

# FY 2009 Preliminary Budget Update

Presented to the  
**LYNX Board of Directors**

August 21, 2008



# Proposed Operating Expenses

<b>Existing Service Levels</b>	\$ 134,906,764
<b>Bus Lease – Capital Portion</b>	1,005,094
<b>Additional Budget Cuts</b>	(1,149,921)
<b>Planned Service Efficiencies (Aug, Dec)</b>	(2,564,383)
<b>Adjusted Budget</b>	<u>\$ 132,197,554</u>
<b>Federal, State, &amp; Other Funding</b>	(67,750,437)
<b>Proposed Funding Partner levels</b>	(55,120,229)
<b>Ending Shortfall</b>	<u><u>\$ 9,326,888</u></u>



# 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	\$2,000,000



# Results of Osceola County

On July 23, staff made a presentation to the Osceola County Commission. The presentation highlighted the \$745,000 shortfall from the proposed funding level, calculated by the regional model, versus the amount being proposed by Osceola County.

Several options were given to Osceola County to address the shortfall such as elimination of various routes or potentially reducing service. At this time, Osceola County is still waiting to see the results of the final LYNX budget as well as the actions being taken by the other LYNX funding partners as to how to address their shortfall.



# Results of Seminole County

On July 31, staff made a presentation to the Seminole County Commission. The level of funding, calculated by the regional model, being proposed to Seminole County was approximately \$500,000 higher than anticipated. It was determined that by delaying the initial start-up of the new service on SR434 (that is being covered 50% by a service development grant) that approximately \$200,000 in savings could be generated. Service would begin in April 2009.





# Results of Seminole County (continued)

Staff is exploring other potential efficiencies on various routes in Seminole County. Staff was left with the impression that the Seminole County Commission wished to keep the same service levels and was looking for ways to identify additional funding to make up the shortfall.

The Seminole County Commission requested their staff evaluate their budget in an effort to fully fund the LYNX request.



# Results of Orange County

On July 23, staff made a presentation to the Orange County Commission. The presentation highlighted the \$8,000,000 shortfall from the proposed funding level, calculated by the regional model, versus the amount being proposed by Orange County. After considerable discussion, Orange County did offer the following two options for consideration.



# Results of Orange County (continued)

- 1.If LYNX were to approve a fare increase that could potentially generate an additional \$1,000,000 in customer fares in FY09, then Orange County would match that \$1,000,000 with an additional \$1,000,000, effective January 1, 2009.
- 2.Additionally, if LYNX could generate \$1,000,000 from new public/private partnership contributions, then Orange County would also match up to an additional \$1,000,000.

Note: There was considerable discussion concerning a one cent gas tax. However, it was the opinion of Orange County staff that, even if approved, this could not be implemented until January 1, 2010.





# Overall Budget Summary

- Still a \$9.3 million shortfall
- Options identified by Orange County
- Additional options to be addressed during Action Agenda Item

