regional Model
- Funding Partners affected by Property Tax reform
- Decisions to continue service originally funded with Service Development Grants
- New Grant Programs
- No additional Fare Increase
- Maintain current level of Federal Preventive Maintenance Funding for Operating Budget
- Capital Funding Needs
- Other Cost Saving Methods



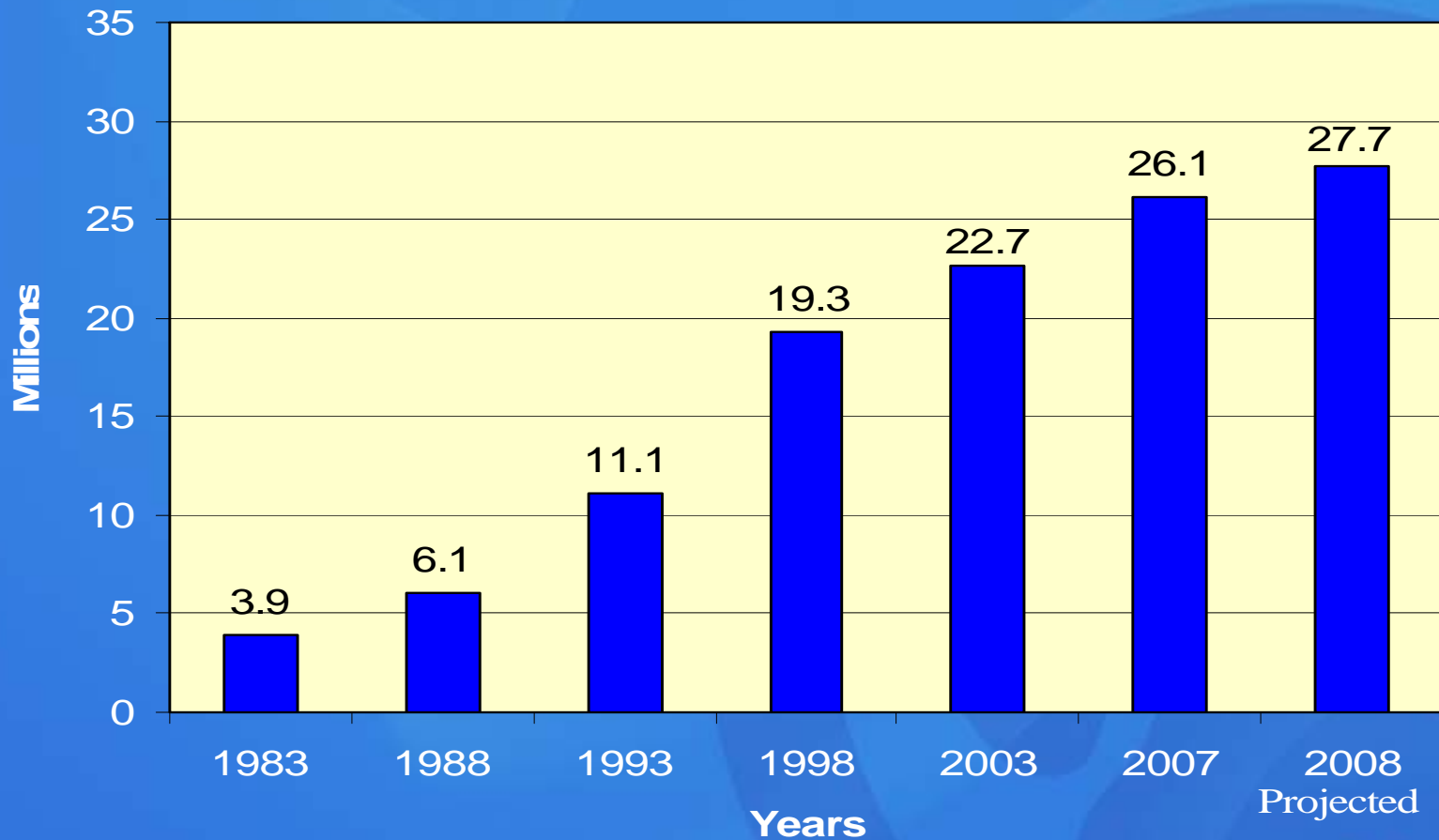
Key Budget Assumptions

- **Base Budget (Status Quo – No Increase in Head Count)**
- **Fuel**
- **Third year of Union Contract**
- **New Supervisor Union contract**
- **Full year impact of LOC**
- **Purchased Transportation Services**
- **OPEB Requirements**
- **No utilization of Reserves this year**
- **Status of Road Rangers Program**



Ridership Trends

From 1983 through 2008



Budget Overview

	<u>FY08</u>	<u>Status Quo Service FY09</u>	<u>% Change</u>
Operating Revenue	\$ 113,807,706	\$ 134,906,764	19%
Operating Expenses	113,807,706	134,906,764	19%
Operating Income/(Deficit)	-	-	0%
Capital Funding	35,947,507	27,399,700	-24%
Capital Expenditures	35,947,507	27,399,700	-24%
Capital Income/(Deficit)	-	-	0%
Total Operating Revenue & Capital Funding	149,755,213	162,306,464	8%
Total Operating Expenses & Capital Expenditures	\$ 149,755,213	\$ 162,306,464	8%
Net Financial Position	-	-	0%



FY09 Operating Revenue

(Based on Status Quo Service Levels)

	<u>FY08</u>	<u>FY09</u>	<u>% Change</u>
Fund Balance	\$ 2,564,383	\$ -	-100%
Customer Fares	20,997,590	22,627,216	8%
Contract Services	7,339,652	10,245,943	40%
Advertising on Buses	1,500,000	2,000,000	33%
Advertising - Trade	950,000	670,000	-29%
Interest & Other Income	1,497,319	571,976	-62%
Local	53,629,243	67,156,327	25%
State	11,477,217	10,093,433	-12%
Federal	13,852,302	21,541,899	56%
Total Operating Revenue	\$ 113,807,706	\$ 134,906,794	19%



FY09 Operating Expenses

(Based on Status Quo Service Levels)

	<u>FY08</u>	<u>FY09</u>	<u>% Change</u>
Salaries/Wages/Fringes	\$ 62,658,610	\$ 66,837,422	7%
Other Services	8,513,030	15,080,642	77%
Fuel	13,043,215	20,555,287	58%
Materials & Supplies	5,915,391	6,094,940	3%
Utilities	1,449,209	1,323,940	-9%
Casualty and Liability	1,413,750	1,641,700	16%
Taxes	741,924	489,289	-34%
Purchased Transportation	15,468,942	20,106,965	30%
Miscellaneous	2,415,762	2,181,924	-10%
Interest	265,952	479,655	80%
Leases*	1,921,921	115,000	-94%
Operating Reserves	-	-	0%
Subtotal	<u>113,807,706</u>	<u>134,906,764</u>	<u>19%</u>
Less: Capital Lease*	<u>(1,270,000)</u>	<u>-</u>	
Total Operating Expenses	<u>\$ 112,537,706</u>	<u>\$ 134,906,764</u>	<u>20%</u>

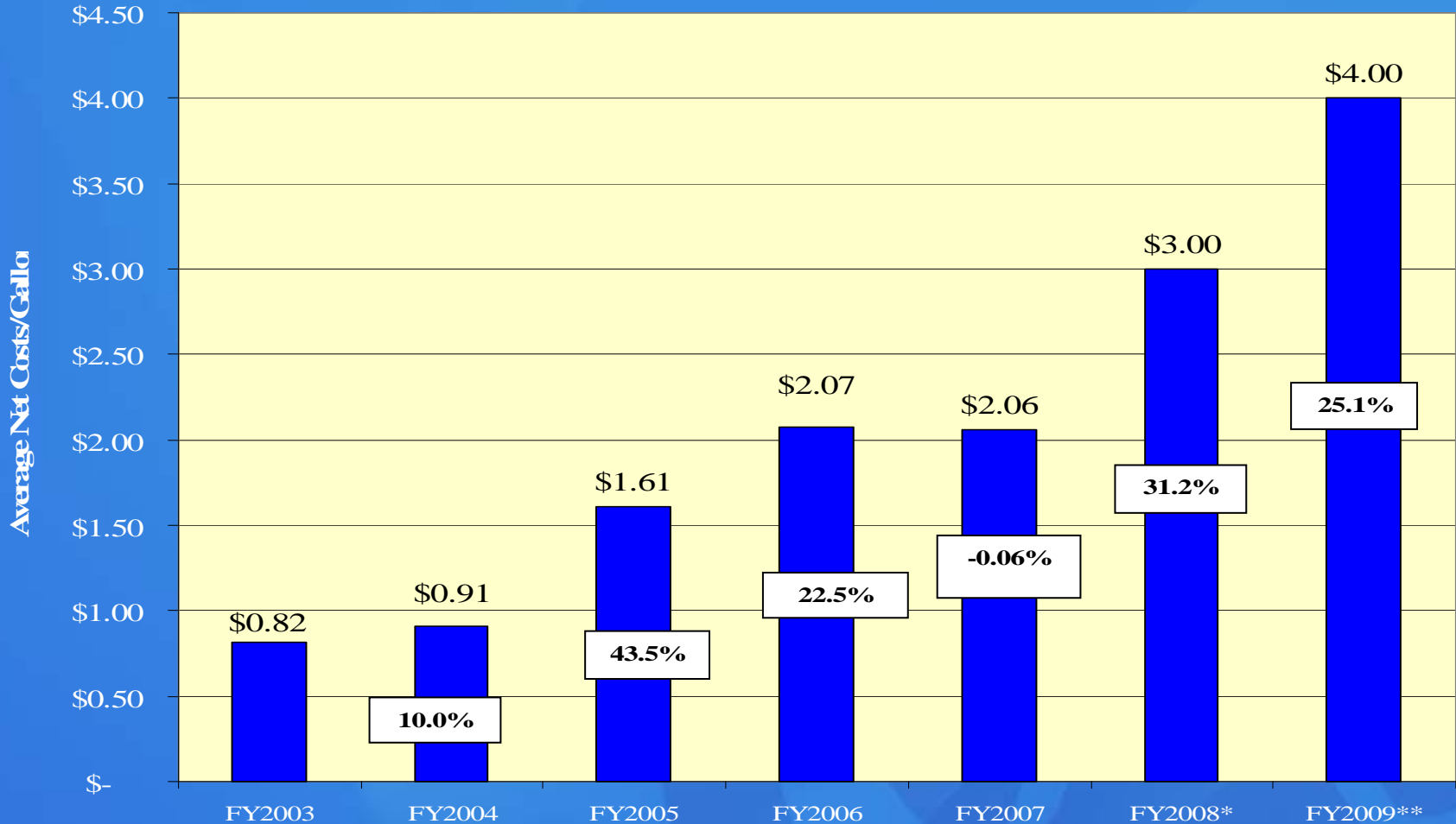


Major Impact Items

	<u>Increase in FY09</u>
• Grant Programs - Cost Neutral	\$ 9,790,907
• Union Contracts	3,489,370
• Fuel	7,512,072
• Purchased Transportation	4,638,023
• Group Health Insurance	488,497



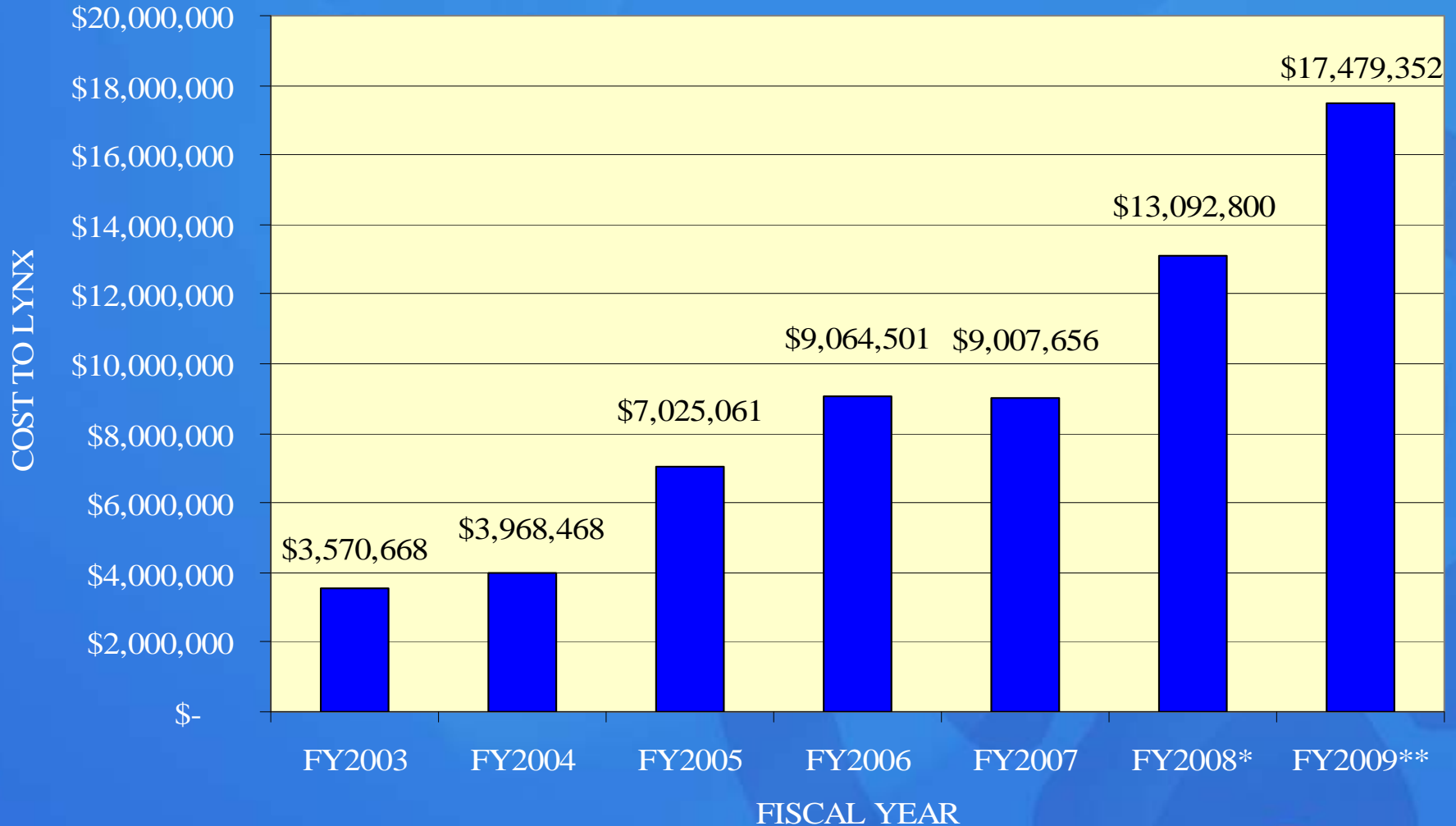
LYNX DIESEL FUEL COST TREND



**FY09 average based on recent diesel fuel market cost/gallon trends.



LYNX FUEL COST WITH SAME LEVEL OF CONSUMPTION



Fuel consumption is applied as a constant 4,369,838 gallons each year multiplied by the average annual fuel costs per gallon.

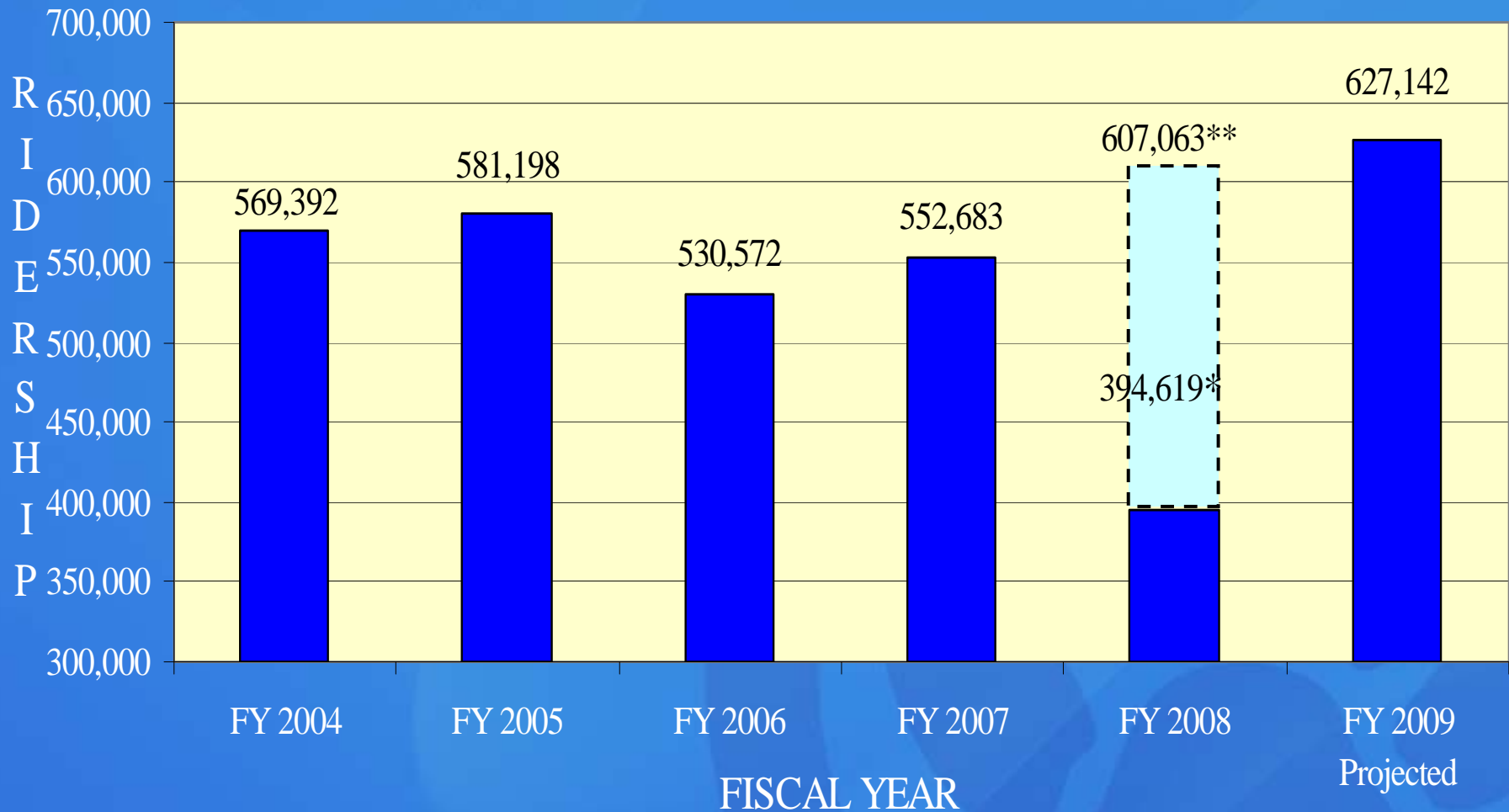


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LYNX ANNUAL PARATRANSIT RIDERSHIP



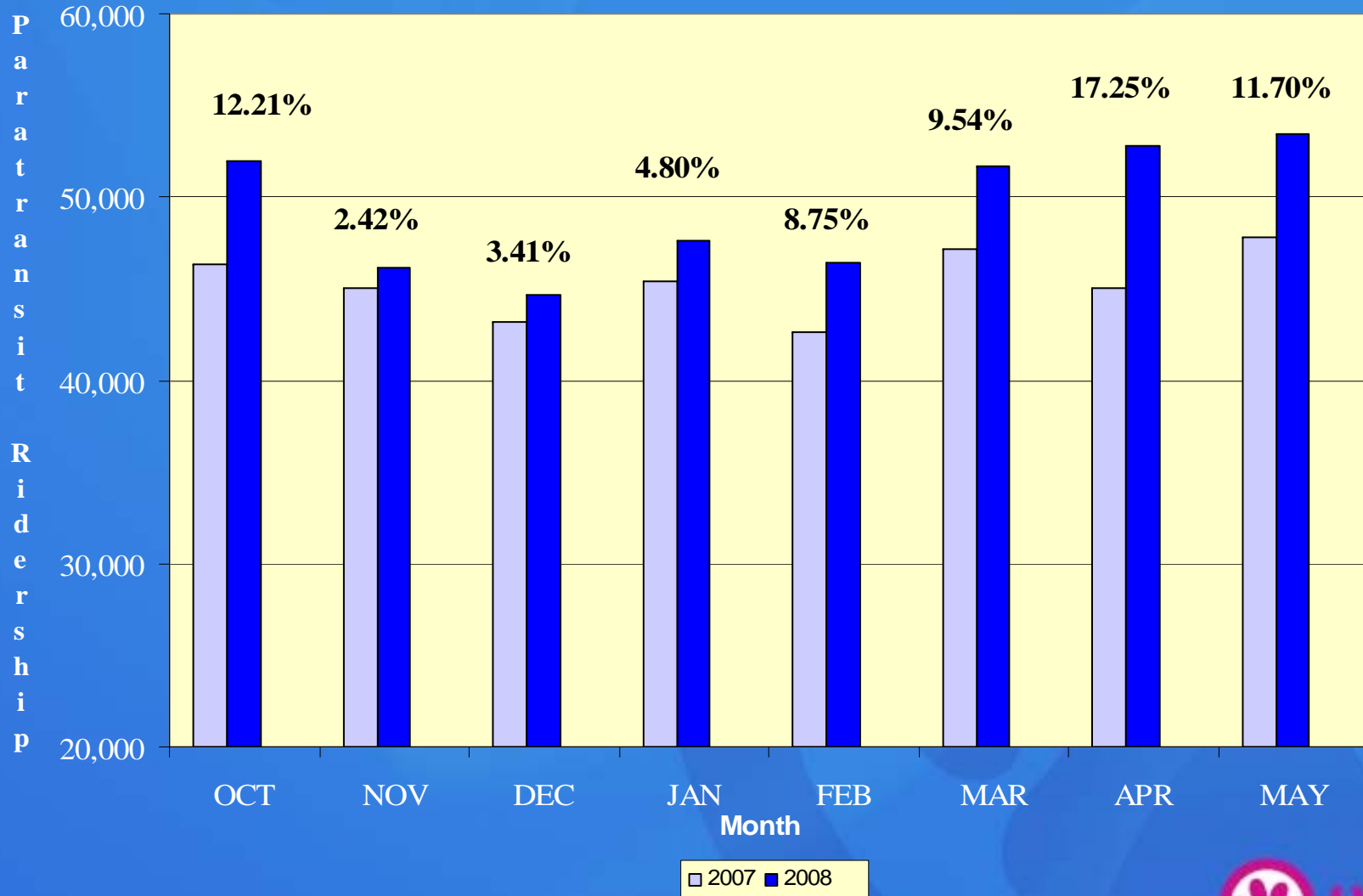
*FY08 paratransit ridership for eight months ending May 2008.

**Projected FY08 paratransit ridership for the full year.



LYNX

FY07 & FY08 MONTHLY PARATRANSIT RIDERSHIP COMPARISON



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• Grant Programs - Cost Neutral	\$ 9,790,907
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Local Revenue by Jurisdiction

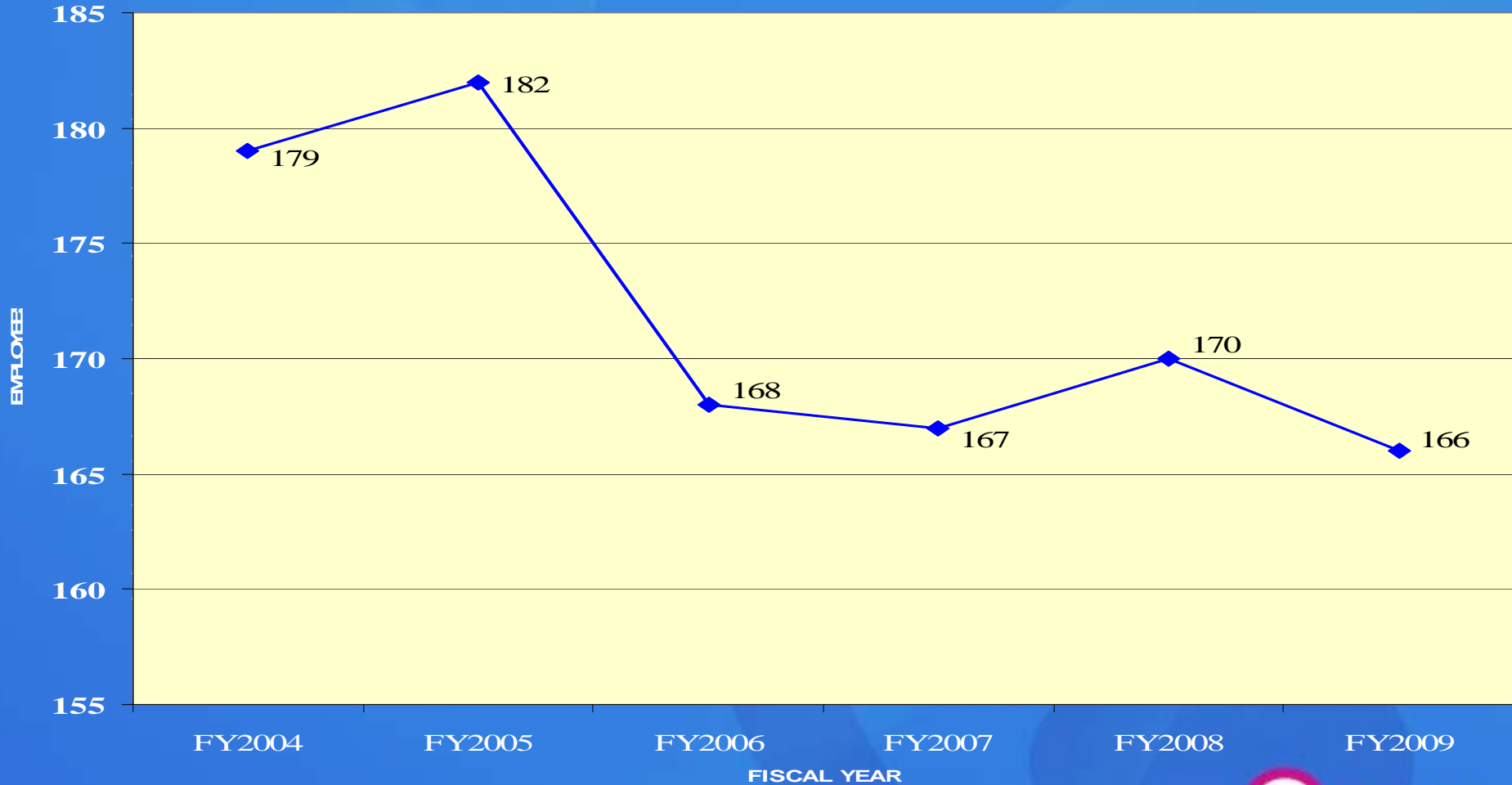
(Based on Status Quo Service Level)

	<u>FY08</u>	<u>Need for FY09</u>	<u>Proposed for FY09</u>
Orange County	\$ 37,213,542	\$ 48,672,426	\$ 37,761,235
Osceola County	4,357,800	5,523,953	4,668,704
Seminole County	4,533,565	5,546,154	5,546,154
City of Orlando	4,524,658	4,524,658	4,255,000
City of Orlando - LYMMO	1,400,000	1,300,000	1,300,000
Kissimmee	320,000	220,000	220,000
St. Cloud	174,192	174,192	174,192
Altamonte Springs	130,000	130,000	130,000
Sanford	100,000	100,000	100,000
Disney	191,650	-	-
Volusia Express	121,264	189,321	189,321
Shingle Creek	257,226	285,354	285,354
UCF/Private Sources	60,643	210,631	210,631
Lake County	244,703	279,638	279,638
Total Local Funds	<u>\$ 53,629,243</u>	<u>\$ 67,156,327</u>	<u>\$ 55,120,229</u>



Proposed Operating Expenses

LYNX ADMINISTRATIVE EMPLOYEES (NON--BARGAINING)



Possible Funding Solutions

	<u>Est. Savings</u>
• Reduce Paratransit Service from Door-to-Door to Curb-to-Curb	\$1,000,000
• Comply with ADA ¾ mile limit	\$500,000
• Additional Fare Increase	\$1,000,000
• Close South Street Operations (If 40 buses are cut from service)	\$400,000
• Additional Revenue Sources (Leasing)	\$100,000
• Further Service level Reductions (Future impact of Federal Formula Funding) (Customer Fares Decrease) (If service levels reduced 11%)	\$4,000,000
(If service levels reduced 22%)	\$8,000,000
• Increase Preventative Maintenance Funding	\$2-4,000,000



Capital Expenditures

	FY08	FY09	% Change
Transit Buses	\$ 22,158,459	\$ 12,540,938	-43%
Fixed-Route Next Bus/AVL/Real Time Signage	2,000,000	250,000	-88%
FlexBus BRT	3,979,442	-	-100%
Passenger Amenities (Bus Shelters, etc...)	1,500,000	3,937,182	162%
Support Equipment/Engines & Transmissions	2,281,585	1,828,141	-20%
Road Rangers Vehicles	194,037	-	-100%
Commuter Vans	755,497	465,000	-38%
Paratransit Vans	-	900,000	100%
Fixed-Route IVR	210,000	-	-100%
Paratransit Trip Planner	210,000	-	-100%
Fixed-Route Trip Planner	150,000	-	-100%
Facility Improvements	1,666,750	790,603	-53%
Safety & Security Initiatives	1,500,000	1,968,745	31%
Total Capital Expenditures	\$ 36,605,770	\$ 22,680,609	-38%



Capital Funding Sources

	<u>FY08</u>	<u>FY09</u>	<u>% Change</u>
Federal	\$32,377,415	\$22,137,510	-32%
State	2,301,974	-	-100%
Local	<u>1,926,381</u>	<u>543,099</u>	-72%
Total	<u><u>\$36,605,770</u></u>	<u><u>\$22,680,609</u></u>	-38%



Questions?
Comments?

