

Capital Area Transit

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CAT

May 5, 2010

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Mr. Walt Panko, Transportation Program Manager
Pennsylvania Department of Transportation
Center for Program Development & Management
400 North Street, Sixth Floor
PO Box 3365
Harrisburg, PA 17105-3365

Fixed Route Division

Information Center
717-238-8304

Administrative Office
717-233-5657
Fax: 717-238-8307

Re: DRAFT STATEMENT – Financial Capacity Assessment, FFY 2011
Transit TIP

Share-A-Ride Division

Share-A-Ride Reservations
717-232-6100

Share-A-Ride Administration
717-232-6104
Fax: 717-232-6973

Elizabethville Share-A-Ride
717-362-3321

Dear Mr. Panko:

Pursuant to the series of emails regarding the preparation of the Financial Capacity Assessment for the FFY 2011 Transit TIP, please find attached a copy of "Table 3.2, CAT Operating Budgets for the Existing Bus System". This Table was included as a part of the FFY 2009 Transit TIP Financial Capacity Assessment. Also attached is a copy of the FY 2009-2010 Operating Budget for the Fixed Route Division.

Board of Directors

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Leonard Tintner, Esq.
Counsel

James H. Hoffer
Executive Director

After approval by the CAT Board of Directors of a FY 2010-2011 Operating Budget (June, 2010), FY 2011 Operating Budget as well as an updated Table 3.2 will be submitted.

Sincerely,


James H. Hoffer
Executive Director

JHH/bah

Attachments

cc: Diane Myers-Krug, TCRPC ✓
Bill Jones, CAT
Peggy Shaffer, CAT

TABLE 3.2
CAT Operating Budgets for the Existing Bus System
(all currency amounts are in millions)

Fiscal Year	EST	EST	EST	EST	EST	EST	EST	EST	EST	EST	EST	EST	EST	EST	EST	EST
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20		
unaudited																
TOTAL SYSTEM EXPENSES	\$ 14,625	\$ 16,431	\$ 16,924	\$ 17,432	\$ 17,955	\$ 18,493	\$ 19,048	\$ 19,620	\$ 20,208	\$ 20,814	\$ 21,439	\$ 22,082	\$ 22,744	\$ 23,427		
NON-SUBSIDY REVENUES																
Farebox Revenue (Fixed Route)	\$ 2,207	\$ 2,412	\$ 2,522	\$ 2,585	\$ 2,636	\$ 2,702	\$ 2,756	\$ 2,825	\$ 2,882	\$ 2,954	\$ 3,013	\$ 3,088	\$ 3,150	\$ 3,229		
Free Transil Fare Reimbursements	\$ 0,301	\$ 0,314	\$ 0,320	\$ 0,326	\$ 0,333	\$ 0,340	\$ 0,346	\$ 0,353	\$ 0,360	\$ 0,367	\$ 0,375	\$ 0,382	\$ 0,390	\$ 0,398		
Shared Ride Fare Reimbursements	\$ 0,545	\$ 0,627	\$ 0,646	\$ 0,665	\$ 0,706	\$ 0,727	\$ 0,749	\$ 0,771	\$ 0,795	\$ 0,818	\$ 0,843	\$ 0,866	\$ 0,894	\$ 0,921		
Other Revenue - see note (b)	\$ 3,077	\$ 2,931	\$ 3,034	\$ 3,140	\$ 3,250	\$ 3,363	\$ 3,481	\$ 3,603	\$ 3,729	\$ 3,860	\$ 4,134	\$ 4,279	\$ 4,429	\$ 4,584		
TOTAL NON-SUBSIDY REVENUE	\$ 6,130	\$ 6,278	\$ 6,465	\$ 6,846	\$ 7,038	\$ 7,250	\$ 7,454	\$ 7,679	\$ 7,896	\$ 8,134	\$ 8,365	\$ 8,618	\$ 8,863	\$ 9,131		
Non-subsidy revenues as % of total operating costs	41.9%	39.4%	39.3%	39.3%	39.2%	39.2%	39.1%	39.1%	39.1%	39.1%	39.0%	39.0%	39.0%	39.0%		
OPERATING DEFICIT	\$ 8,496	\$ 9,675	\$ 9,966	\$ 10,277	\$ 10,586	\$ 10,916	\$ 11,243	\$ 11,594	\$ 12,312	\$ 12,680	\$ 13,074	\$ 13,464	\$ 13,881	\$ 14,295		
OPERATING ASSISTANCE																
Federal CMAQ	\$ 1,472	\$ 1,228	\$ 1,638	\$ 1,952	\$ 2,013	\$ 2,074	\$ 2,138	\$ 2,202	\$ 2,271	\$ 2,339	\$ 2,411	\$ 2,483	\$ 2,560	\$ 2,637		
State	\$ 3,600	\$ 4,675	\$ 4,495	\$ 4,775	\$ 4,924	\$ 5,071	\$ 5,229	\$ 5,386	\$ 5,553	\$ 5,719	\$ 5,897	\$ 6,073	\$ 6,261	\$ 6,446		
Local	\$ 0,635	\$ 0,690	\$ 0,793	\$ 0,818	\$ 0,842	\$ 0,869	\$ 0,895	\$ 0,922	\$ 0,950	\$ 0,980	\$ 1,009	\$ 1,071	\$ 1,104	\$ 1,137		
SUBTOTAL - OPERATING ASSISTANCE	\$ 5,708	\$ 6,592	\$ 7,126	\$ 7,549	\$ 7,805	\$ 8,039	\$ 8,269	\$ 8,538	\$ 8,804	\$ 9,067	\$ 9,348	\$ 9,627	\$ 9,926	\$ 10,222		
CAPITAL ASSISTANCE FOR OPERATING EXPENSES																
Federal	\$ 2,217	\$ 2,503	\$ 2,258	\$ 2,329	\$ 2,474	\$ 2,548	\$ 2,627	\$ 2,706	\$ 2,790	\$ 2,873	\$ 2,963	\$ 3,051	\$ 3,146	\$ 3,239		
State	\$ 0,494	\$ 0,495	\$ 0,503	\$ 0,519	\$ 0,551	\$ 0,568	\$ 0,585	\$ 0,603	\$ 0,622	\$ 0,640	\$ 0,660	\$ 0,680	\$ 0,701	\$ 0,722		
Local	\$ 0,077	\$ 0,084	\$ 0,078	\$ 0,083	\$ 0,086	\$ 0,088	\$ 0,091	\$ 0,094	\$ 0,097	\$ 0,100	\$ 0,103	\$ 0,106	\$ 0,109	\$ 0,112		
SUBTOTAL CAPITAL FOR OPERATING	\$ 2,788	\$ 3,082	\$ 2,840	\$ 2,929	\$ 3,017	\$ 3,204	\$ 3,304	\$ 3,403	\$ 3,509	\$ 3,613	\$ 3,726	\$ 3,837	\$ 3,956	\$ 4,074		
TOTAL SUBSIDIES																
Total Federal	\$ 3,689	\$ 3,731	\$ 4,096	\$ 4,224	\$ 4,487	\$ 4,621	\$ 4,765	\$ 4,908	\$ 5,061	\$ 5,212	\$ 5,374	\$ 5,534	\$ 5,705	\$ 5,876		
Total State	\$ 4,094	\$ 5,170	\$ 4,998	\$ 5,154	\$ 5,309	\$ 5,475	\$ 5,639	\$ 5,809	\$ 6,175	\$ 6,360	\$ 6,557	\$ 6,753	\$ 6,962	\$ 7,170		
Total Local	\$ 0,712	\$ 0,775	\$ 0,871	\$ 0,898	\$ 0,954	\$ 0,983	\$ 1,014	\$ 1,044	\$ 1,076	\$ 1,109	\$ 1,143	\$ 1,177	\$ 1,214	\$ 1,250		
TOTAL OPERATING BUDGET SUBSIDIES	\$ 8,496	\$ 9,675	\$ 9,966	\$ 10,277	\$ 10,586	\$ 10,916	\$ 11,243	\$ 11,594	\$ 12,312	\$ 12,680	\$ 13,074	\$ 13,464	\$ 13,881	\$ 14,295		
CURRENT YEAR NET OPERATING SURPLUS (DEFICIT)	\$ -	\$ -	\$ 0,000	\$ 0,000	\$ 0,000	\$ 0,000	\$ 0,000	\$ 0,000	\$ 0,000	\$ 0,000	\$ 0,000	\$ 0,000	\$ 0,000	\$ 0,000		
Non-Financial Data																
Total Actual Vehicle Miles (millions)	3,803	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804	3,804		
Total Actual Vehicle Hours (millions)	0,252	0,253	0,253	0,253	0,253	0,253	0,253	0,253	0,253	0,253	0,253	0,253	0,253	0,253		
Fixed Route Base Adult Fare	\$ 1,50	\$ 1,50	\$ 1,55	\$ 1,60	\$ 1,60	\$ 1,65	\$ 1,65	\$ 1,70	\$ 1,70	\$ 1,75	\$ 1,75	\$ 1,80	\$ 1,80	\$ 1,80		
Total Passenger Trips (millions)	2,503	2,513	2,544	2,609	2,645	2,684	2,724	2,768	2,815	2,866	2,921	2,982	3,048	3,120		

Note (a) Figures are for Fixed Route and Demand Responsive
Note (b) Other Revenue consists primarily of contract income from paratransit services
Note (c) Forecasting Assumptions:

- *Used CAT's forecast for FY 2007-08
- *Escalated all expenses categories @ 3% annually for FY 2008-09 and beyond
- *Revenue escalated @ 2% annually for years with no fare increase
- *Revenue escalated @ 2.5% annually for years with a fare increase (every 3rd year)

CAPITAL AREA TRANSIT
FY 2009-2010 Operating Budget Proposal
 Fixed Route Division

	Fiscal Year 2006-2007 Actual	Fiscal Year 2007-2008 Actual	Fiscal Year 2008-2009 Budget	2009-2010 Projected Actual	Fiscal Year 2009-2010 Budget Proposal	Difference FY '10 from FY '09 Projection	Percentage Difference
REVENUES:							
Passenger Revenue - Harrisburg	2,370,229	2,595,421	2,704,500	2,769,709	2,797,400	27,691	1.00%
Passenger Revenue-Shippensburg RRT	78,254	110,723	99,300	100,000	100,000	0	0.00%
Passenger Fares	2,448,483	2,706,144	2,803,800	2,869,709	2,897,400	27,691	0.96%
Special Route Guarantee							
Charter Revenue	40,756	26,150	0	(160)	0	160	-
Advertising Revenue	58,705	59,584	55,300	62,894	61,800	(1,094)	-1.74%
Other Revenue	98,527	144,262	60,000	118,792	72,000	(46,792)	-39.39%
Senior Citizen Assistance	271,781	Inc.with ACT 44	Inc.with ACT 44	Inc.with ACT 44	Inc.with ACT 44	-	-
Senior Citizen - Shippensburg	3,439	Inc.with ACT 44	Inc.with ACT 44	Inc.with ACT 44	Inc.with ACT 44	-	-
Total Revenue:	2,921,691	2,936,140	2,919,100	3,051,235	3,031,200	(20,035)	-0.66%
Expenses:							
Labor - Operations	3,448,806	3,673,905	3,924,200	3,856,039	4,089,000	232,961	6.04%
Labor - Maintenance	979,441	946,866	998,200	1,013,986	1,066,300	52,314	5.16%
Labor - Other	806,699	953,565	984,400	1,135,481	1,159,500	24,019	2.12%
Fringes	3,307,340	3,502,092	3,739,000	3,499,213	3,958,400	459,187	13.12%
Services	307,674	434,725	288,000	414,478	328,500	(85,978)	-20.74%
Materials & Supplies	1,561,129	1,973,199	2,494,800	2,155,170	2,078,400	(76,770)	-3.56%
Utilities	192,124	174,606	200,000	161,707	210,000	48,293	29.86%
Casualty & Liability	287,314	207,257	264,800	115,848	234,800	118,952	102.68%
Advertising & Promotion	154,943	144,421	160,000	160,000	160,000	0	0.00%
Miscellaneous Expense	42,414	50,519	46,400	52,141	52,800	659	1.26%
Misc - WTW-FR	4,393	6,797	6,000	6,623	6,000	(623)	-9.41%
Interest Expense	10,179	44,202	21,600	33,295	33,600	305	0.92%
Leases and Rentals	3,664	2,424	6,000	5,737	8,100	2,363	41.19%
Ship - POS & Exp	175,258	181,452	206,300	180,930	190,000	9,070	5.01%
Contra - Rent - MTP	(6,264)	(6,264)	(6,300)	(6,264)	(6,300)	(36)	0.57%
Total Expenses:	11,275,114	12,289,766	13,333,400	12,784,384	13,569,100	784,716	6.14%
Deficit	(8,353,423)	(9,353,626)	(10,414,300)	(9,733,149)	(10,537,900)	(804,751)	8.27%
Anticipated Funding	8,353,423	9,353,626	10,414,300	9,733,149	10,537,900	804,751	8.27%