



LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY

DRAFT OPERATING BUDGET BY DIVISION

FISCAL YEAR 2026

INTRODUCTION

The Lehigh and Northampton Transportation Authority (LANTA) is pleased to submit for your information and consideration the Authority's FY 2026 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 \$47,848,359 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, \$9,537,966, represents 20% of the amount of funds relative to FY 2026 to subsidize the Authority's ADA, Preventative Maintenance, Tire Lease, Safety and Security, Vehicle Overhaul Labor and Parts programs. FY 2026 Budget assumes a reduction in services and staffing effective January 2026. The budget also assumes increases in union wages, effective July 1, 2025, as dictated by the Collective Bargaining Agreement, and inflationary cost increases that have impacted materials, supplies and healthcare costs.

The total amount of State subsidy, \$36,842,401, represents 77% of the amount of funds relative to FY 2026, 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 2026 anticipates the utilization of \$10,634,117 of prior year Act 44 reserves to fully subsidize the operations of LANtaBus and the operating deficit of the ADA Program for LANtaVan. Carbon Transit's budget assumes the ADA Program will be fully subsidized by co-pay revenues received in addition to Federal Formula Funds, and State and Local Operating Assistance matches.

The total amount of Local subsidy, \$1,467,992, represents 3% of the amount of funds relative to FY 2026, which is the local match requirement determined by the FY 2026 State Operating Assistance allocation.

Revenues for FY 2026 have been conservatively budgeted to take into account the implementation of the new fare collection platform, the introduction of fare-capping and service reductions. 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 expenditure through limiting discretionary spending and possible modifications in service levels.

Total LANTA revenues are projected at \$16.2M for FY 2026. FY 2026 revenues are expected to increase \$700K over projected FY 2025 actual revenues of \$15.5M, collectively. The expected increases are primarily related to anticipated increases in operating costs for the Medical Assistance Transportation Program (MATP) and ADA and moderate increases to specific revenue service agreements.

The proposed LANTA Budget for FY 2026 includes a total operating budget of \$66.8 million collectively, between LANtaBus, LANtaVan and Carbon Transit. FY 2026 budgeted expenditures are \$2.8 million over projected FY 2025 actual expenditures of \$64 million, collectively. The increase is composed primarily of higher labor, materials & supplies, security, professional services, fuel, healthcare and paratransit costs. The increased costs in labor are due to the contractual increases as dictated by the Collective Bargaining Agreement (CBA) which resulted in the majority of union employees moving to top rate due to the reduction in wage progression from 4 to 2 years. FY 2026 union payroll wage projections reflect the top rate of \$34.58 an hour for all bus operators.

LANTA's FY 2026 Operating Expenditure budget is only partially balanced with its revenues and subsidy at \$64 million, which is approximately 5% more than the previous budget year. This increase of approximately \$4M is directly related to the increase in the state operating assistance allocation for FY 2026 and an increase in MATP revenue.

For both LANtaVan and Carbon Transit, the operating deficit for the Senior Shared Ride (SSR) Program will remain unfunded for FY 2026. Due to the increasing costs of the Senior Shared Ride Program, the Authority has made the decision to not fund the operating deficit under the SSR Program. With the anticipated January 1, 2026, fare increases for both LANtaVan and Carbon County, the Authority is attempting to adopt the model of using state operating assistance to cover the fixed costs of the Shared Ride Lottery and PWD programs while the passenger copays cover the variable costs. The Authority will be looking at additional cost saving measures for the SSR and PWD Programs. The anticipated fixed route service reductions will impact paratransit riders. The ADA service will be limited, therefore resulting in a potential for more riders moving to PWD sponsorship.

BASIS OF BUDGET AND ACCOUNT STRUCTURE

The Authority's budget is prepared on a modified-accrual basis of accounting. This means that expenses are recognized as they are incurred, and revenues are recognized when received. Accounting records and financial statements are developed and maintained in accordance with generally accepted accounting standards (GAAS) meaning that the basis of budget is prepared on a modified-accrual basis of accounting as is the basis of accounting used in the Authority's audited financial statements.

To prepare the budget, the Authority uses a zero-based budgeting concept. Each year, expenses must be justified to the Executive Director, Senior Director of Finance, and the Board of Directors. Revenue projections are developed based on service levels and ridership estimates. Estimated expenses are balanced to projected revenues and subsidy.

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.

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 organization other than governments (e.g. industrial firms, public and private universities) to guarantee a minimum amount of funds on a line operated and/or to provide or maintain services to a specific area, especially for the benefit of the paying organization.

Other Special Contract Transit Fares: revenues earned under contractual arrangements with non-government entities for transit fares other than those arrangements specified in the above categories.

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.

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 in order to give agencies a better understanding of which object class under four different functions:

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

OPERATING EXPENSES

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 crew members. 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 crew members (e.g. maintenance workers, administrative staff, and transit managers).

Other Paid Absences

This includes vacation leave, sick time, and other paid time off not contingent on a specific event outside the control of the transit agency for its employees that are not classified as revenue vehicle operators or 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 does not have the requisite skills. This object class includes all costs that are part of the service agreement.

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

Some examples of Services include:

- Management Service Fees
- Advertising Fees
- Professional and Technical Services
- Temporary Help

Contract Maintenance Services
Custodial Services
Security Services
Other Services

MATERIALS AND SUPPLIES

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

Fuel Lubricants

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

Tires and Tubes

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

Other Materials and Supplies

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

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.

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 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).

DEPARTMENTAL STRUCTURE

LANTA's organizational structure is comprised of 12 departments. Six departments perform transit operations, two departments perform maintenance functions, while four departments provide administrative support to all departments and perform tasks that while benefit all departments are classified as General Administration as defined by the Federal Transit Administration and PennDot regulations.

TRANSIT OPERATIONS	MAINTENANCE	GENERAL ADMINISTRATION
OPERATIONS	FLEET VEHICLE MAINTENANCE	EXECUTIVE
PLANNING	FACILITY MAINTENANCE	FINANCE
SAFETY AND SECURITY		HUMAN RESOURCES
MARKETING		PARATRANSIT*
SERVICE SUPPORT AND PLANNING		
RIDER RESOURCES		
PARATRANSIT*		

*Paratransit is listed under TRANSIT OPERATIONS and GENERAL ADMINISTRATION due to the allocation of expenses. The only expense allocated under TRANSIT OPERATIONS for Paratransit is purchased transportation. All other expenses are allocated under GENERAL ADMINISTRATION to ensure the proper recording of inter-entity activity.

DEPARTMENTAL POSITION LISTING

DEPARTMENT	CURRENT 2025	PROJECTED 2026	VARIANCE	% VARIANCE
OPERATIONS	209.00	169.00	(40.00)	-19.1%
PLANNING	3.00	3.00	-	0.0%
SAFETY AND SECURITY	4.00	5.00	1.00	25.0%
MARKETING	2.00	2.00	-	0.0%
SERVICE SUPPORT AND PLANNING	2.00	2.00	-	0.0%
RIDER RESOURCES	18.00	18.00	-	0.0%
FLEET VEHICLE MAINTENANCE	54.50	54.50	-	0.0%
FACILITY MAINTENANCE	2.00	2.00	-	0.0%
EXECUTIVE	1.00	1.00	-	0.0%
FINANCE	7.00	8.00	1.00	14.3%
HUMAN RESOURCES	3.00	5.00	2.00	66.7%
PARATRANSIT	9.00	9.00	-	0.0%
LANTA EMPLOYEE TOTAL	314.50	278.50	(36.00)	-11.4%

The following departmental FTE changes are being made for FY2026 to align with planned sustainability measures that will be implemented in August 2025 and January 2026.

- Operations FTE count has decreased due to service reductions that will go into effect with the first phase occurring in August 2025, and the second phase occurring in January 2026.
- Safety and Security FTE count has increased due to the outstanding vacancy of the Security Coordinator. The Authority will be evaluating the need to fill this vacancy with an additional staff member or if the functions can be taken on by current staff.
- Fleet Maintenance FTE count has increased due to the outstanding vacancy of the Trainer. The Authority will be evaluating the need to fill this vacancy as the fiscal year progresses.
- Finance FTE count has increased due to the outstanding vacancy of the Revenue Specialist. The Authority will be evaluating the need to fill this vacancy as the fiscal year progresses.
- Human Resources FTE count has increased due to the outstanding vacancies of the Compliance Office and Procurement Coordinator. The Authority will be evaluating the need to fill these vacancies as the fiscal year progresses and efficiencies are made with software updates.

OPERATIONS

Functions and Responsibilities

The main function of the Operations department is to provide high quality transportation services throughout Lehigh and Northampton counties through consistent efforts of positive driver engagement and on time performance. The Operations department is tasked with the responsibility of monitoring the successful delivery of fixed route services and customer complaint investigation and resolutions.

The Operations department has the largest budget and employs the largest number of union and non-union employees.

FY 2025 ACCOMPLISHMENTS

Ultimate goal of the Operations Department is to provide the most efficient and safest trip for each passenger.

- Provided various emergency transportation services for various evacuations and other emergency situations throughout the Lehigh Valley
- Less than 95 trips have been missed through July 1, 2024, and March 31, 2025

FY 2026 PLANNED INITIATIVES

- Continue to improve upon driver well-being and safety through training initiatives
- Continue to improve our customer satisfaction by providing a reliable and safe transportation experience
- Collaborate with HR to maintain a positive and safe work environment for all transportation employees
- Collaborate with Finance to maintain consistent efforts to maintain payroll targets
- Continue to collaborate with local emergency response teams to provide emergency assistance when necessary

Key Budgetary Assumptions for Operations

- Wages for Bus Operators reflect an increase of 4.75% as determined by the Collective Bargaining Agreement (CBA).

- FY 2026 Payroll hours for bus operators reflect an assumption of anticipated FYE 2025 payroll patterns through December 31, 2025, and a decrease in payroll hours for January 2026 through June 2026, due to the anticipated reductions in service hours and headcount.
- Non-Union Operations staff salaries reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee's historical increase through December 31, 2024.
- Salary and wages reflect earnings on hours physically worked; earnings paid on Paid Time Off (PTO) categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- Operations allocation of Unemployment Claims reflect an increase as a result of the anticipated headcount reduction.
- An increase to the Employer Contribution to the Union Pension Plan has been budgeted due to the Minimum Municipality Obligation (MMO) based on the W-2 payroll for calendar year ending December 31, 2025.
- Third party services have increased by 17.8 percent due to the anticipated increase in frequency of service calls on office equipment.
- Materials and supplies have increased by 3.2 percent when compared to anticipated FYE 2025 amounts.
- Miscellaneous expenses, which are comprised of Dues and Subscriptions and Travel and Training exclusively for the Operations department, has increased 65.7 percent collectively

POSITION	PROJECTED		%	
	2025	2026	VARIANCE	VARIANCE
BUS OPERATOR	191.00	149.00	(42.00)	-22.0%
OFFICE CLERK	2.00	2.00	-	0.0%
OPERATIONS ADMIN SPECIALIST	1.00	1.00	-	0.0%
OPERATIONS SUPERVISOR	13.00	13.00	-	0.0%
SERVICE CONTROL DISPATCHER	1.00	1.00	-	0.0%
MANAGER OF OPERATIONS	2.00	2.00	-	0.0%
DIRECTOR OF OPERATIONS	1.00	1.00	-	0.0%
OPERATIONS EMPLOYEE TOTAL	211.00	169.00	(42.00)	-19.9%

FY2026 anticipates a 19.9% FTE reduction for Operations. This is a direct result of the service reductions planned for August 2025 and January 2026.

RIDER RESOURCES

Functions and Responsibilities

The Rider Resources department consists of Rider Resources Representatives and Customer Experience Specialists. The Rider Resources Center provides customer service within a Call Center setting. Rider Resources Reps provide customer service via phone by communicating with callers in a fast-paced environment, booking, scheduling trips, offering day-to-day information regarding fares/tickets, routes, scheduling information for LANtaBus, LANtaFlex, and LANtaVan services. In addition, Rider Resources Reps are responsible for documenting and tracking customer commendation, feedback and complaints.

Customer Experience Specialists are staffed at LANTA's three transit centers located in Allentown, Bethlehem and Easton. These employees offer customer service assistance to patrons who utilize LANTA's public transportation system in person. Customer Experience Specialist serves as information resource for customers needing immediate assistance at LANTA's transit centers. Responsibilities include processing applications for Free Senior Transit ID Program and Reduced Fare ID Program. Staff provide knowledgeable service information to LANtaBus, LANtaVan, LANtaFlex and Intercity Bus users. This includes general information, fares and hours of operation. The Customer Service Specialist duties incorporate the processing of ticket sales and reconciliation for LANTA and Intercity Bus service. Customer Experience Specialist help passengers navigate the LANTA website, technology and maintain LANTA public information systems including timetable distribution.

FY 2025 ACCOMPLISHMENTS

- A total of 164,574 calls have been completed as of March 31, 2025.
- Monthly call evaluations to provide feedback on CSR interactions
- Completion of various training courses offered by PennTrain and Rutgers University
 - Customer Driven Service
 - Business Writing and Excel
 - Fatigue Awareness
 - Leadership Skills for New Supervisors
- Completion of various interdepartmental trainings
 - Masabi
 - Board/Service Changes

- Valley Ride

FY 2026 PLANNED INITIATIVES

- Continue to provide an informative and positive customer service experience
- Continue training and development programs associated with technological changes, such as new Masabi platform and Valley Ride Transit App
- Continue training and development programs for personnel with emphasis on Customer Service and booking errors
- Interdepartmental training initiatives
- Weekly Progress Call Summary Report
- Emergency Telecommunications
- Travel Training
- Initiate Callback Feature – Ring Central

Key Budgetary Assumptions for Rider Resources

- Rider Resources salaries reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee’s historical increase through December 31, 2024.
- Salaries reflect earnings on hours physically worked; earnings paid on PTO categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- No increase in staffing
- Reductions in Materials and Supplies due to less manual processes
- Reductions in Travel & Training due to more online trainings and no anticipation of new staffing.

POSITION	PROJECTED		VARIANCE	%
	2025	2026		
RIDER RESOURCES REPRESENTATIVE	12.00	12.00	-	0.0%
CUSTOMER EXPERIENCE SPECIALIST	3.00	3.00	-	0.0%
RIDER RESOURCES TEAM LEAD	1.00	1.00	-	0.0%
RIDER RESOURCES SUPERVISOR	1.00	1.00	-	0.0%
SENIOR DIRECTOR OF SERVICE ACCESSIBILITY	1.00	1.00	-	0.0%
RIDER RESOURCES EMPLOYEE TOTAL	18.00	18.00	-	0.0%

FY2026 anticipates no decrease/increase for Rider Resources.

PARATRANSIT – LANtaVan and Carbon Transit

Functions and Responsibilities

LANtaVan is a coordinated, demand responsive, reservation based, shared ride, door-to-door paratransit service available to residents of and visitors to Lehigh and Northampton Counties. LANtaVan vehicles are specially equipped with wheelchair lifts and other accessibility features that allow for maximum mobility for riders with disabilities. Residents and visitors must be deemed eligible to utilize LANTA's paratransit services. LANTA's Paratransit Services Department has a registration staff that oversees the registration process in full for all eligible riders.

LANtaVan and Carbon Transit represent the purchased transportation component and is responsible for the oversight of the contracted services provided by TransDev, Inc. Purchased Transportation is defined as transportation services provided to a public transit agency or governmental unit from a public or private transit provider based on a written contract. In 2022, TransDev, Inc was awarded a 5 year Purchased Transportation Contract, beginning July 1, 2022. The purchased transportation contract includes services for Flex, Demand Response and Medical Assistance Out of County Paratransit Services.

The Paratransit Department is responsible for contractor oversight. Oversight includes contract management, data collection and analysis, and quality assurance measures for all purchased transportation services. LANTA's Paratransit Services Department has a scheduling team that oversees service quality and service performance daily.

In addition, the Paratransit Department also manages the contract for paratransit eligibility assessment services and facilitates partnerships for alternative paratransit services. In April of 2023, LANTA entered into contract with Via of the Lehigh Valley, to provide shared ride transportation services. In December of 2023, LANTA entered into a contract with YourWay Taxi, to provide Medical Assistance Out of County transportation services. In October of 2024, LANTA entered into contract with Cetronia Ambulance Corps. Inc., to provide isolated transportation services to those riders who require temporary isolated transportation.

FY 2025 ACCOMPLISHMENTS

- Applications processed
 - LANtaVan 1600
 - Carbon Transit 200

 - General Accomplishments
 - Renewed YourWay Taxi Contract
 - Renewed VIA Contract
 - Established Cetronia Ambulance Contract
 - EcoPay Diminishing Balance Roll Out – Ticketless fare structure
 - Administered 30 New Hire Tablet Fare Training Classes to Transdev drivers
 - Hosted 11 General Registration Information Presentations for Paratransit Services
 - Paratransit Schedule Enhancements (Weekly schedule/Holiday schedule/Service areas)
 - Azure AD roll-out and platform modification for Application Tracker platform
 - COLTS Shared Ride Technical Assistance Project - LANTA Peer Agency Interview

 - Expansion of the Paratransit Services Department
 - Add Lead Scheduler
 - Add LANtaVan Clerk

 - Service Discussion Participation
 - Find My Ride Schedule Migration Discussions
 - Find My Ride MATP Mileage Reimbursement Project
 - PPTA Community Transportation Committee Meetings
 - LVPC Coordinated Public Transit Human Services Transportation Plan
 - Valley Health Partners Meeting
 - Participation in Shared Ride Technical Assistance Project for COLTS
 - Annual PPTA conference
 - LV Chamber Events

 - Trainings completed
 - NTI - Intro to Paratransit Management and Operations
 - Reasonable Suspicion Training for Supervisors
 - CTAA – Certified Community Transit Supervisor
 - MASABI - PCI Compliance Training
 - NTI - 2024 Annual NTD Reporting Clarifications Course
 - PennDOT/ Michael Baker - Find My Ride Schedule Admin Console Training
 - PennDOT/ Michael Baker - Find My Ride Schedule Trip Planner Functionality Training
 - PennTRAIN – Leadership Cohort For New Supervisors Spring 2025
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- Performance measures completed
 - Quarterly KPI Dashboard Reporting
 - Daily Schedule Performance Analysis (OTP/Closures/Run Additions/Trip Counts)
 - Quarterly Phone Performance Reviews
- Updates to service relating to
 - Vans
 - Acquired 30 New LANtaVan Vehicles
 - Acquired 12 New Carbon Transit Vehicles
 - Tablets
 - Docking Equipment Replacement Project – Vehicle Years 2016-23
 - Vehicle Docking Station Enhancement Project –Vehicle Years 2024-25
 - Funding updates
 - Agency Funding Sponsor Implementation Project (HH CP, HH FF , etc.)

FY 2026 PLANNED INITIATIVES

- Training initiatives
 - Rutgers - Understanding ADA
 - Rutgers - Violence in the Transit Workplace - Prevention, Response and Recovery Training
 - Rutgers - Introduction to Transit Service Planning
 - Rutgers - NTD Sampling for Passenger Miles Traveled and Unlinked Passenger Trips
 - Masabi Fare Collection Training (Flex Fares)
- Service Updates
 - Update current schedules as a result of fixed route service reductions
 - Collaborate with the Executive Director for cost saving measures for Senior Shared Ride (SSR) and Persons with Disabilities Programs.
 - Continued collaboration with the Finance department with Agency Funding Sponsor Implementation Project and cost saving measures.

Key Budgetary Assumptions for Paratransit – Carbon and LANtaVan

- Paratransit salaries reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee’s historical increase through December 31, 2024.
- Salaries reflect earnings on hours physically worked; earnings paid on PTO categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- No increase in staffing
- Increase in the percentage used to allocate expenditures to LANtaVan
- Third Party Services has increased approximately 16.3% due to significant increase in Computer Services and Online Sales Fees.
- In county Purchased Transportation rates will remain at FY 2025 billable rates due to anticipated trip levels
- Fixed Costs paid to Transdev, Inc. will remain at FY 2025 rates due to anticipated trip levels
- Out of County Purchased Transportation rates have increased by 8.4%

POSITION	PROJECTED		VARIANCE	% VARIANCE
	2025	2026		
PARATRANSIT CLERK	2.00	2.00	-	0.0%
FRONT DESK RECEPTIONIST	1.00	1.00	-	0.0%
SCHEDULER	2.00	2.00	-	0.0%
LEAD SCHEDULER	1.00	1.00	-	0.0%
ACCESSIBILITY PROGRAM SPECIALIST	1.00	1.00	-	0.0%
MATP PROGRAM SPECIALIST	1.00	1.00	-	0.0%
DIRECTOR OF PARATRANSIT SERVICES	1.00	1.00	-	0.0%
PARATRANSIT EMPLOYEE TOTAL	9.00	9.00	-	0.0%

PLANNING – LANTA and Carbon Transit

Functions and Responsibilities

- Development of short- and long-range service plans
- Conduct public hearings in support of service changes
- Monitoring and reporting ridership and service metrics
- Coordination of long-term detours and service changes with other departments and agencies
- Facilitation and oversight of Revenue Support Agreements (RSA)
- National Transit Database (NTD) reporting and sampling
- Bus Stop Change assessment and municipal coordination
- Runcutting and Rostering Operator Work Assignments
- Maintaining Title VI Service Equity Compliance

The Planning department’s functions are to support the creation and implementation of efficient and cost-effective transportation services designed to increase ridership and productivity.

FY 2025 ACCOMPLISHMENTS

- Productivity focused service improvements, including:
 - Strengthening Rush Hour services in Allentown to support increased student ridership.
 - Cross-promotion of Enhanced Bus Service (EBS) for use by general public and tourists during peak demand festivals.
- Advanced Park & Ride options in Carbon County
- Achieved 97% pre-COVID ridership levels in October 2024.
- Started Penn State Lehigh Valley revenue supported service to student housing in South Bethlehem

FY 2026 PLANNED INITIATIVES

- New Revenue Support Agreements in discussion with private employers in Forks, Palmer, and Upper Macungie Townships.
- Productivity-driven Service realignment to meet budget constraints.
 - Strengthening of core service areas and reduction in lower ridership areas.
- Fare Restructuring converting pay-per-transfer fees to a flat 3-hour fare.
- Realignment of services based on new fare structure to encourage transfers, with the goal of improving frequency in urban areas and speed between urban areas.

Key Budgetary Assumptions for Planning – LANTA and Carbon

- Planning salaries reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee’s historical increase through December 31, 2024, and allocated by each employee’s DOH.
- Salaries reflect earnings on hours physically worked; earnings paid on PTO categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- FY 2026 budget assumes a paid intern for 13 weeks, starting in May 2025
- Third Party Services has increased approximately 9.9% over FYE 2025 anticipated actuals.

POSITION	PROJECTED		VARIANCE	%
	2025	2026		
DIRECTOR OF PLANNING	1.00	1.00	-	0.0%
DATA COMMUNICATION TECHNICIAN	1.00	1.00	-	0.0%
PLANNER/SCHEDULER	1.00	1.00	-	0.0%
PLANNING EMPLOYEE TOTAL	3.00	3.00	-	0.0%

VEHICLE MAINTENANCE

Functions and Responsibilities

The Vehicle Maintenance department is responsible for maintaining and servicing the revenue fleet and some minor maintenance of the non-revenue fleet. The department's responsibilities include preventative maintenance measures, restorative repairs, servicing, fueling, and fleet modifications.

The department's director also oversees the non-vehicle maintenance staff responsible for maintaining the cleanliness of the revenue and non-revenue fleets.

The Vehicle Maintenance department's main goal is to keep the fleet in a state of good repair, ensuring dependable and safe equipment for the public as well as our employees.

FY 2025 ACCOMPLISHMENTS

- Fleet Maintenance
 - 13 CNG Buses added to FR Fleet
 - LANTA's Average MDBF is 11,500 miles as of 3/31/25
 - LANTA's current MDBF benchmark is 10,000 miles
 - The National average MDBF for Fixed Route Bus is less than 7,000 miles
 - VOH Program
 - 8 buses completed (Heavy Overhaul)
 - Full Brake System Overhaul
 - Full Suspension System Overhaul
 - Interior and Exterior Inspection and Refurbishment as required
 - Full Driveline Repower (Overhauled Engine and Transmission)
 - 2 Buses Completed (Lite Overhaul)
 - Engine Overhaul
 - Suspension and Brake overhaul as required
 - Preventative Maintenance Program
 - PM Inspections
 - 580 PM Inspections (6,000 Mile Interval) completed as of 3/31/25
 - PM Inspection OTP above benchmark at 94% as of 3/31/25
 - 36 Random Quality Checks completed as of 3/31/25
 - Detailed Cleaning
 - 1,163 Detailed Cleanings completed as of 3/31/25
 - Cleaning OTP above benchmark (5-week max interval) at 95% as of 3/31/25
 - 147 HVAC Inspections Completed as of 3/31/25 with 100% OTP

- 135 PA Safety Inspections completed as of 3/31/25 with 100% OTP
- Repairs
 - Inspection Repairs, breakdown repairs, defect repairs and accident repairs are handled internally. Specialized work or warranty work sub-contracted on a limited basis.
 - 2,363 Repair Work Orders Processed as of 3/31/25
- Training
 - Mechanic apprenticeship completed- 1 Employee
 - Mechanic apprenticeship initiated and in progress- 2 Employees
 - Fleet Focus training- All Maintenance personnel
 - Air Brake Training- 2 Employees
 - Basic Electrical Training- 2 Employees
 - CNG system Repair and Inspection- 1 Employee
 - HVAC System OJT (specialist apprentice)- 1 Employee
 - HVAC Inspection Familiarization- 4 Employees
 - Forklift Training- 3 Employees
- Facilities Maintenance
 - 7 sites maintained
 - Monthly inspections completed at each site
 - Periodic visits outside of regular inspections done for cleanliness and safety items (spot checks)
 - 5 maintenance requests handled per day on average
 - RFPs released and awarded for planned upgrades which will carry over into FY26

FY 2026 PLANNED INITIATIVES

- Fleet Maintenance
 - Maintain a state of good repair and reliability
 - Maintain MDBF above 10,000-mile benchmark
 - VOH Program
 - 9 buses targeted for heavy overhaul in FY26
 - Preventative Maintenance Program
 - Maintain OTP of 90% or better for PM Inspections (6,000-mile interval)
 - Increase frequency and total number of random Quality Checks
 - Maintain other PM inspection services OTP at 90% or better
 - Maintain OTP of 90% or better for Detailed cleanings (5-week maximum interval)
 - Training
 - Complete PM Inspection recertifications- 32 Union employees
 - Complete mechanic apprenticeship- 2 Union employees

- Identify candidate for statewide apprenticeship participation
- Air brake Training Class- 4 Union employees
- Basic Electrical- 4 Union employees
- Advanced Electrical and repair logic- 2 Union employees
- Facilities Maintenance
 - Continue to perform monthly inspections and spot checks at all LANTA-owned properties
 - Maintenance Facility upgrades to be completed
 - Additional Bus Lift
 - Paint Spray Booth
 - Expansion of Body Repair Area
 - Bus Wash Dryer System

Key Budgetary Assumptions for Maintenance

- Wages for Vehicle Maintenance and Non-Vehicle Maintenance Union employees reflect an increase of 4.75% as determined by the Collective Bargaining Agreement (CBA).
- FY 2026 Payroll hours for the Maintenance Union employees reflect an assumption of anticipated FYE 2025 payroll hours including overtime.
- Non-Union Maintenance staff salaries reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee’s historical increase through December 31, 2024.
- Salary and wages for both non-union and union employees reflect earnings on hours physically worked; earnings paid on Paid Time Off (PTO) categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- An increase to the Employer Contribution to the Union Pension Plan has been budgeted due to the Minimum Municipality Obligation (MMO) based on the W-2 payroll for calendar year ending December 31, 2025.

POSITION	PROJECTED		%	
	2025	2026	VARIANCE	VARIANCE
VEHICLE MAINTENANCE - UNION	38.00	38.00	-	0.0%
NON-VEHICLE MAINTENANCE - UNION	7.00	7.00	-	0.0%
DIRECTOR OF MAINTENANCE	1.00	1.00	-	0.0%
MANAGER OF VEHICLE MAINTENANCE	1.00	1.00	-	0.0%
TECHNICAL TRAINER	1.00	2.00	1.00	100.0%
SHIFT SUPERVISORS	3.00	3.00	-	0.0%
MANAGER OF FACILITIES MAINTENANCE	1.00	1.00	-	0.0%
FACILITIES TECHNICIAN	1.00	1.00	-	0.0%
INVENTORY AND MAINTENANCE ADMINISTRATOR	1.00	1.00	-	0.0%
MAINTENANCE EMPLOYEE TOTAL	54.00	55.00	1.00	1.9%

FACILITIES MAINTENANCE

Functions and Responsibilities

Facility Maintenance is managed by both the Director of Maintenance and Senior Director of Service Support and Planning. The facilities maintenance personnel are responsible for maintaining facilities, grounds, and equipment. Facilities Maintenance team assists with the maintenance of administrative and operations offices, transfer centers, and bus shelters throughout the service region. Specifically, the facility maintenance team inspects, performs minor repairs, and monitors air conditioning, plumbing, electrical equipment, sprinkler systems, and lighting at all facilities. The department is also responsible for facilitating minor capital improvements and monitoring contracted services for building maintenance.

FY 2025 ACCOMPLISHMENTS

- 7 sites maintained
 - Monthly inspections completed at each site
 - Periodic visits outside of regular inspections done for cleanliness and safety items (spot checks)
 - 5 maintenance requests handled per day on average
 - RFPs released and awarded for planned upgrades which will carry over into FY26
 - Card Access Upgrade
 - Bethlehem Transit Renovation will carry over into FY26

FY 2026 PLANNED INITIATIVES

- Continue to perform monthly inspections and spot checks at all LANTA-owned properties
 - Add Shelter PM Service to scope of work
- Maintenance Facility upgrades to be completed
 - Additional Bus Lift
 - Paint Spray Booth
 - Expansion of Body Repair Area
 - Bus Wash Dryer System
 - Overstock Storage Container/Pole Building
- Completion of BTC Project
- Start ATC Renovation

Key Budgetary Assumptions for Facility Maintenance

- Non-Union Maintenance staff salaries reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee's historical increase through December 31, 2024.
- Salaries reflect earnings on hours physically worked; earnings paid on PTO categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- Budget assumes annual payroll hours of 2,080 per employee with an aggregate adjustment for PTO to be taken. Earnings for PTO categories are accounted for within fringe benefits

FINANCE

Functions and Responsibilities

The Finance Department is primarily responsible for managing and reporting the finances in accordance with standards established by Generally Accepted Accounting Principles (GAAP) and by the Governmental Accounting Standards Board.

The areas of responsibility include:

- Accounting & Reporting
- Accounts Payable
- Accounts Receivable
- Fixed Assets
- Payroll
- Expense Management
- Internal Audit & Compliance
- Coordination of the annual independent audit
- Treasury Management and Cash Management
- Investments

FY 2025 ACCOMPLISHMENTS

The Finance department continues efforts to streamline office tasks to enhance productivity and efficiencies for the end of month (EOM) and year end processes.

- Successfully transitioned 96% of vendors to ACH processing for payments
- Successfully transitioned 92% of vendors to electronic submission of invoices
- Continued efforts to convert customers and agencies to electronic payments
- Updated monthly financial statement reporting packets
- Exercised options to extend Line of Credit and Banking services
- Received Unqualified Opinion Audit for 2024

FY 2026 PLANNED INITIATIVES

- Continue collaboration with other internal departments to ensure payroll targets are being met
- Update Finance Policy and Procedures Manual
 - PennDot reporting
 - NTD reporting

- Capital Asset
- Masabi
- Ticket Vending Machines
- Exercise option to extend Auditing Services
- Submit and secure Government Finance Officers Association for Certificate for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2027
- Initiate timeline studies for purposes of allocation testing for Carbon, LANtaVan and MATP.
- Streamline the Procurement process
- Collaborate with Paratransit Department to expand on system effectiveness
- Successful ticket vending machine (TVM) transition

Key Budgetary Assumptions for Finance

- Finance salaries reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee’s historical increase through December 31, 2024, and allocated by each employee’s DOH.
- Salaries reflect earnings on hours physically worked; earnings paid on PTO categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- Budget assumes annual payroll hours of 2,080 per employee with an aggregate adjustment for PTO to be taken. Earnings for PTO categories are accounted for within fringe benefits

POSITION	PROJECTED			%
	2025	2026	VARIANCE	VARIANCE
TREASURY CLERK	3.00	3.00	-	0.0%
FINANCE SPECIALIST	2.00	3.00	1.00	50.0%
CONTROLLER	1.00	1.00	-	0.0%
SENIOR DIRECTOR OF FINANCE	1.00	1.00	-	0.0%
FINANCE EMPLOYEE TOTAL	7.00	8.00	1.00	14.3%

HUMAN RESOURCES

Functions and Responsibilities

The primary function of the Human Resources (HR) department is to ensure that LANTA is compliant with federal and state labor laws. The HR department assists management with personnel related legal matters, personnel related functions including recruitment, classification, compensation, labor relations, employee record management, workers' compensation, benefits, and retirement.

HR assists each department with employee performance improvement plans, policies and procedures and confidential assessments and crisis interventions when needed.

FY 2025 ACCOMPLISHMENTS

- Onboarded 20 new Bus Operators
- Onboarded 2 new cleaners in the Maintenance Department
- Onboarded 17 new staff employees
- Conducting Worker's Comp Training for new and existing Operations and Maintenance Supervisors
- Assisted in the transition of 6 employees to retirement.
- Continued support of all departments with employee relations
- Interaction with the union regarding contract/employee issues
- Processing for unemployment, worker's comp, and short-term disability claims

FY 2026 PLANNED INITIATIVES

- Monitor staffing to ensure levels are accurate for the service levels being provided
- Sexual Harassment Training to all employees
- Roll out of new system Employee Navigator to streamline employee benefits and onboarding

Key Budgetary Assumptions for Human Resources

- Salaries for Human Resources reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee's historical increase through December 31, 2024.

- Salaries reflect earnings on hours physically worked; earnings paid on PTO categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- Budget assumes annual payroll hours of 2,080 per employee with an aggregate adjustment for PTO to be taken. Earnings for PTO categories are accounted for within fringe benefits

POSITION	PROJECTED			%
	2025	2026	VARIANCE	
HUMAN RESOURCES MANAGER	2.00	2.00	-	0.0%
SENIOR DIRECTOR OF ADMINISTRATION	1.00	1.00	-	0.0%
HUMAN RESOURCES EMPLOYEE TOTAL	3.00	3.00	-	0.0%

SAFETY AND SECURITY

Functions and Responsibilities

The Safety and Security department is a sub-department within HR. The goals of Safety and Security are to obtain a level of safety and security for our employees and passengers alike through consistent oversight and proactive measures regarding employee remedial training. Safety and security personnel are subjected to mandatory training and licensure requirements to increase their knowledge of transportation industry safety and security requirements.

Additionally, Safety and Security maintains the security access control system for the Allentown and Easton facilities as well as the transit centers in Allentown, Bethlehem and Easton and onboard the entire revenue fleet.

FY 2025 ACCOMPLISHMENTS

LANTA added additional shifts for OPS Security, the contracted DBE security company. The additional shifts now include roving day shift between Easton Intermodal Transportation Center and Bethlehem Transportation Center. Evening shifts at both locations will remain as previously scheduled.

Implemented Open Supervised Device Protocol (OSDP) which is an access control communications standard developed by the Security Industry Association (SIA) to improve interoperability among access control and security products. The OSDP replaced the current RFID door access system.

LANTA staff attended Cyber Security Awareness Training provided by Syncretic
LANTA Staff completed National RTAP online Reasonable Suspicion Drug and Alcohol Training Certificates.

The Training Department Staff completed the following SAFTI requirements:

- 135 on-board observations,
- 78 Operator Recertifications,
- 10 post-accident remedial Training
- 3 New Hire training classes with a total of 20 new bus operators,
- 2 employees who upgraded their CDL endorsement through Entry Level Driver Training
- 18 General Safety Meetings in October 2024 Introducing Masabi Fare Collection,
- 27 General Safety Meetings in April 2025 Continue Masabi Fare Collection

FY 2026 PLANNED INITIATIVES

- Proactively monitor the security needs at the transportation centers and adjust the security schedules as necessary.
- Schedule General Safety Meetings for all employees to provide refresher training on Fatigue Awareness and Workplace Harassment Awareness.
- Schedule Operations Supervisor Training
- Training Department will continue to work to satisfy SAFTI requirements.

Key Budgetary Assumptions for Safety and Security

- Salaries for Safety and Security reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee's historical increase through December 31, 2024.
- Salaries reflect earnings on hours physically worked; earnings paid on PTO categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- Budget assumes annual payroll hours of 2,080 per employee with an aggregate adjustment for PTO to be taken. Earnings for PTO categories are accounted for within fringe benefits

POSITION	PROJECTED		VARIANCE	%
	2025	2026		
SAFETY TRAINER	3.00	3.00	-	0.0%
SAFETY SECURITY & TRAINING MANAGER	1.00	1.00	-	0.0%
SAFETY AND SECURITY EMPLOYEE TOTAL	4.00	4.00	-	0.0%

SERVICE SUPPORT AND PLANNING

Functions and Responsibilities

This department is responsible for the planning and development of capital projects of all customer and administrative facilities for the Authority. The department serves as the central area for the project management, design and construction of all capital facilities projects, including all of the Authority's bus stops and transit centers. In addition, this department is responsible for the bus stop accessibility improvement program, street programs and environmental programs.

Service Support and Planning also oversees the Strategic Initiatives team. The Strategic Initiatives team is responsible for external and internal communications for the Authority.

FY 2025 ACCOMPLISHMENTS

- LANTA received (11) new bus shelters delivered on 8/1/24 to be installed in various locations within LANTA's service area in the Lehigh Valley, including bus stops improved by new sidewalks, bus stop landing pads and bus shelter pads provided by private investment, as well as engineering and transit infrastructure improvements at LANTA's Enhanced Bus Service (EBS) bus stops. In total, FY 2025 continued to complete LANTA's efforts to improve bus shelter conditions at 47 bus stop locations since 2022. In general, LANTA continues to collaborate with all municipalities in the service area to prioritize pedestrian connectivity and access at existing and future bus stops through the land development process.
- Successfully launched the employee communication app, Blink.
- Produced and launched the LANTA On The Move video series.
- Held three public meetings to educate and engage the community on service changes.
- Launched the Employee Engagement & Culture Committee to foster internal collaboration and morale.
- Conducted LANtaBus training sessions for persons with disabilities and grammar school students.
- Onboarded Phase 1 of the new fare collection system (ValleyRide).
- Completed training on the Masabi system for Authority staff.

FY 2026 PLANNED INITIATIVES

- LANTA will continue to coordinate with municipalities for land development reviews and recommend private investment to improve existing and future bus stops for pedestrian and transit infrastructure. LANTA is currently establishing a new list of bus shelters to purchase for feasible locations that will provide proper access. LANTA will continue to explore solutions and project ideas for bus stop locations for better transit rider experience, particularly through collaborative grant opportunities with local municipal partnerships.
- Launch Ticket Vending Machines across the system.
- Complete full implementation of the Masabi fare collection system.
- Conduct multiple public education sessions to promote and support ValleyRide.
- Achieve 50% adoption rate of the ValleyRide system through the app

Key Budgetary Assumptions for Service Support and Planning

- Salaries for Service Support and Planning reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee's historical increase through December 31, 2024.
- Salaries reflect earnings on hours physically worked; earnings paid on PTO categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- Budget assumes annual payroll hours of 2,080 per employee with an aggregate adjustment for PTO to be taken. Earnings for PTO categories are accounted for within fringe benefits

POSITION	PROJECTED		VARIANCE	%
	2025	2026		
SERVICE PLANNER - LAND USE SPECIALIST	1.00	1.00	-	0.0%
MARKETING COMMUNICATIONS SPECIALIST	1.00	1.00	-	0.0%
MANAGER OF COMMUNICATIONS	1.00	1.00	-	0.0%
SENIOR DIRECTOR OF SERVICE SUPPORT	1.00	1.00	-	0.0%
SERVICE SUPPORT AND PLANNING EMPLOYEE TOTAL	4.00	4.00	-	0.0%

EXECUTIVE

Functions and Responsibilities

As the Chief Executive Officer of the Authority, the Executive Director is responsible to the Board of Directors for the administration, management and direction of all affairs in accordance with the policies determined by the Authority's regulating agencies, the Authority's Board of Directors and the laws and regulations of local, state and federal governments.

FY 2025 ACCOMPLISHMENTS

- Continued progress on new fare collection technology implementation.
- Continued progress on facilities strategy, identified and implemented projects to improve flexibility and responsiveness to needs of current facilities.
- Developed and grew ridership partnerships including arrangements with Allentown School District and City of Bethlehem.
- Continued involvement in statewide advocacy efforts for transit funding legislation.

FY 2026 PLANNED INITIATIVES

- Continue to take role in advocacy efforts for transit funding legislation.
- Identify and implement any service or organizational changes needed to address LANTA's short-term financial position given the funding situation in the upcoming fiscal year.
- Develop a multi-year financial strategy to identify a sustainable cost structure. This includes strategies for feasible service levels for fixed-route (including EBS) and Shared Ride given different funding scenarios.
- Continue to identify and pursue projects to improve current facilities to better meet current and projected operational needs.
- Complete the implementation of the new fare collection system.

Key Budgetary Assumptions for Executive

- Salaries for the Executive department reflect merit increases between 5 and 6 percent annually. Individual amounts were based on an average of each employee's historical increase through December 31, 2024.

- Salaries reflect earnings on hours physically worked; earnings paid on PTO categories, Holiday, Sick, Vacation and Other Absences are reflected under fringe benefits.
- Budget assumes annual payroll hours of 2,080 per employee with an aggregate adjustment for PTO to be taken. Earnings for PTO categories are accounted for within fringe benefits

LANtaBus
FY2026 Proposed Budget

LEHIGH & NORTHAMPTON TRANSPORTION AUTHORITY
 LANtaBUS DIVISION
 BUDGETED REVENUES

<u>ACCOUNT</u>	<u>FISCAL YEAR</u> 2023/24 <u>AUDITED</u>	<u>FISCAL YEAR</u> 2024/25 ACTUAL (9) <u>ESTIMATED (3)</u>	<u>INCREASE/</u> <u>(DECREASE)</u> <u>PERCENTAGE</u>	<u>FISCAL YEAR</u> 2025/26 <u>BUDGET</u>	<u>INCREASE/</u> <u>(DECREASE)</u> <u>PERCENTAGE</u>
REVENUES					
PASSENGER FARES	2,500,924	3,115,158	24.56%	3,052,935	-2.00%
SPECIAL TRANSIT FARES	286,438	375,662	31.15%	379,250	0.96%
AUXILIARY TRANSPORTATION REVENUE	445,833	381,250	-14.49%	120,000	-68.52%
NONTRANSPORTATION REVENUE	13,729	22,668	65.11%	11,500	-49.27%
TOTAL REVENUES	3,246,924	3,894,738	19.95%	3,563,685	-8.50%

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

Revenue Budget Assumptions

- Increases to cash fare and fare media as of 1/1/2026
 - Cash fare to \$2.50
 - 3 Hour Pass to \$5.00
 - All Day Pass to \$5.00
- Annual Revenue Passenger Trips of 3,171,633; a 27.1% decrease from FY2025 ridership projections. Resulting in average fare of \$0.96.
- Auxiliary revenue projections based on contractual guarantee
- Special Transit Fares assume a 1.0% increase over FYE2025 anticipated actuals
- Flex passenger revenue assumes FYE2025 anticipated actuals with no increase

Revenues - \$3,563,685

Collectively, FY2026 budgeted passenger fare revenue is below FYE2025 anticipated actuals by 2.0%.

Passenger Revenue – Fixed Route - \$3,048,983

FY2026 budgeted passenger fare revenue is below FYE2025 anticipated actuals by 2.0%. Passenger revenue is representative of fares collected on board fixed route buses, regular and discounted pass sales. Revenue for pass sales is recognized at the time of the sale.

Passenger Revenue – Flex - \$3,952

FY2026 budgeted passenger fare revenue for Flex is budgeted at FYE 2025 anticipated actuals with no increase.

Special Transit Fares - \$379,250

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. FY2026 budgeted amounts represent an increase of 1.0% over FYE 2025 anticipated actuals. While the Authority does anticipate an increase to specific RSAs already in place, a conservative approach to revenue projections was used.

Auxiliary Transportation Revenues - \$120,000

This category includes vehicle and shelter advertising revenues. Projected revenue is representative of the current contract guaranteed amount without an annual increase to minimum guarantee. The significant reduction is a result of the advertising contract that was renegotiated prior to December 31, 2024. The advertising contract runs on a calendar year basis.

Non-Transportation Revenues - \$11,500

Investment Income - \$5,000

The amount represents the interest income the Authority is projecting to earn on LANTA's general checking account balance.

Non-Transportation Income - \$6,500

The amount represents the revenue projection from the replacement of reduced fare cards, vending commissions from non-public vending machines, metal recycling proceeds and administrative fees for managing wage attachments.

LEHIGH & NORTHAMPTON TRANSPORTATION AUTHORITY
LANtaBUS DIVISION
BUDGETED EXPENSES

<u>ACCOUNT</u>	<u>FISCAL YEAR 2023/24 AUDITED</u>	<u>FISCAL YEAR 2024/25 ACTUAL (9) ESTIMATED (3)</u>	<u>INCREASE/ (DECREASE) PERCENTAGE</u>	<u>FISCAL YEAR 2025/26 BUDGET</u>	<u>INCREASE/ (DECREASE) PERCENTAGE</u>
EXPENSES					
LABOR	17,914,524	19,784,363	10.44%	20,381,064	3.02%
FRINGE BENEFITS	14,422,490	16,161,269	12.06%	16,908,338	4.62%
SERVICES	3,813,922	2,431,852	-36.24%	2,856,553	17.46%
FUEL	1,763,287	1,516,294	-14.01%	1,532,800	1.09%
TIRES & TUBES	137,151	142,713	4.06%	146,994	3.00%
MATERIALS & SUPPLIES	2,567,645	2,481,194	-3.37%	2,705,762	9.05%
UTILITIES	789,328	911,618	15.49%	935,400	2.61%
CASUALTY & LIABILITY COSTS	940,263	1,173,465	24.80%	1,406,089	19.82%
TAXES	22,489	22,678	0.84%	24,850	9.58%
PURCHASED TRANSPORTATION	2,817,163	2,648,217	-6.00%	3,047,169	15.06%
MISCELLANEOUS EXPENSES	255,569	290,396	13.63%	475,604	63.78%
INTEREST EXPENSES	8,905	9,493	6.60%	15,300	61.18%
LEASES & RENTALS	108,922	109,141	0.20%	59,100	-45.85%
TOTAL EXPENSES	45,561,659	47,682,693	4.66%	50,495,023	5.90%

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

Operating Expenditures Budget Assumptions

- Union wage projections are based on 4.75% increases as required by the CBA
- Non-union salary projections are based on 5% to 6% merit increases allocated by each employee's DOH
- Healthcare costs are budgeted at "worst-case" scenario, less employee contributions and guaranteed healthcare rebates
- Purchased Transportation rates for Flex services will remain at FY 2025 billable rates
- Purchased Transportation costs for FY 2026 represent total operating expenditures of the ADA Programs for both Carbon Transit and LANtaVan
- Expenditures incurred applicable to all divisions are allocated by call volume percentages. Percentages used for FY 2026 are 32.9% LB, 61.6% LV and 5.4% CT.
- Fuel projections include costs for both CNG and Diesel Fuel and assume a conservative increase amount due to the anticipated service reductions
- Casualty and Liability Costs have increased based on FY 2025 trends. Anticipated costs do not reflect any possible dividends the Authority may be entitled to due to the Authority's loss performance in relation to other SAFTI members
- Interest expense is expected to increase due to the anticipated need of Line of Credit transfers to support cash flow due to any delays in funding
- Leases and rental costs are showing a 45.9% reduction over FYE 2025 anticipated actuals due to the elimination of the Lehigh Valley Mall Lease and postage meter rentals as well as no anticipated need for a portable CNG station during the winter for FY 2026.

- **Expenditures - \$50,495,023**

Collectively, FY 2026 operating expenditures have increased 5.9 percent when compared to FY 2025 anticipated actuals.

Labor - \$20,381,064

The anticipated net increase in labor costs, after Carbon Transit and LANtaVan allocations, is approximately \$600K over FY 2025 anticipated actuals, representative of a 3.02% increase. The net budget increase is attributable to 4.75% wage increase for union employees governed by the Collective Bargaining Agreement (CBA), 5% to 6% merit increases to applicable non-union staff and staffing levels to align with service reductions to take place during FY2026.

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.

The budget assumes the filling of current planned vacancies including:

- 1 Finance Specialist – Finance
- 1 Technical Trainer – Maintenance
- 1 Emergency Preparedness Coordinator – Safety & Security
- 1 Procurement Coordinator
- 1 Compliance Officer

The Authority will be evaluating the need to fill these vacancies as the fiscal year progresses as system upgrades and other efficiencies are made.

Anticipated union employee counts for FY 2026 are 169 bus operators and 45 vehicle and non-vehicle maintenance employees. FY 2026 assumes the top rate for 100% of bus operators and 96% of maintenance employees.

The FY 2026 salary projections are based on merit increases in the range of 5% to 6% 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 February 28, 2025. The percentages used for FY 2026 are as follows:

- 5.4% Carbon Transit
- 32.9% LANtaBus
- 61.6% LANtaVan

Operator Wages - \$12,750,277

FY 2026 operator wages assume the projection of the following:

- 4.75% wage increase effective, July 1, 2025
- 169 bus operators
- 373,004 payroll hours

Salaries and Wages General Administration - \$4,491,039

Fy 2026 G & A salaries and wages are based on a total of 85 employees, 177,994 payroll hours, of which 3,274 hours are attributable to overtime. FY 2026 merit increases were based on a 5% to 6% assumption per employee, allocated by each employees DOH.

Non-Vehicle Maintenance - \$374,211

FY 2026 non-vehicle maintenance wages are based on a total of 7 janitors and 13,591 payroll hours, of which 151 hours are attributable to overtime.

Vehicle Maintenance - \$2,765,537

FY 2026 vehicle maintenance wages are based on a total of 38 mechanics, specialists and road and service employees, 75,174 payroll hours of which 2,214 hours are attributable to overtime.

Fringe Benefits - \$16,908,338

The FY 2026 budget includes employee benefits for all employees. Benefits for union employees are based on the existing Collective Bargaining Agreement and anticipated workforce requirements during the budget year. Collectively, fringe benefits, after Carbon Transit and LANtaVan allocations, are approximately \$747K above FYE 2025 anticipated actuals, representing a 4.6 percent increase.

FICA - \$1,784,418

The employer share of FICA is based on the calculation of 7.65% of current salaries and wages. Current salaries and wages for the purposes of the FICA calculation include wages paid under holiday, sick, vacation and other absences.

Unemployment Expense - \$125,000

FY 2026 assumes an increase in unemployment claims due to the elimination of non-union positions as well as the anticipated headcount reductions in FY 2026.

Union Pension - \$1,795,053

Fy 2026 projected employer union pension contributions represent LANTA's minimum municipal obligations (MMO) to the union pension plan, as calculated by LANTA based on actuarial firm directive. The FY 2026 budget continues to include the previously lowered assumed interest rate. The MMO budget projections were calculated using actuarial evaluations for the 2025 MMO worksheet, with an adjustment of 2.5% to the union projected payroll for 2025.

Non-Union Pension - \$198,802

Fy 2026 projected employer non-union pension contributions represent LANTA's minimum municipal obligations (MMO) to the non-union pension plan, as calculated by LANTA based on actuarial firm directive. The FY 2026 budget continues to include the previously lowered assumed interest rate. The MMO budget projections were calculated using actuarial evaluations for the 2025 MMO worksheet, with an adjustment of 2.5% to the non-union projected payroll for 2025.

Non-Union 457 ER Match - \$60,000

This amount represents the total employer contribution to employees' IRC 457(b) plans who are covered by the Non-Union Pension Plan Alternative B. An increase in the employer match has been assumed for FY 2026 as the addition of employees taking advantage of this benefit.

Medical Insurance - \$7,949,796

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 FY 2026 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 2026 represents an 8.9% increase from anticipated FY 2025 actuals, an increase of \$652K.

Life Insurance - \$92,124

The FY 2026 budget amount was provided by LANTA's benefit broker, BSI, and is based on current premiums for this coverage, anticipated decreases for associated wage adjustments and monthly premium charges.

Short-Term Disability Insurance - \$364,398

The FY 2026 budget amount was provided by LANTA's benefit broker, BSI, and is based on current premiums for this coverage, anticipated decreases for associated wage adjustments and monthly premium charges.

Long-Term Disability Insurance - \$10,457

The FY 2026 budget amount was provided by LANTA's benefit broker, BSI, and is based on current premiums for this coverage, anticipated decreases for associated wage adjustments and monthly premium charges.

Workers' Compensation Insurance - \$681,099

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. FY 2026 projections have expense decreasing approximately 2.6% from FYE 2025 anticipated actual.

Sick Leave, Holiday, Vacation and Other Paid Absences - \$2,932,662

These benefits are budgeted for FY 2026 based on the provisions of the current CBA and Non-Union Employees Staff Handbook. 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 - \$135,835

The budget assumes a \$475 uniform allowance for each bus operator and a tool allowance for each vehicle maintenance and non-vehicle maintenance employee as determined by their job classification and the current CBA.

Fringe Benefits – Other - \$15,000

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

Fringe Benefit Distribution – (\$884,965)

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

Outside Services - \$2,856,553

The FY 2026 budget includes Professional, Technical, Contracted Maintenance Services and Other Services. The FY 2026 budget is projected to increase 17.5% from FY 2025 anticipated actuals.

Professional Services - \$749,090

Collectively, FY 2026 professional services see an increase of 9.5% over FYE 2025 anticipated actuals. The increase is attributable to increases as determined by contractual agreements.

- Advertising Services \$67,500 – FY 2026 sees an increase of a 110.3% due to the implementation of the new fare collection platform, Masabi
- Legal Services \$42,500 – FY 2026 sees an increase of 12.3% due to the rate increases and anticipated need for FY 2026.
- Auditing Services \$25,190 – The amount represents LANTA's allocation of the \$39,000 audit fee for FY 2026.
- Banking Services \$48,500 – FY 2026 sees an increase of 11.2% and was determined based on current trends.
- Labor Negotiations \$12,900 – FY 2026 sees an increase of 8.7% due to the anticipated need of labor negotiations.
- Payroll Processing Services \$85,000 – FY 2026 sees an increase of 5.1% due to contractual rate increases.
- Computer and Technical Services \$162,500 – FY 2026 costs represent LANTA's allocation of the Syncretic contract along with any additional third-party IT related services. FY 2026 sees an overall net increase of 10.2% due to contractual rate increases and the need for one-time uses of other IT related services.
- Certification Services \$95,500 – FY 2026 sees an increase of 3.4% due to the expectation that more clients will be completing the certification services to determine ADA eligibility to ensure the ADA capped fare for paratransit services.
- Online Sales \$135,000 - FY 2026 represents the amount of online transaction fees for Square Online and Masabi platforms.
- Courier Services \$32,000 – FY 2026 budgeted amount represents the cost of armored car services to retrieve cash deposits.
- Personnel Screenings \$35,000 – FY 2026 sees a decrease of 27.0% from FYE 2025 anticipated actuals as the Authority anticipates a reduction in hiring.

- Temporary Services \$7,500 – FY 2026 budgeted amount represents the costs for any staffing services needed for any labor intensive, short-range projects.

Contract Services - \$682,405

Collectively, FY 2026 contractual services see an increase of 19.8% over FYE 2025 anticipated actuals. The Director of Fleet Maintenance has provided the figures for third party fleet maintenance services. The Director anticipates an increase of approximately 11.9% in this area when compared to FYE 2025 anticipated actuals. The overall increase can be attributed to non-revenue service vehicle maintenance and shop equipment maintenance and repairs.

- Security Services – Non Patrol \$6,500 – Amount is representative of the security readers on LANTA facility entrances. FY 2026 sees an increase of 58.5% over FYE 2025 anticipated actuals due to additions and enhancements made for the card reader system.
- Shelter Maintenance and Repairs \$55,671 – Amount is represented of the anticipated costs for shelter maintenance and repairs for FY 2026; represents a 6.0% increase for the upcoming year.
- Office Equipment Maintenance and Repairs \$25,000 – Amount represents the costs to maintain and repair miscellaneous office equipment of the Authority. FY 2026 sees an increase of 26.3% due to aging equipment.
- Shop Equipment Maintenance and Repairs \$87,079 – Amount represents the costs to maintain and repair vehicle maintenance shop equipment. FY 2026 sees an increase of 23.6% due to the high frequency in which the shop equipment is utilized.
- Radio Maintenance and Repairs \$28,500 – Amount represents the costs associated with maintaining the handheld radios for operations and maintenance. FY 2026 sees an increase 21.0% due to the anticipated continuance of current spending trends.
- Service Vehicle Maintenance and Repairs \$23,739 – Amount represents the costs associated with maintaining the non-revenue fleet in a state of good repair. FY 2026 sees an increase of 16.8% due to the anticipated continuance of current spending trends.
- Bus Maintenance and Repairs \$116,878 – Amount represents the costs associated with maintaining the revenue fleet in a state of good repair. FY 2026 sees an increase of 6.0% due to an increase in third party rates as.
- Refuse Removal ATC \$39,300 – Amount represents the costs associated with the trash removal service for ATC. FY 2026 sees an increase of 8.3% due to anticipated rate increases and the need for additional pickups.
- Refuse Removal LANTA \$17,238 – Amount represents the costs associated with the trash removal service for the LANTA facilities at Allentown and Easton locations.

- FY 2026 sees an increase of 27.1% due to anticipated rate increases as well as the need for additional pickups.
- Building Maintenance and Repairs \$282,500 – Amount represents the costs associated with maintaining all LANTA facilities by a third party. FY 2026 sees an increase of 29.2% due to the anticipated need for facility enhancements and upgrades not eligible for capital improvement funding.

Custodial Services - \$81,162

This budget category includes the janitorial costs for LANTA’s Allentown and Easton locations as well as the Allentown, Bethlehem and Easton Transit Centers. FY 2026 budgeted costs are based on contractual rates and represent a collective increase of \$5K, 7.2% over FY 2025 anticipated actuals.

- Janitorial Services Allentown and Easton facilities \$35,312 – Amount represents an increase of 9.8% over FYE 2025 anticipated actuals due to an increase in contractual rates for monthly and additional services.
- ATC Janitorial Services \$15,900 – Amount represents an increase of 5.1% due to contractual rate increases.
- BTC Janitorial Services \$24,700 – Amount represents an increase of 5.4% due to contractual rate increases.
- ETC Janitorial Services \$5,250 – Amount represents an increase of 5.7% due to contractual rate increases.

Security Services - \$1,302,896

This budget category includes the patrolled security services for the Allentown, Bethlehem and Easton Transit Centers. FY 2026 budgeted costs are based on contractual rates and represent a collective increase of 24.4% over FY 2025 anticipated 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.

- ATC Security \$931,500
- BTC Security \$185,698
- ETC Security \$185,698

Other Services - \$41,000

This budget category is representative of the costs of acquiring professional services relating to the needs of the planning and executive departments and catering services for various meetings.

- Catering Services \$18,500
- Services Other – Planning \$20,000
- Services Other \$2,500

Fuel - \$1,532,800

Projected fuel costs for FY 2026 have been calculated using the historical average cost per mile, in conjunction with the total estimated mileage for each fuel type during the fiscal period. Projected cost per mile, CNG is \$0.29 and projected cost per mile, Diesel is \$0.48. The use of Hybrid Diesel Electric buses has decreased due to the added CNG buses in FY25. Additionally, the fuel cost per gallon is currently lower than anticipated in the prior fiscal year, resulting in an overall reduction in the budgeted amount for FY 2026.

Tires and Tubes - \$146,994

Provided by the Director of Maintenance. FY 2026 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 - \$2,705,762

Bus Maintenance Parts and Supplies budget for FY 2026 sees an increase 20.4% over FYE 2025 anticipated actuals (inclusive 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.

FY 2026 sees an overall percentage increase of 5.9% for all accounts included under the Materials and Supplies category.

- Bus Maintenance Parts & Supplies PM Inspection - \$372,831
- Bus Maintenance Parts & Supplies VOH - \$644,171
- Bus Maintenance Parts & Supplies Body & Collision - \$216,975

- Bus Maintenance Parts & Supplies Running Repair - \$933,390
- Small Tools and Equipment Bus Maintenance - \$63,110
- Janitorial Supplies Shop Only - \$46,492
- Janitorial Supplies Building - \$1,545
- Office & Computer Supplies All Departments - \$108,861
- Bus Schedules - \$15,000
- Tickets & Passes Maintenance - \$129,202
- Tickets & Passes Finance - \$32,500
- Building Maintenance Parts & Supplies - \$85,000
- Service Vehicles Parts & Supplies - \$7,274
- Freight - \$12,911
- Postage - \$11,500
- Shelter Maintenance & Supplies - \$15,000
- Promotion Items - \$10,000

Utilities - \$935,400

FY 2026 costs are inclusive of routine utility costs for items such as Telephone, Water & Sewer, Electric, Gas Heat, Transit Center utilities and Internet fees. Projected costs are 2.6% above FYE 2025 anticipated actuals.

- Telephone \$82,150
- Electric \$147,500
- Water & Sewer \$28,200
- Heating \$272,000
- BTC Utilities \$54,600
- ATC Utilities \$134,600
- ETC Utilities \$62,200
- Electric Shelters \$4,200
- Radio/Tower Infrastructure \$50,700
- Internet Services \$99,250

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 amount is budgeted on this line item for FY 2026. Due to the advance timing of FY 2026 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. FY 2026 sees an increase of 19.8% over FYE 2025 anticipated actuals.

Taxes - \$24,850

This category includes expense line items for vehicle license & registration fees and fuel recovery fees as well as real estate taxes. FY 2026 costs are representative of a 9.6% increase over FYE 2025 anticipated actuals.

Purchased Transportation - \$3,047,169

Budgeted costs reflect the five components that affect the Purchased Transportation line item for LANtaBus. Those components consist of the Carbon Transit Fixed Route, ADA Operating Expenses for both Carbon and LANtaVan, Flex Services and Certification transportation services. Collectively, this expense category is 15.1% above FYE 2025 anticipated actuals.

Carbon Transit Fixed Route - \$276,726

This line item represents operating expenditures for the in-county fixed route service currently operated by TransDev, LANTA's subcontractor for Carbon Transit and LANtaVan services, less passenger fares. FY 2026 costs are budgeted at the current contract per hour rate with no increase.

ADA Services Carbon - \$86,977

For FY 2026, this line item represents the total operating costs of the ADA program less ADA client copays for Carbon Transit. This amount represents the amount paid by the LANtaBus Division to Carbon Transit from Federal capital, State and Local operating funding. FY 2026 ADA annual revenue trip projection is 1,050; with annual anticipated copayments of approximately \$4K. FY 2026 total operating costs for the ADA program in Carbon are \$90,232.

ADA Services LANtaVan - \$2,282,491

For FY 2026, this line item represents the total operating costs of the ADA program less ADA client copays for LANtaVan. This amount represents the amount paid by the LANtaBus Division to LANtaVan from Federal capital, State and Local operating funding. FY 2026 ADA annual revenue trip projection is 38,783; with annual anticipated copayments of approximately \$163K. FY 2026 total operating costs for the ADA program in LANtaVan are \$2,445,486.

Non-ADA Services - \$352,215

This line item represents expenditures for Flex services provided for Carbon and LANtaVan. This amount is based on current trends as well as Transdev's proposed rates for FY 2026 which will remain at current rates with no increase.

CER Services - \$48,760

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 - \$475,604

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 \$120,000 - 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.
- Dues and Subscriptions - All Departments \$289,936 – This line item includes the subscription fees for Sage Intacct as well as the new Masabi fare collection platform.
- Travel and Training - All Departments \$65,668 – This line item includes the projected travel and training costs for all departments of LANTA.

Collectively, the miscellaneous area sees an increase of 63.8% when compared to FY 2025 anticipated actuals.

Interest - \$15,300

FY 2026 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. An increase has been projected for FY 2026 due to the Authority's anticipation of needing to utilize the line of credit to offset potential funding delays.

Leases - \$59,100

FY 2026 budgeted amounts are based on current contracts in place for FY 2025 and agreed upon increases as determined by each applicable lease. No expense was budgeted for standby CNG units or for the Lehigh Valley Mall.

LEHIGH & NORTHAMPTON TRANSPORTATION AUTHORITY
LANtaBUS DIVISION
BUDGETED SUBSIDY

ACCOUNT	FISCAL YEAR	FISCAL YEAR	INCREASE/ (DECREASE) PERCENTAGE	FISCAL YEAR	INCREASE/ (DECREASE) PERCENTAGE
	2023/24 AUDITED	2024/25 ACTUAL (9) ESTIMATED (3)		2025/26 BUDGET	
SUBSIDY					
LOCAL SUBSIDY	1,283,074	1,347,227	5.00%	1,414,590	5.00%
STATE SUBSIDY CY	19,843,542	25,869,216	30.37%	25,852,271	-0.07%
STATE SUBSIDY PY	-	7,286,407	100.00%	10,229,066	40.39%
FEDERAL SUBSIDY - ARPA	12,544,970	-			
FEDERAL SUBSIDY - ADA	983,828	960,999	-2.32%	960,045	-0.10%
FEDERAL SUBSIDY - SAFETY & SECURITY	495,812	632,474	27.56%	651,448	3.00%
FEDERAL SUBSIDY - VOH LABOR	171,048	61,227	-64.20%	150,000	144.99%
FEDERAL SUBSIDY - VOH PARTS	539,857	337,865	-37.42%	680,000	101.26%
FEDERAL SUBSIDY - PM	5,313,034	7,182,912	35.19%	6,889,918	-4.08%
FEDERAL SUBSIDY - TIRE LEASE	109,721	109,628	-0.08%	104,000	-5.13%
TOTAL SUBSIDY	41,284,886	43,787,955	6.06%	46,931,338	7.18%

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

Subsidy - \$46,931,338

The FY 2026 funded deficit recorded on LANtaBus totals \$46,931,338. This represents a 7.2 percent increase from the FYE 2025 anticipated actuals. Local, State, and Federal subsidies equal the total amount of the deficit.

Local Subsidy - \$1,414,950

This category includes the general operating assistance revenues received from the Counties of Lehigh and Northampton. The amount of FY 2026 funding represents a 5% increase over FY 2025, as required by Act 89.

State Subsidy - \$25,852,271

This category includes the operating assistance funds from PennDOT to assist in paying the cost of operating transit services. The total allocation of FY 2026 funding is equivalent to \$26,208,284, which includes both allocations for LANTA and Carbon. LANTA anticipates having to utilize the total allocation of \$25,852,271 for FY 2026 to subsidize all operating costs for fixed route services of LANtaBus.

State Subsidy Prior Year - \$10,229,066*

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 2026 due to the increase in operating costs.

The projected total utilization is as follows:

- LANtaBus - \$10,229,066 deficit remaining after all other subsidy applied.
- LANtaVan - \$405,051 ADA deficit remaining after all other ADA subsidy applied.

The Authority does not anticipate having to use any prior year Act 44 reserves to fund any ADA deficit for Carbon Transit.

Federal Subsidy - \$9,435,411

This category covers funds obtained from the Federal Government to assist in paying the costs of operating transit services. Formula funding for FY 2026 of \$9.4M 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 specifically for VOH parts and the labor and fringe benefits costs of those employees completing the VOH program.

Act 44 Reserve Analysis

FYE 25 Projected Act 44 Balance	\$	17,021,863
FY26 Allocation - LANTA Only		25,852,271
Interest Earned - Act 44 Only		181,190
Less		
FY26 Act 44 Expenditures LB		(36,081,337)
FY26 Act 44 LV - ADA Deficit		(405,051)
FY26 Act 44 CT - ADA Deficit		-
FYE 26 Projected Year End Act 44 Balance	\$	<u>6,568,936</u>

Operating Budget - LANtaBus

**LANTA - LANtaBUS DIVISION
OPERATING BUDGET
FISCAL YEAR ENDED JUNE 30, 2026**

REVENUES

PASSENGER FARES	3,048,983
PASSENGER FARES - FLEX	3,952
SPECIAL TRANSIT FARES	379,250
AUXILIARY TRANSPORTATION REVENUE	120,000
INTEREST INCOME CHECKING	5,000
NON-TRANSPORTATION INCOME	6,500
	3,563,685
TOTAL REVENUES	3,563,685

EXPENSES

LABOR	20,381,064
FRINGE BENEFITS	16,908,338
SERVICES	2,856,553
FUEL	1,532,800
TIRES & TUBES	146,994
MATERIALS & SUPPLIES	2,705,762
UTILITIES	935,400
CASUALTY & LIABILITY COSTS	1,406,089
TAXES	24,850
PURCHASED TRANSPORTATION	3,047,169
MISCELLANEOUS EXPENSES	475,604
INTEREST EXPENSES	15,300
LEASES & RENTALS	59,100
	50,495,023
TOTAL OPERATING EXPENSES	50,495,023

NET OPERATING DEFICIT (46,931,338)

SUBSIDY

LOCAL SUBSIDY	1,414,590
STATE SUBSIDY - CY	25,852,271
STATE SUBSIDY - PY	10,229,066
FEDERAL SUBSIDY - ADA	960,045
FEDERAL SUBSIDY - Safety & Security	651,448
FEDERAL SUBSIDY - VOH LABOR	150,000
FEDERAL SUBSIDY - VOH PARTS	680,000
FEDERAL SUBSIDY - Preventative Maintenance	6,889,918
FEDERAL SUBSIDY - Tire Lease	104,000
	46,931,338

TOTAL SUBSIDY 46,931,338

NET OPERATING DEFICIT -

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

Budget to Budget Comparison – LANtaBus

LANtaBus

Income Statement Summary

Projected Budget Fiscal Year Ending June 30, 2026

	Projected	2025/2026 Budget Variance	
	2026 Budget	Fy2025 Budget	Percent
Revenue			
Passenger Fares	3,052,935	2,396,151	27.4%
Special Transit Fares	379,250	235,000	61.4%
Auxiliary Transportation Revenue	120,000	512,500	-76.6%
Non-Transportation Revenue	11,500	-	0.0%
Total Revenue	3,563,685	3,143,651	13.4%
Expenses			
Labor	20,381,064	19,356,608	5.3%
Fringe Benefits	16,908,338	16,441,686	2.8%
Total Labor and Fringe Benefits	37,289,402	35,798,294	4.2%
Services	2,856,553	2,738,842	4.3%
Fuel	1,532,800	2,091,988	-26.7%
Tires & Tubes	146,994	137,035	7.3%
Materials & Supplies	2,705,762	2,964,957	-8.7%
Utilities	935,400	942,456	-0.7%
Casualty & Liability	1,406,089	1,406,089	0.0%
Taxes	24,850	4,296	478.4%
Purchase of Transportation Service	3,047,169	2,684,946	13.5%
Miscellaneous	475,604	271,891	74.9%
Interest	15,300	1,200	1175.0%
Leases & Rentals	59,100	28,709	105.9%
Total Expenses	50,495,023	49,070,703	2.9%
Gross Surplus (Deficit)	(46,931,338)	(45,927,052)	2.2%
Subsidy			
Local Subsidy	1,414,590	1,347,227	5.0%
State Subsidy	25,852,271	24,144,807	7.1%
State Subsidy - PY	10,229,066	11,482,135	-10.9%
Federal Subsidy - VOH	830,000	792,658	0.0%
Federal Subsidy	8,605,411	8,160,225	5.5%
Total Subsidy	46,931,338	45,927,052	2.2%
Surplus (Deficit)	-	-	

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

Operating Budget Comparison – LANtaBus

LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY
LANtaBUS DIVISION
COMPARATIVE OPERATING SUMMARY

ACCOUNT	FISCAL YEAR		INCREASE/ (DECREASE) PERCENTAGE	FISCAL YEAR	
	2023/24 AUDITED	2024/25 ACTUAL (9) ESTIMATED (3)		2025/26 BUDGET	INCREASE/ (DECREASE) PERCENTAGE
OPERATING REVENUES					
PASSENGER FARES	2,500,924	3,115,158	24.56%	3,052,935	-2.00%
SPECIAL TRANSIT FARES	286,438	375,662	31.15%	379,250	0.96%
AUXILIARY TRANSPORTATION REVENUE	445,833	381,250	-14.49%	120,000	-68.52%
NONTRANSPORTATION REVENUE	13,729	22,668	65.11%	11,500	-49.27%
TOTAL OPERATING REVENUES	3,246,924	3,894,738 [▼]	19.95%	3,563,685	-8.50%
OPERATING EXPENSES					
LABOR	17,914,524	19,784,363	10.44%	20,381,064	3.02%
FRINGE BENEFITS	14,422,490	16,161,269	12.06%	16,908,338	4.62%
SERVICES	3,813,922	2,431,852	-36.24%	2,856,553	17.46%
FUEL	1,763,287	1,516,294	-14.01%	1,532,800	1.09%
TIRES & TUBES	137,151	142,713	4.06%	146,994	3.00%
MATERIALS & SUPPLIES	2,567,645	2,481,194	-3.37%	2,705,762	9.05%
UTILITIES	789,328	911,618	15.49%	935,400	2.61%
CASUALTY & LIABILITY COSTS	940,263	1,173,465	24.80%	1,406,089	19.82%
TAXES	22,489	22,678	0.84%	24,850	9.58%
PURCHASED TRANSPORTATION	2,817,163	2,648,217	-6.00%	3,047,169	15.06%
MISCELLANEOUS EXPENSES	255,569	290,396	13.63%	475,604	63.78%
INTEREST EXPENSES	8,905	9,493	6.60%	15,300	61.18%
LEASES & RENTALS	108,922	109,141	0.20%	59,100	-45.85%
TOTAL OPERATING EXPENSES	45,561,659	47,682,693 [▼]	4.66%	50,495,023	5.90%
NET OPERATING DEFICIT	(42,314,735)	(43,787,955) [▼]	3.48%	(46,931,338)	7.18%
SUBSIDY					
LOCAL SUBSIDY	1,283,074	1,347,229	5.00%	1,414,590	5.00%
STATE SUBSIDY	20,873,391	25,869,224	23.93%	25,852,271	-0.07%
STATE SUBSIDY - PRIOR YEAR	-	7,225,509	0.00%	10,229,066	0
FEDERAL SUBSIDY	20,158,270	9,345,993	-53.64%	9,435,411	0.96%
NET OPERATING SURPLUS	0	0 [▼]	477.78%	-	-100.00%

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

Revenue and Expense Detail – By Program

LANtaBus
FYE 6/30/2026

	Operations	Maintenance	General Administration	Total
Salaries & Wages	15,255,793.00	4,085,563.00	1,039,707.00	\$ 20,381,063.00
Other Paid Absences	2,081,193.00	511,583.00	314,386.00	2,907,162.00
Fringe Benefits	8,820,741.00	1,960,165.00	3,220,270.00	14,001,176.00
Services	1,406,558.00	682,405.00	767,590.00	2,856,553.00
Materials & Supplies	43,250.00	2,538,512.00	124,000.00	2,705,762.00
Fuel	1,357,083.00	175,717.00	-	1,532,800.00
Tires and Tubes	-	146,994.00	-	146,994.00
Utilities	-	50,700.00	884,700.00	935,400.00
Insurances	-	-	1,406,089.00	1,406,089.00
Taxes	-	3,150.00	21,700.00	24,850.00
Purchased Transportation	3,047,169.00	-	-	3,047,169.00
Miscellaneous Expense	47,800.00	112,654.00	315,150.00	475,604.00
Interest Expense	-	-	15,300.00	15,300.00
Leases	-	-	59,100.00	59,100.00
Total Expenditures	32,059,587.00	10,267,443.00	8,167,992.00	\$ 50,495,022.00
Revenue				
Passenger Fares	3,052,935.00	-	-	3,052,935.00
Special Route Guarantees	379,250.00	-	-	379,250.00
Advertising Commissions	120,000.00	-	-	120,000.00
Rental Income	-	-	-	-
Investment Income	5,000.00	-	-	5,000.00
Non-transportation Income	6,500.00	-	-	6,500.00
Total Revenue	3,563,685.00	-	-	\$ 3,563,685.00
Gross Surplus/(Deficit)	(28,495,902.00)	(10,267,443.00)	(8,167,992.00)	\$ (46,931,337.00)
Federal Subsidy				
Tire Lease	-	104,000.00	-	\$ 104,000.00
ADA	960,045.00	-	-	960,045.00
Safety & Security	651,448.00	-	-	651,448.00
Preventative Maint	-	6,889,918.00	-	6,889,918.00
VOH - Labor	-	150,000.00	-	150,000.00
VOH - Parts	-	680,000.00	-	680,000.00
State Subsidy				
Tire Lease	-	21,667.00	-	21,667.00
ADA	200,013.00	-	-	200,013.00
Safety & Security	651,448.00	-	-	651,448.00
Preventative Maint	-	1,435,428.31	-	1,435,428.31
VOH - Labor	-	150,000.00	-	150,000.00
VOH - Parts	-	141,669.50	-	141,669.50
State Operating Assistance	14,856,690.61	227,362.58	8,167,992.00	23,252,045.19
Local Subsidy				
Tire Lease	-	4,332.90	-	4,332.90
ADA	39,997.87	-	-	39,997.87
Preventative Maint	-	287,051.21	-	287,051.21
VOH - Parts	-	28,330.50	-	28,330.50
Local Operating Assistance	907,194.52	147,683.00	-	1,054,877.52
Total Subsidy by Expense Class	18,266,837.00	10,267,443.00	8,167,992.00	\$ 36,702,272.00
Surplus/(Deficit)	(10,229,065.00)	-	-	(10,229,065.00)
Act 44 Reserves	10,229,065.00	-	-	10,229,065.00
Surplus/(Deficit)	-	-	-	-

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

LANtaVan

FY2026 Proposed Budget

LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY
LANtaVAN DIVISION
BUDGETED REVENUES

ACCOUNT	FISCAL YEAR	FISCAL YEAR	INCREASE/	FISCAL YEAR	INCREASE/
	2023/24	2024/25	(DECREASE)	2025/26	(DECREASE)
	AUDITED	ESTIMATED (3)	PERCENTAGE	BUDGET	PERCENTAGE
REVENUES					
PASSENGER REVENUES	508,278	516,227	1.56%	627,573	21.57%
LOCAL SPECIAL FARE ASSISTANCE					
LEHIGH COUNTY AAA	40,550	49,311	21.61%	59,921	21.52%
NORTHAMPTON COUNTY AAA	75,802	64,460	-14.96%	79,850	23.88%
LANtaBUS CER	37,003	35,228	-4.80%	48,760	38.41%
LANtaBUS ADA	2,301,366	2,286,881	-0.63%	1,880,816	-17.76%
STATE SPECIAL FARE ASSISTANCE					
SHARED RIDE LOTTERY	2,574,080	2,654,229	3.11%	3,551,812	33.82%
PERSONS WITH DISABILITIES	180,069	211,206	17.29%	325,964	54.33%
LEHIGH COUNTY MA TP	2,338,167	2,323,649	-0.62%	2,625,923	13.01%
NORTHAMPTON COUNTY MA TP	1,531,871	1,380,230	-9.90%	1,571,470	13.86%
TOTAL REVENUES	9,587,187	9,521,418	-0.69%	10,772,089	13.14%

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

Revenue Budget Assumptions

- Fare increase as of 1/1/2026
- Increase to ADA capped fare - from \$4.00 to \$5.00 effective 1/1/2026
- Reduction to 5 zone fare structure from the current 6 zone fare structure
- Full reimbursement of 85% from PennDot for the Lottery and PWD programs
- Revenue Ridership of 236,551 trips
- Revenue Ridership assumptions are based on FYE 2025 anticipated actuals with +/- percentage increases per revenue funding source based on FY 2025 trends.

Revenues - \$10,772,089

FY2026 budgeted revenues total \$10,772,089 and are 13.14 percent above FY2025 anticipated actuals. Revenue ridership assumptions are based on FYE 2025 anticipated actuals with +/- percentage increases per revenue funding source based on FY 2025 trends.

Passenger Revenues - \$627,573

General Public Fares (GPF) Copays -\$627,573

FY2026 budgeted GPF Copays are 21.6 percent above the FYE 2025 anticipated actuals. Total fare paying revenue trips, which includes trips performed under ADA, ARC, GMCO, GPB, Numerous third-party agencies, Lottery, NUR and PWD programs, total 199,365 trips. The significant increase is attributable to the fare increase and the impacts of the fixed route service reductions on the ADA area. As a result, the Authority anticipates an increase of PWD ridership as well as third-party full-fare sponsorship.

Local Special Fare Assistance - \$2,069,347

Collectively, Local Special Fare Assistance revenues are 15.0 percent below FYE 2025 anticipated actuals. The reduction is due to the proper classification of additional subsidy needed for the ADA program. Historically, all subsidies relating to the ADA program were recorded as ADA revenue. The Authority has now adopted the practice of recognizing ADA revenue as the revenue received from ADA Federal Formula Funding and Capital Costs of Contracting only. Any additional subsidy needed to cover any potential deficits would be received from Act 44 Reserves and classified as Subsidy not Revenue.

Lehigh County Area Agency on Aging (LCAAA) - \$59,921

Currently this line item represents revenue earned on ridership for Lehigh County AAA (LCAAA) sponsored clients. For those sponsored clients under 65 years of age, LCAAA pays the full fare of the trip and for those clients over 65 years of age, LCAAA pays the 15 percent copay while the remaining 85 percent is paid for by the Senior Shared Ride Lottery Program. LCAAA FY2026 budgeted revenue represents a total of 10,789 completed revenue trips. LCAAA Under 65 ridership for FY2026 is projected at 35 trips for the year as LCAAA has been limiting their sponsorship of clients aged 60-64. LCAAA Over 65 ridership is projected at 10,754 trips.

Northampton County Area Agency on Aging (NCAAA) - \$79,850

Currently this line item represents revenue earned on ridership for Northampton County AAA (NCAAA) sponsored clients. For those sponsored clients under 65 years of age, NCAAA pays the full fare of the trip and for those clients over 65 years of age, NCAAA pays the 15 percent copay while the remaining 85 percent is paid for by the Senior Shared Ride Lottery Program. NCAAA revenue represents a total of 13,992 completed revenue trips. NCAAA Under 65 ridership for FY2026 is projected at 6 trips for the year as NCAAA has been limiting their sponsorship of clients aged 60-64. NCAAA Over 65 ridership is projected at 13,986 trips.

American with Disabilities Act (ADA) - \$1,880,816

This line item represents the total amount of revenue received from ADA Federal Formula Funding and Capital Costs of Contracting only. Total operating costs of the ADA program total \$2,448,862 less ADA client copays of \$162,995, resulting in \$2,285,867 in allowable costs applicable to for federal formula funding. The remaining unfunded deficit of \$405,051 will be subsidized by Act 44 Reserves. Current revenue consists of total revenue ridership of 38,783 trips.

Certification Services (CER) - \$48,760

This line item represents the cost of the LANTA sponsored transportation for potential paratransit consumers to/from their evaluations. FY2026 budgeted revenue reflects a total of 1,049 trips. FY2026 revenue assumes that more individuals will complete the in-person evaluations to determine ADA eligibility and in turn ADA capped fares. Clients who use LANTaVan for the CER trips are not charged the cost of the trips to/from their evaluation, but rather LANTA incurs the total operating costs of those trips.

State Reimbursements - \$3,877,776

Collectively, FY2026 State Reimbursements are 35.3 percent above FYE 2025 anticipated actuals. The increase is a result of current ridership trends and the assumption that more individuals will be moving to the PWD funding source from ADA due to the fixed route service reductions.

Senior Shared Ride Lottery - \$3,551,812

Shared Ride revenue is representative of 105,091 revenue trips and full 85 percent reimbursement from the Senior Shared Ride (SSR) Lottery Program.

Persons with Disabilities (PWD) - \$325,964

PWD revenue is representative of 7,987 revenue trips and full 85 percent reimbursement from the Senior Shared Rider (SSR) Lottery Program. PWD ridership is anticipated to increase over the next fiscal year due to the service reductions on fixed route.

State Special Fare Assistance - \$4,197,393

Collectively, FY2026 State Special Fare Assistance revenues are 13.3 percent above FYE 2025 anticipated actuals.

Lehigh County MATP – \$2,625,923

Lehigh County MATP revenue is representative of the total annual operating costs for the Lehigh County MA Program. FY2026 projected revenue ridership for Lehigh County MATP totals 53,588 trips. Lehigh County MATP revenue ridership is comprised of the following MATP trip types:

- MATP Under 65 – 37,975
- MATP Out of County – 517
- MATP Mileage Reimbursement – 14,576
- MATP Fixed Route Reimbursement – 400
- MATP Pass-Through – 120

Northampton County MATP - \$1,571,470

Northampton County MATP revenue is representative of the total annual operating costs for the Northampton County MA Program. Collectively, revenue ridership for Northampton County MATP totals 18,268 trips. Northampton County MATP revenue ridership is comprised of the following MATP trip types:

- MATP Under 65 – 19,904
- MATP Out of County – 302
- MATP Mileage Reimbursement – 10,416
- MATP Fixed Route Reimbursement – 480
- MATP Pass-Through – 0

LEHIGH & NORTHAMPTON TRANSPORTATION AUTHORITY
LANtaVAN DIVISION
BUDGETED EXPENSES

<u>ACCOUNT</u>	<u>FISCAL YEAR 2023/24 AUDITED</u>	<u>FISCAL YEAR 2024/25 ACTUAL (9) ESTIMATED (3)</u>	<u>INCREASE/ (DECREASE) PERCENTAGE</u>	<u>FISCAL YEAR 2025/26 BUDGET</u>	<u>INCREASE/ (DECREASE) PERCENTAGE</u>
<u>EXPENSES</u>					
SALARIES & WAGES	657,148	608,568	-7.39%	938,815	54.27%
FRINGE BENEFITS	433,718	487,363	12.37%	647,782	32.92%
SERVICES	202,250	221,473	9.50%	224,560	1.39%
MATERIALS & SUPPLIES	47,474	47,304	-0.36%	48,750	3.06%
UTILITIES	165,908	198,985	19.94%	212,950	7.02%
INSURANCE	13,000	13,000	0.00%	13,000	0.00%
TAXES	118,888	105,348	0.00%	112,500	6.79%
FUEL	1,061,208	893,743	-15.78%	1,015,900	13.67%
LEASES	834,662	850,499	1.90%	880,500	3.53%
PURCHASED TRANSPORTATION	8,425,398	8,808,336	4.55%	9,546,591	8.38%
MISCELLANEOUS	11,710	12,185	4.06%	16,750	37.46%
TOTAL EXPENSES	11,971,364	12,246,804	2.30%	13,658,098	11.52%

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

Operating Expenditures Budget Assumptions

- No increase to in-county Purchased Transportation Rates
- No increase to Purchased Transportation Fixed Costs Rates
- Increase of 8.4 percent for Medical Assistance Out of County rates
- Salaries are based on merit increases between 5 and 6 percent
- Fringe benefit allocation is representative of benefits less PTO allocations. The result is a figure of 69%, fringes to wages percentage.
- Miscellaneous category assumes an increase in training and travel costs for Paratransit staff.

Operating Expenditures - \$13,658,098

Collectively, operating expenditures are 11.5 percent above FYE 2025 anticipated actuals.

Salaries and Wages - \$938,815

Salaries and wages are 54.3 percent above FYE 2025 anticipated actuals. The increase is attributable to the budget allocation. The percentage used for cost allocation to LANtaVan has increased from 60.1% to 61.6%.

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 2026 salary projections are based on merit increases between 5% and 6% 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 February 28, 2025. The percentages used for FY 2026 are as follows:

5.4% Carbon Transit
61.6% LANtaBus
32.9% LANtaVan

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 - \$30,853
Finance - \$159,930
Paratransit - \$373,914
Rider Resources - \$374,118

During the first and third quarters of FY 2026, the Finance department will be initiating a time study to ensure that the above methodology is the best practice for determining allocations.

Fringe Benefits - \$647,782

Collectively, FY 2026 fringe benefits are 32.9 percent above FYE 2025 anticipated actuals. The increase is attributable to the increase in fringe benefits and the amount of wages being allocated to LANtaVan.

FICA - \$71,819

Current costs are based on the calculation of 7.65 percent of current salaries and wages.

Uniform - \$500

Current costs are representative of uniforms for employees of LANta's Paratransit division.

Other Paid Absences (PTO) - \$44,638

Costs include the allocation of PTO costs to the LANtaVan Division for Paratransit staff. PTO costs are allocated at 70 percent of total PTO earnings.

Fringe Benefits - \$530,825

Costs include the allocation of benefit costs to the LANtaVan Division for Paratransit staff. Fringe benefits include costs for Health, Life, Workers' Compensation Long and Short Term Disability Insurances, Unemployment Expense and Employer Pension Contributions.

Outside Services - \$224,560

FY2026 budgeted costs reflect an increase of 1.4 percent over FYE 2025 anticipated actuals. The net increase can be attributed to the following:

- Auditing Fees – Costs are representative of LANtaVan's allocation of FY2026 auditing services which have increased 2.6% from the previous fiscal year.
- Computer and Technical Services – Costs are representative of LANtaVan's allocation of FY2026 annual computer services provided by Syncretic and any additional technical services outside the scope of the monthly contractual rates for Syncretic and technical services support provided by Data Centric Services.
- Online Sales - This line item includes the fees associated with online sales transactions for ticket purchases and EcoPay balance replenishments via the current online platform, Square Inc. FY2026 budgeted costs have increased 9.4% and can be attributed to LANtaVan eliminating paper tickets and using only the diminishing balance feature for fare payments.
- Building Maintenance – Costs have increased by 12.9%. Budgeted costs include services for pest extermination, various electrical, HVAC, plumbing and lift repairs. FY2026 budgeted amounts assume current trends will continue.
- Radio Maintenance – Costs assume the contractual rate increase of 4.5% for FY2026.
- Office Equipment & Maintenance Repairs – Costs are representative of the fees associated with the copier costs for the Paratransit division.
- Janitorial Services – Costs are representative of the janitorial services for the Paratransit division and are projected at a 7.3% increase.
- Security Services – Costs are representative of LANtaVan's allocation of the security monitoring services for Rider Resources Center and are projected at a 20.2% increase.

Materials and Supplies - \$48,750

FY2026 budgeted costs reflect an overall increase of 3.1 percent over FYE 2025 anticipated actuals.

Janitorial Supplies - \$2,250

Costs are representative of routine purchases of janitorial supplies for the Paratransit division. Items such as cleaning wipes, disinfectants and additional cleaning supplies are included in this category.

Office Supplies - \$32,500

Costs are representative of routine purchases of office and computer supplies, reprinting of LANtaVan applications, brochures, and offsite storage fees.

Freight - \$12,500

Current costs are representative of the postage expense of LANtaVan specific items. FY2026 costs are 5.4 percent below FYE 2025 anticipated actuals due to the elimination of the purchase of paper tickets.

Building Maintenance Parts and Supplies - \$1,500

Costs are representative of routine purchases of supplies applicable to the Paratransit office space that are not covered by the leasing agreement.

Fuel - \$1,015,900

LANTA provides Transdev with WEX fuel cards, to be used at any public gas station for fueling the vans. FY2026 costs represent those anticipated transactions and are above FYE 2025 anticipated actuals, by 13.7 percent. FY2026 assumes an average cost per gallon of \$3.50.

Utilities - \$212,950

Collectively, utility costs reflect an overall increase of 7.0 percent. Costs are representative of electric, heating, water and sewer costs for 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 the tablets accessing Ecolane. The net increase can be attributed to the following:

- IVR – FY2026 costs assume a 6.2 percent increase and can be attributed to the increase in calls due to the LANtaVan moving to the diminishing balance fare payment option.
- Telephone – Costs are representative of landline services for the Paratransit division and have increased by 24.7 percent.
- Electric – Costs represent utility charges for the paratransit facility and have increased by 5.4 percent.
- Water and Sewer – Costs represent utility charges for the paratransit facility and have increased by 15.7 percent.
- Heating – Costs represent heating charges from UGI for the paratransit facility and have increased by 7.6 percent.
- Internet fees/services - Costs are representative of internet services for the Paratransit division. FY2026 costs have increased 8.3 percent.
- Radio/Tower Infrastructure – Costs are representative of the monthly maintenance contract on the handheld and vehicle radios for the paratransit division. FY2026 costs have increased 4.0 percent due to contractual agreements.

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 2026 projections.

Taxes - \$24,850

This line item for FY 2026 represents the amount of real estate taxes paid to the City of Allentown on behalf of the paratransit facility.

Purchased Transportation (P/T) - \$9,546,591

Collectively, P/T costs are above the FYE 2025 anticipated actuals by 8.4 percent. The expense reflects the various components of the Purchased Transportation contract, fixed costs, per trip charge, per revenue hour charge, pass-through entities, mass transit, and mileage reimbursements.

Shared Ride - \$9,322,209

This line item represents expenditures for the in-county paratransit service currently operated by TransDev, LANTA's subcontractor for paratransit service plus the agreed upon fixed cost portion for FY2026. This line item includes GPB, SSR, PwD, ADA and MATP transportation.

Pass-Through Entities - \$12,500

This line item represents the reimbursements to applicable Pass-Through Entities for the MATP program.

Lehigh County Fixed Route Reimbursements - \$268

This line item represents the fixed route reimbursements for the Lehigh County MATP program. Fixed route reimbursements are currently reimbursed at a rate of \$.67 per trip. Lehigh County MATP fixed route reimbursement trips total 400.

Lehigh County Mileage Reimbursements - \$37,692

This line item represents the mileage, parking, and toll reimbursements for the Lehigh County MATP program. Mileage is currently reimbursed at an increased rate of \$.25 per mile, while parking and tolls are based on the actual costs. Lehigh County MATP mileage reimbursement trips total 14,576

Northampton County Fixed Route Reimbursements - \$322

This line item represents the fixed route reimbursements for the Northampton County MATP program. Fixed route reimbursements are currently reimbursed at a rate of \$.67 per trip. Northampton County MATP fixed route reimbursement trips total 480.

Northampton County Mileage Reimbursements - \$25,276

This line item represents the mileage, parking, and toll reimbursements for the Northampton County MATP program. Mileage is currently reimbursed at an increased rate of \$.25 per mile, while parking and tolls are based on the actual costs. Northampton County MATP mileage reimbursement trips total 10,416.

Northampton County Mass Transit Reimbursements - \$480

This line item represents the mass transit reimbursements for the Northampton County MATP program. Mass Transit reimbursements represent the cost of the tickets given to eligible clients and the costs of the taxi services needed to accommodate transportation when the fixed route service is not available during their time of need for transportation services.

MA Out of County (MA OOC) Lehigh and Northampton - \$147,844

This line item represents expenditures for the MATP premium transportation. MATP premium transportation represents medical transportation outside of Lehigh and Northampton counties. Total MA OOC completed revenue trips for FY2026 total 819 trips.

Miscellaneous - \$16,750

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. FY2026 budgeted costs are above FYE 2025 anticipated actuals by 37.5 percent.

Dues and Subscriptions - \$12,500

Current costs are representative of prepaid subscription fees for Ecolane as well as the parking dues for parking at the Bethlehem garage for applicable LV staff.

Training and Travel – \$5,500

Current costs are representative of lodging and travel fees for applicable LV staff for mandated in person training.

Leases - \$880,500

Per the terms of the Purchased Transportation contract, LANTA is to provide a facility to be used by TransDev. LANTA is responsible for the lease payment of the paratransit facility. FY2026 budget costs include an increase of 3.5 percent based on the lease term agreements for the Paratransit facility and the Rider Resources Center.

LEHIGH & NORTHAMPTON TRANSPORTION AUTHORITY
LANtaVAN DIVISION
BUDGETED SUBSIDY

<u>ACCOUNT</u>	<u>FISCAL YEAR 2023/24 AUDITED</u>	<u>FISCAL YEAR 2024/25 ACTUAL (8) ESTIMATED (4)</u>	<u>INCREASE/ (DECREASE) PERCENTAGE</u>	<u>FISCAL YEAR 2025/26 BUDGET</u>	<u>INCREASE/ (DECREASE) PERCENTAGE</u>
<u>SUBSIDY</u>					
STATE SUBSIDY - ACT 44 RESERVES	2,384,177	-	-100.00%	405,051	100.00%
FEDERAL SUBSIDY - 5310	-	229,556	100.00%	-	-100.00%
TOTAL SUBSIDY	2,384,177	229,556	-90.37%	405,051	76.45%

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

Subsidy - \$405,051

FY2026 budget anticipates the use of \$405,051 in Act 44 Reserves to fund the remaining deficit of the ADA Program.

Contingency:

The FY 20226 budget reflects a \$2,480,658 unfunded deficit applicable to the PennDOT Lottery sponsored Senior Shared Ride Program. For budgeting purposes, the deficit will remain unfunded for the fiscal year. In addition to January 1, 2026, fare increase, staff will be pursuing additional actions to remediate the deficit in FY 2026 and future fiscal years including the use of alternative grant sources, changes to program parameters and service delivery.

Operating Budget – LANtaVan

**LANTA - LANtaVAN DIVISION
OPERATING BUDGET
FISCAL YEAR ENDED JUNE 30, 2026**

REVENUES

PASSENGER FARES	627,573
AREA AGENCY ON AGING	139,771
ADA	1,880,816
ADA - CER	48,760
SHARED RIDE REIMBURSEMENT	3,551,812
PWD REIMBURSEMENT	325,964
LEHIGH COUNTY MATP	2,625,923
NORTHAMPTON COUNTY MATP	1,571,470
TOTAL REVENUES	10,772,089

EXPENSES

SALARIES	938,815
FRINGE BENEFITS	647,782
SERVICES - FC	209,360
SERVICES	15,200
MATERIALS & SUPPLIES	48,750
UTILITIES	212,950
CASUALTY AND LIABILITY COSTS	13,000
TAXES	112,500
PURCHASED TRANSPORTATION - SRR FC	3,060,815
PURCHASED TRANSPORTATION - SRR	6,274,036
PURCHASED TRANSPORTATION - MA PASSTHRUS	12,500
PURCHASED TRANSPORTATION -MA REIMB	64,096
PURCHASED TRANSPORTATION -MA OOC	135,144
FUEL	1,015,900
LEASES/RENT	880,500
DUES AND SUBSCRIPTIONS	12,500
TRAVEL AND MEETINGS	4,250
MISCELLANEOUS	-
TOTAL OPERATING EXPENSES	13,658,098
EXCESS OF REVENUES OVER EXPENSES	(2,886,009)
SUBSIDY - STATE ACT 89 FUNDS ADA	405,051
NET SURPLUS (LOSS) - LIFE TO DATE	(2,480,958)

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

Budget to Budget Comparison - LANtaVan

LANtaVan Income Statement Summary Projected Budget Fiscal Year Ending June 30, 2026

	Projected 2026 Budget	2025/2026 Budget Variance	
		2025 Budget	Percent
Revenue			
Passenger Fares	627,573	443,396	41.5%
Non-Transportation Revenues	-	-	0.0%
Local Special Fare Assistance	2,069,347	2,204,822	-6.1%
State Reimbursements	3,877,776	2,752,584	40.9%
State Special Fare Assistance	4,197,393	4,260,937	-1.5%
			0.0%
Total Revenue	10,772,089	9,661,739	11.49%
Expenses			
Labor	938,815	1,005,266	-6.6%
Fringe Benefits	647,782	804,213	-19.5%
Total Labor and Fringe Benefits	1,586,597	1,809,479	-12.32%
Services	224,560	193,159	16.3%
Fuel	1,015,900	1,005,861	1.0%
Materials & Supplies	48,750	45,000	8.3%
Utilities	212,950	185,673	14.7%
Casualty & Liability	13,000	13,000	0.0%
Taxes	112,500	97,000	16.0%
Purchase of Transportation Service	9,546,591	8,713,643	9.6%
Leases	880,500	871,356	1.0%
Miscellaneous	16,750	22,700	-26.2%
Total Expenses	13,658,098	12,956,871	5.41%
Gross Surplus (Deficit)	(2,886,009)	(3,295,132)	-12.42%
Subsidy			
Local Subsidy	-	-	
State Subsidy	405,051	76,638	428.5%
Federal Subsidy	-	-	
Total Subsidy	405,051	76,638	428.5%
Surplus (Deficit)	(2,480,958)	(3,218,494)	-22.9%

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

Operating Budget Comparison – LANtaVan

LANTA - LANtaVAN DIVISION
 OPERATING BUDGET
 FISCAL YEAR ENDED JUNE 30, 2025

REVENUES	FISCAL YEAR	FISCAL YEAR	INCREASE/	FISCAL YEAR	INCREASE/
	2023/24 AUDITED	2024/25 ACTUAL (9) ESTIMATED (3)	(DECREASE) PERCENTAGE	2025/26 BUDGET	(DECREASE) PERCENTAGE
PASSENGER FARES	508,278	516,227	1.56%	627,573	21.57%
LOCAL SPECIAL FARE ASSISTANCE	2,454,721	2,435,878	-0.77%	2,069,347	-15.05%
STATE REIMBURSEMENTS	2,754,150	2,865,435	4.04%	3,877,776	35.33%
STATE SPECIAL FARE ASSISTANCE	3,870,039	3,703,878	-4.29%	4,197,393	13.32%
TOTAL REVENUES	9,587,187	9,521,418 ▼	-0.69%	10,772,089	13.14%
EXPENSES					
SALARIES	657,148	608,568	-7.39%	938,815	54.27%
FRINGE BENEFITS	433,718	487,363	12.37%	647,782	32.92%
SERVICES	202,250	221,473	9.50%	224,560	1.39%
MATERIALS & SUPPLIES	47,474	47,304	-0.36%	48,750	3.06%
UTILITIES	165,908	198,985	19.94%	212,950	7.02%
CASUALTY AND LIABILITY COSTS	13,000	13,000	0.00%	13,000	0.00%
TAXES	118,888	105,348	0.00%	112,500	6.79%
FUEL	1,061,208	893,743	-15.78%	1,015,900	13.67%
LEASES	834,662	850,499	1.90%	880,500	3.53%
PURCHASED TRANSPORTATION	8,425,398	8,808,336	4.55%	9,546,591	8.38%
MISCELLANEOUS	11,710	12,185	4.06%	16,750	37.46%
TOTAL OPERATING EXPENSES	11,971,364	12,246,804 ▼	2.30%	13,658,098	11.52%
NET OPERATING DEFICIT	(2,384,177)	(2,725,386) ▼	14.31%	(2,886,009)	5.89%
SUBSIDY					
STATE SUBSIDY	2,384,177	76,638	100.00%	405,051	428.53%
FEDERAL SUBSIDY	-	229,556	100.00%	-	-100.00%
BEGINNING FUND BALANCE	-	-	0.00%	-	0.00%
NET SURPLUS (LOSS)	(0)	(2,648,748)	0.00%	(2,480,958)	0.00%

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

Revenue and Expense Detail – By Program

LANtaVan
Fiscal Year June 30, 2026

	ADA	SRR/PWD	MATP	Total
Salaries & Wages	\$ 153,920.56	\$ 448,779.85	\$ 336,114.59	\$ 938,815.00
Other Paid Absences	12,313.64	35,902.39	26,889.17	75,105.20
Fringe Benefits	93,891.48	273,755.54	205,029.77	572,676.79
Services	38,206.83	111,398.09	74,955.08	224,560.00
Materials & Supplies	7,992.66	23,303.86	17,453.48	48,750.00
Fuel	166,558.80	485,628.64	363,712.57	1,015,900.01
Utilities	34,913.57	101,796.06	76,240.37	212,950.00
Insurances	2,131.38	6,214.36	4,654.26	13,000.00
Taxes	18,444.60	53,778.15	40,277.26	112,500.01
Purchased Transportation	1,190,876.98	3,472,191.08	1,758,371.95	6,421,440.01
Purchased Transportation FC	580,974.37	1,693,923.11	785,917.52	3,060,815.00
MA Reimbursements			64,336.00	64,336.00
Miscellaneous Expense	4,277.70	12,472.30	-	16,750.00
Leases	144,359.70	420,903.65	315,236.65	880,500.00
Total Expenditures	2,448,862.27	7,140,047.08	4,069,188.67	\$ 13,658,098.02
Passenger Fares	162,995.00	464,578.00	-	\$ 627,573.00
Program Reimbursements				
Lottery - Shared Ride		3,551,812.00		3,551,812.00
Lottery - PWD		325,964.00		325,964.00
Area Agency on Aging		139,771.00		139,771.00
MATP - Lehigh County		78,760.00	2,547,163.24	2,625,923.24
MATP - Northampton County		49,444.00	1,522,025.58	1,571,469.58
Total Program Reimbursements	-	4,145,751.00	4,069,188.67	\$ 8,214,939.82
Gross Surplus/(Deficit)	(2,285,867.27)	(2,529,718.08)	-	\$ (4,815,585.35)
Subsidy				
State Operating Assistance - CER		48,760.00		\$ 48,760.00
ADA - Federal/State/Local	912,996.47			912,996.47
ADA - PM	967,820.00			967,820.00
State Operating Assistance - Reserves	405,050.80	-		405,050.80
Total Subsidy by Program	2,285,867.27	48,760.00	-	\$ 2,334,627.27
Surplus/(Deficit)	-	(2,480,958.08)	-	(2,480,958.08)
Total Trips	38,783	113,078	84,690	
Avg Cost per Trip	\$ 63.14	\$ 63.14	\$ 48.05	
Avg Passenger Revenue per Trip	\$ 4.20	\$ 40.77		
Avg Subsidy per Trip	\$ 58.94	\$ 0.43		

Carbon Transit

FY2026 Proposed Budget

LEHIGH AND NORTHAMPTON TRANSPORTATION AUTHORITY
CARBON TRANSIT DIVISION
BUDGETED REVENUES

<u>ACCOUNT</u>	<u>FISCAL YEAR</u> <u>2023/24</u> <u>AUDITED</u>	<u>FISCAL YEAR</u> <u>2024/25</u> <u>ACTUAL (9)</u> <u>ESTIMATED (3)</u>	<u>INCREASE/</u> <u>(DECREASE)</u> <u>PERCENTAGE</u>	<u>FISCAL YEAR</u> <u>2025/26</u> <u>BUDGET</u>	<u>INCREASE/</u> <u>(DECREASE)</u> <u>PERCENTAGE</u>
REVENUES					
PASSENGER REVENUES					
GPF-COPAYS	28,847	30,681	6.36%	45,726	32.90%
GPF-FIXED ROUTE	9,908	18,316	84.85%	25,897	29.27%
LOCAL FARE ASSISTANCE					
CARBON COUNTY AAA	24,742	16,099	-34.93%	13,785	-16.79%
LANtaBUS ADA	-	126,980	0.00%	86,977	-45.99%
STATE CASH GRANTS AND REIMBURSEMENTS					
SHARED RIDE LOTTERY	271,450	205,712	-24.22%	236,610	13.06%
PERSONS WITH DISABILITIES	27,692	43,786	58.12%	125,307	65.06%
STATE SPECIAL FARE ASSISTANCE					
CARBON COUNTY MATP	1,090,857	860,884	-21.08%	1,338,942	35.70%
NON-TRANSPORTATION REVENUES					
INTEREST INCOME	1,953	3,821	95.66%	2,100	-81.93%
TOTAL REVENUES	1,455,449	1,306,278	-10.25%	1,875,344	43.56%

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

Revenue Budget Assumptions

- Fare increase as of 1/1/2026
- Increase to ADA capped fare - from \$3.00 to \$5.00 effective 1/1/2026
- Reduction to 5 zone fare structure from the current 6 zone fare structure
- Full reimbursement of 85% from PennDot for the Lottery and PWD programs
- Revenue Ridership of 27,897 trips
- Revenue Ridership assumptions are based on FYE 2025 anticipated actuals with +/- percentage increases per revenue funding source based on FY 2025 trends.

Revenues - \$1,875,344

FY2026 budgeted revenues total \$1,875,344 and are 43.6 percent above FY2025 anticipated actuals. Revenue ridership assumptions are based on FYE 2025 anticipated actuals with +/- percentage increases per revenue funding source based on FY 2025 trends.

Passenger Revenues - \$71,623

General Public Fares (GPF) Copays -\$45,726

FY2026 budgeted GPF Copays are 32.9 percent above the FYE 2025 anticipated actuals. Total fare paying revenue trips, which includes trips performed under ADA, Lottery, and PWD programs, total 20,512 trips. The significant increase is attributable to the fare increase and the impacts of the fixed route service reductions on the ADA area. As a result, the Authority anticipates an increase of PWD ridership as well as third-party full-fare sponsorship.

General Public Fares (GPF) Fixed Route - \$25,897

GPF Fixed Route revenue is representative of the fares collected for the Fixed Route, Flex Services in Carbon and revenue generated from the Fall Foliage Shuttle Service. GPF Fixed Route revenue is 29.3 percent above FYE 2025 anticipated actuals. The increase in GPF Fixed Route revenue is due to the anticipated expansion of the Fall Foliage Shuttle Service for Fall 2025.

Local Special Fare Assistance - \$100,761

Collectively, Local Special Fare Assistance revenues are 29.6 percent below FYE 2025 anticipated actuals. The reduction is due to the continued reduction in Area Agency on Aging and ADA ridership trends.

Carbon County Area Agency on Aging (CCAAA) - \$13,785

Currently this line item represents revenue earned on ridership for Carbon County AAA (CCAAA) sponsored clients. For those sponsored clients under 65 years of age, CCAAA pays the full fare of the trip and for those clients over 65 years of age, CCAAA pays the 15 percent copay while the remaining 85 percent is paid for by the Senior Shared Ride Lottery Program. CCAAA FY2026 budgeted revenue represents a total of 3,713 completed revenue trips for clients 65 years or age and older. CCAAA has been limiting their sponsorship of clients aged 60-64 therefore no projection was made for under 65 ridership.

American with Disabilities Act (ADA) - \$86,977

This line item represents the total amount of revenue received from ADA Federal Formula Funding and Capital Costs of Contracting only. Total operating costs of the ADA program total \$90,232 less ADA client co-pays of \$3,255, resulting in \$86,977 in allowable costs applicable for federal formula funding. Current revenue consists of total revenue ridership of 1,050 trips. FY2026 formula funding is sufficient for Carbon's ADA program.

State Reimbursements - \$361,917

Collectively, FY2026 State Reimbursements are 45.1 percent above FYE 2025 anticipated actuals. The increase is a result of current ridership trends and the assumption that more individuals will be moving to the PWD funding source from ADA due to the fixed route service reductions.

Senior Shared Ride Lottery - \$236,610

Shared Ride revenue is representative of 7,544 revenue trips and full 85 percent reimbursement from the Senior Shared Ride (SSR) Lottery Program.

Persons with Disabilities (PWD) - \$125,307

PWD revenue is representative of 3,588 revenue trips and full 85 percent reimbursement from the Senior Shared Rider (SSR) Lottery Program. PWD ridership is anticipated to increase over the next fiscal year due to the service reductions on fixed route.

State Special Fare Assistance - \$1,338,942

Collectively, FY2026 State Special Fare Assistance revenue is 35.7 percent above FYE 2025 anticipated actuals.

Carbon County MATP – \$1,338,942

Carbon County MATP revenue is representative of the total annual operating costs for the Carbon County MA Program. FY2026 projected revenue ridership for Carbon County MATP totals 15,715 trips. Carbon County MATP revenue ridership is comprised of the following MATP trip types:

- MATP Under 65 – 12,016
- MATP Out of County – 826
- MATP Mileage Reimbursement – 3,146
- MATP Pass-Through – 353

LEHIGH & NORTHAMPTON TRANSPORTATION AUTHORITY
CARBON TRANSIT
BUDGETED EXPENDITURES

ACCOUNT	FISCAL YEAR 2023/24 AUDITED	FISCAL YEAR 2024/25 ACTUAL (9) ESTIMATED (3)	(INCREASE/ DECREASE PERCENTAGE	FISCAL YEAR 2025/26 BUDGET	(INCREASE/ DECREASE PERCENTAGE
EXPENDITURES					
SALARIES & WAGES	212,624	224,427	-5.26%	343,663	-34.70%
FRINGE BENEFITS	140,332	179,543	-21.84%	237,127	-24.28%
OUTSIDE SERVICES	27,117	26,880	0.88%	25,550	5.21%
MATERIALS & SUPPLIES	15,159	12,943	17.12%	14,000	-7.55%
UTILITIES	22,820	25,785	-11.50%	28,000	-7.91%
FUEL	203,257	151,619	34.06%	110,858	36.77%
INTEREST	-	-	0.00%	-	#DIV/0!
PURCHASED TRANSPORTATION	1,822,378	1,656,599	10.01%	1,837,663	-9.85%
LEASES	14,557	49,919	-70.84%	55,000	-9.24%
MISCELLANEOUS	269	336	-20.07%	350	-4.00%
TOTAL EXPENDITURES	2,458,512	2,328,051	-5.31%	2,652,211	13.92%

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

Operating Expenditures Budget Assumptions

- No increase to in-county Purchased Transportation Rates
- No increase to Purchased Transportation Fixed Costs Rates
- Increase of 8.2 percent for Medical Assistance Out of County rates
- Salaries are based on merit increases between 5 and 6 percent
- Fringe benefit allocation is representative of benefits less PTO allocations. The result is a figure of 69%, fringes to wages percentage.
- Anticipated decrease in fuel utilization due to the proper recognition of fuel costs as a result of dedicated fleet vehicles for fixed route versus shared ride services and the implementation of efficient service schedules and service reductions.

Operating Expenditures - \$2,652,211

Collectively, operating expenditures are 13.9 percent above FYE 2025 anticipated actuals.

Salaries and Wages - \$343,663

Salaries and wages are 34.7 percent above FYE 2025 anticipated actuals. The increase is attributable to the budget allocation. While the percentage used for cost allocation to Carbon Transit has decreased from 7.0% to 5.4%, staffing time allocations have changed

for FY2026. The Paratransit department saw an increase in headcount of 1 full time employee, Rider Resources saw a headcount increase of 2 full time employees and one promotion for FY 2025.

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 2026 salary projections are based on merit increases between 5% and 6% 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 February 28, 2025. The percentages used for FY 2026 are as follows:

5.4% Carbon Transit
61.6% LANtaBus
32.9% 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:

Executive - \$10,284
Finance - \$84,445
Paratransit - \$198,770
Rider Resources - \$33,434
Marketing - \$3,448
Planning - \$23,463

During the first and third quarters of FY 2026, the Finance department will be initiating a time study to ensure that the above methodology is the best practice for determining allocations.

Fringe Benefits - \$237,127

Collectively, FY 2026 fringe benefits are 24.3 percent above FYE 2025 anticipated actuals. The increase is attributable to the increase in fringe benefits and the amount of wages being allocated to Carbon Transit.

FICA - \$26,290

Current costs are based on the calculation of 7.65 percent of current salaries and wages.

Other Paid Absences (PTO) - \$19,131

Costs include the allocation of PTO costs to the Carbon Transit Division for Paratransit staff. PTO costs are allocated at 30 percent of total PTO earnings.

Fringe Benefits - \$298,242

Costs include the allocation of benefit costs to the Carbon Transit Division for Paratransit staff. Fringe benefits include costs for Health, Life, Workers' Compensation Long and Short Term Disability Insurances, Unemployment Expense and Employer Pension Contributions.

Outside Services - \$25,550

FY2026 budgeted costs reflect an increase of 5.2 percent over FYE 2025 anticipated actuals. The net increase can be attributed to the following:

- Auditing Fees – Costs are representative of Carbon Transit's allocation of FY2026 auditing services which have increased 2.6% from the previous fiscal year.
- Banking Fees – Costs are representative of the transaction fees for Carbon's general checking account.
- Computer and Technical Services – Costs are representative of Carbon Transit's allocation of FY2026 annual computer services provided by Syncretic and any additional technical services outside the scope of the monthly contractual rates for Syncretic and technical services support provided by Data Centric Services.
- Online Sales - This line item includes the fees associated with online sales transactions for ticket purchases and EcoPay balance replenishments via the current online platform, Square Inc. FY2026 budgeted costs have increased 14.8% and can be attributed to Carbon Transit eliminating paper tickets and using only the diminishing balance feature for fare payments.

Materials and Supplies - \$14,000

FY2026 budgeted costs reflect an overall decrease of 7.6 percent over FYE 2025 anticipated actuals.

Office Supplies - \$13,500

Costs are representative of routine purchases of office and computer supplies, reprinting of Carbon Transit applications, brochures, and offsite storage fees.

Freight - \$500

Current costs are representative of the postage expense of Carbon Transit specific items. FY2026 costs are 58.4 percent below FYE 2025 anticipated actuals due to the elimination of the purchase of paper tickets.

Fuel - \$110,858

LANTA provides Transdev with WEX fuel cards, to be used at any public gas station for fueling the vans. FY2026 costs represent those anticipated transactions and are below FYE 2025 anticipated actuals, by 36.8 percent. FY2026 assumes an average cost per gallon of \$3.34.

Utilities - \$28,000

Collectively, utility costs reflect an overall increase of 7.9 percent. Costs are representative of electric, heating, water and sewer costs for 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 the tablets accessing Ecolane. The net increase can be attributed to the following:

- IVR – FY2026 costs assume a 6.3 percent increase and can be attributed to the increase in calls due to the Carbon Transit moving to the diminishing balance fare payment option.
- Telephone – Costs are representative of landline services for the Carbon Transit division and have increased by 13.1 percent.
- Electric – Costs represent utility charges for the Nesquehoning facility and have increased by 3.3 percent.
- Water and Sewer – Costs represent utility charges for the Nesquehoning facility and have increased by 15.3 percent.
- Heating – Costs represent heating charges for the Nesquehoning facility and have increased by 55.4 percent.
- Internet fees/services - Costs are representative of internet services for the Carbon Transit division. FY2026 costs have decreased 1.7 percent.

Purchased Transportation (P/T) - \$1,837,663

Collectively, P/T costs are above the FYE 2025 anticipated actuals by 9.9 percent. The expense reflects the various components of the Purchased Transportation contract, fixed costs, per trip charge, per revenue hour charge, pass-through entities, mass transit, and mileage reimbursements.

Fixed Route - \$240,184

This line item represents expenditures for the fixed route service currently operated by TransDev, LANTA's subcontractor for fixed route and paratransit service plus the agreed upon fixed cost portion for FY 2026.

Shared Ride - \$1,219,867

This line item represents expenditures for the in-county paratransit service currently operated by TransDev, LANTA's subcontractor for paratransit service plus the agreed upon fixed cost portion for FY2026. This line item includes SSR, PwD, ADA and MATP transportation.

Carbon County Mileage Reimbursements - \$16,739

This line item represents mileage, parking, and toll reimbursements for the Carbon County MATP program. Mileage is currently reimbursed at an increased rate of \$.25 per mile, while parking and tolls are based on the actual costs. Carbon County MATP mileage reimbursement trips total 3,146.

MA Out of County (MA OOC) Carbon - \$360,873

This line item represents expenditures for the MATP premium transportation. MATP premium transportation represents medical transportation outside of Carbon County. Total MA OOC completed revenue trips for FY2026 total 826 trips.

Miscellaneous - \$350

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. FY2026 budgeted costs are above FYE 2025 anticipated actuals by 37.5 percent

Dues and Subscriptions - \$350

Current costs are representative of prepaid subscription fees for Ecolane.

Leases - \$55,000

Per the terms of the Purchased Transportation contract, LANTA is to provide a facility to be used by TransDev. LANTA is responsible for the lease payment of the Nesquehoning facility. FY2026 budget costs include an increase of 3.5 percent based on the lease term agreements for the Paratransit facility and the Rider Resources Center and a reduction in the allocation to Carbon Transit from 7.0 percent to 5.4 percent.

LEHIGH & NORTHAMPTON TRANSPORTATION AUTHORITY
CARBON TRANSIT
BUDGETED SUBSIDY

ACCOUNT	FISCAL YEAR 2023/24 AUDITED	FISCAL YEAR 2024/25 ACTUAL (9) ESTIMATED (3)	(INCREASE)/ DECREASE PERCENTAGE	FISCAL YEAR 2025/26 BUDGET	(INCREASE)/ DECREASE PERCENTAGE
SUBSIDY					
LOCAL OPERATING ASSISTANCE	48,438	50,859	-4.76%	53,402	-4.76%
STATE OPERATING ASSISTANCE - CY	322,920	339,060	-4.76%	356,013	-4.76%
STATE OPERATING ASSISTANCE - PY FEDERAL 5311	666,190	126,980	100.00%	-	0.00%
	-	-	0.00%	102,555	100.00%
TOTAL SUBSIDY	1,037,548	516,899	-50.18%	511,970	-0.95%

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

Subsidy - \$511,970

FY 2026 budgeted deficit recorded on Carbon Transit totals \$264,898. The deficit is representative of the Senior Shared Ride Lottery and Persons with Disabilities Programs. FY 2026 subsidies equal the amount of the deficit for Fixed Route and the ADA programs.

Local Subsidy - \$53,402

FY 2026 budgeted amount represents the general operating assistance revenues received from Carbon County. The amount of FY 2026 funding is equivalent to 15% of FY 2026 state operating assistance.

State Subsidy - \$356,013

FY 2026 budgeted amount represents the operating assistance funds of \$356,013 from PennDOT to assist in funding the cost of operating transit services.

Federal 5311 Subsidy - \$102,555

For FY 2026 Carbon Transit is the recipient of Federal 5311 Funding. Section 5311 funds will be utilized to offset the deficit of Carbon Transit's Fixed Route division therefore freeing up state operating dollars to be allocated for possible utilization for the Senior Shared Ride and PWD Programs.

Contingency:

The FY 2026 budget reflects a \$264,898 unfunded deficit applicable to the PennDOT Lottery sponsored Senior Shared Ride Program. For budgeting purposes, the deficit will remain

unfunded for the fiscal year. In addition to January 1, 2026, fare increase, staff will be pursuing additional actions to remediate the deficit in FY 2026 and future fiscal years including the use of alternative grant sources, changes to program parameters and service delivery.

Operating Budget – Carbon Transit

**LANTA - CT
CARBON TRANSIT DIVISION
FISCAL YEAR ENDED JUNE 30, 2026**

REVENUES

PASSENGER FARES - FLEX	444
PASSENGER FARES - LYNX	9,553
SHUTTLE SERVICE AGREEMENTS	15,900
PASSENGER FARES - SHARED RIDE	45,726
ADA	86,976
AREA AGENCY ON AGING	13,785
SHARED RIDE REIMBURSEMENT	236,610
PWD REIMBURSEMENT	125,307
CARBON COUNTY MATP	1,338,942
INTEREST INCOME	2,100
	1,875,343
TOTAL REVENUES	1,875,343

EXPENSES

SALARIES	343,663
FRINGE BENEFITS	237,127
SERVICES	25,550
MATERIALS & SUPPLIES	14,000
UTILITIES	28,000
FUEL	110,858
CASUALTY AND LIABILITY COSTS	-
INTEREST	-
PURCHASED TRANSPORTATION - SRR	728,396
PURCHASED TRANSPORTATION - SRR - FC	491,471
PURCHASED TRANSPORTATION - LYNX/FLEX	240,184
PURCHASED TRANSPORTATION - MA OOC	360,873
PURCHASED TRANSPORTATION - MA REIMB	16,739
LEASES	55,000
MISCELLANEOUS	350
	2,652,211
TOTAL OPERATING EXPENSES	2,652,211

EXCESS OF REVENUES OVER EXPENSES	(776,868)
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SUBSIDY.

LOCAL SUBSIDY	53,402
STATE SUBSIDY	356,013
FEDERAL 5311 SUBSIDY	102,555
OTHER SUBSIDY - ADA	-
TOTAL SUBSIDY	511,970

SURPLUS (DEFICIT)	(264,898)
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Note: Totals and percentage may not be precise due to independent rounding

Budget to Budget Comparison – Carbon Transit

Carbon Transit Income Statement Summary Projected Budget Fiscal Year Ending June 30, 2026

	Projected 2026 Budget	2025/2026 Budget Variance	
		2025 Budget	Percent
Revenue			
Passenger Fares	71,623	39,531	81.2%
Non-Transportation Revenues	2,100	-	0.0%
Local Special Fare Assistance	100,761	23,345	331.6%
State Reimbursements	361,917	298,582	21.2%
State Special Fare Assistance	1,338,942	1,385,161	-3.3%
Total Revenue	1,875,343	1,746,619	7.4%
Expenses			
Labor	343,663	349,808	-1.8%
Fringe Benefits	237,127	279,846	-15.3%
Total Labor and Fringe Benefits	580,790	629,654	-7.8%
Services	25,550	26,226	-2.6%
Fuel	110,858	227,872	-51.4%
Materials & Supplies	14,000	19,000	-26.3%
Utilities	28,000	44,135	-36.6%
Casualty & Liability	-	-	0.0%
Taxes	-	-	0.0%
Purchase of Transportation Service	1,837,663	2,030,380	-9.5%
Miscellaneous	350	225	55.6%
Interest	-	-	0.0%
Leases & Rentals	55,000	53,491	2.8%
Total Expenses	2,652,211	3,030,983	-12.5%
Gross Surplus (Deficit)	(776,868)	(1,284,364)	-39.5%
Subsidy			
Local Subsidy	53,402	50,859	5.0%
State Subsidy	356,013	339,060	5.0%
Federal Subsidy	102,555	-	100.0%
Other Subsidy Act 44	-	88,830	-100.0%
Total Subsidy	511,970	478,749	6.9%
Surplus (Deficit)	(264,898)	(805,615)	-67.1%

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

Operating Budget Comparison – Carbon Transit

CARBON TRANSIT DIVISION
 OPERATING BUDGET
 FISCAL YEAR ENDED JUNE 30, 2026

<u>REVENUES</u>	FISCAL YEAR 2023/24 <u>AUDITED</u>	FISCAL YEAR 2024/25 ACTUAL (9) <u>ESTIMATED (3)</u>	INCREASE/ (DECREASE) PERCENTAGE	FISCAL YEAR 2025/26 <u>BUDGET</u>	INCREASE/ (DECREASE) PERCENTAGE
PASSENGER FARES	38,880	48,997	26.02%	71,623	46.18%
NON-TRANSPORTATION REVENUES	1,953	3,821	95.65%	2,100	0.00%
LOCAL SPECIAL FARE ASSISTANCE	24,742	16,099	-34.93%	100,761	525.88%
STATE REIMBURSEMENTS	299,142	249,498	-16.60%	361,917	45.06%
STATE SPECIAL FARE ASSISTANCE	1,090,857	860,884	-21.08%	1,338,942	55.53%
TOTAL REVENUES	1,455,574	1,179,299 ▼	-18.98%	1,875,343	59.02%
<u>EXPENSES</u>					
SALARIES	212,624	224,427	5.55%	343,663	53.13%
FRINGE BENEFITS	140,332	179,543	27.94%	237,127	32.07%
SERVICES	27,117	26,880	-0.88%	25,550	-4.95%
MATERIALS & SUPPLIES	15,159	12,943	-14.62%	14,000	8.17%
UTILITIES	22,820	25,785	12.99%	28,000	8.59%
FUEL	203,257	151,619	-25.41%	110,858	-26.88%
PURCHASED TRANSPORTATION	1,822,378	1,656,599	-9.10%	1,837,663	10.93%
LEASES	47,213	49,919	5.73%	55,000	10.18%
MISCELLANEOUS	269	336	25.11%	350	100.00%
TOTAL OPERATING EXPENSES	2,491,169	2,328,051 ▼	-6.55%	2,652,211	13.92%
EXCESS OF REVENUES OVER EXPENSES	(1,035,594)	(1,148,752) ▼	10.93%	(776,868)	-32.37%
LOCAL SUBSIDY	48,438	50,859	5.00%	53,402	5.00%
STATE SUBSIDY	322,920	339,060	5.00%	356,013	5.00%
FEDERAL SUBSIDY	-	-	#DIV/0!	102,555	100.00%
OTHER SUBSIDY ACT 44 RESERVES	664,236	126,980	0.00%	-	0.00%
TOTAL SUBSIDY	1,035,594	516,899		511,970	
SURPLUS (DEFICIT)	(0)	(631,853)		(264,898)	

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

Revenue and Expense Detail – By Program

Carbon Transit
June 30, 2026

	Fixed Route	ADA	SRR/PWD	MATP	Total
Salaries & Wages	\$ 18,353.00	\$ 12,244.17	\$ 129,811.48	\$ 183,254.35	\$ 343,663.00
Fringes	12,663.57	8,448.47	89,569.92	126,445.50	237,127.46
Services - General Admin	2,250.00	876.98	9,297.62	13,125.41	25,550.01
Services - Maintenance	-	-	-	-	-
Materials & Supplies	-	526.94	5,586.55	7,886.51	14,000.00
Fuel	3,325.74	4,172.52	40,910.96	62,448.77	110,857.99
Utilities	786.00	1,053.88	10,387.10	15,773.02	28,000.00
Purchased Transportation	169,857.00	36,319.49	385,055.76	307,020.75	898,253.00
Purchased Transportation - FC	70,327.00	24,505.87	259,808.87	568,029.26	922,671.00
Mileage Reimbursement	-	-	-	16,739.00	16,739.00
Miscellaneous Expense	-	13.17	139.66	197.16	349.99
Interest Expense	-	-	-	-	-
Leases	1,650.00	2,070.12	20,297.16	30,982.72	55,000.00
Total Expenditures	279,212.31	90,231.61	950,865.08	1,331,902.45	\$ 2,652,211.45
Passenger Fares	25,897.00	3,255.00	42,471.00	-	\$ 71,623.00
Program Reimbursements					
Lottery - Shared Ride			236,610.00		\$ 236,610.00
Lottery - PWD			125,307.00		125,307.00
MATP			7,040.00	1,331,902.45	1,338,942.45
Area Agency on Aging			13,785.00		13,785.00
ADA					-
Investment Income	2,100.00				2,100.00
Total Program Reimbursements	2,100.00	-	382,742.00	1,331,902.45	\$ 1,716,744.45
Gross Surplus/(Deficit)	(251,215.31)	(86,976.61)	(525,652.08)	-	(863,844.00)
Subsidy					
Local Operating Assistance	53,402.00			-	\$ 53,402.00
State Operating Assistance - CT	95,258.31	-	260,754.69		356,013.00
State Operating Assistance - Reserves		-			-
Federal 5311	102,555.00				102,555.00
ADA - Federal/State		52,185.97			52,185.97
ADA - PM		34,790.64			34,790.64
Total Subsidy by Program	251,215.31	86,976.61	260,754.69	-	\$ 598,946.61
Surplus/(Deficit)	-	-	(264,897.39)	-	(264,897.39)
Total Trips		1,050	11,132	15,715	
Avg Cost per Trip	\$	85.93	\$ 85.42	\$ 84.75	
Avg Passenger Revenue per Trip	\$	3.10	\$ 38.20	\$ 84.75	
Avg Subsidy per Trip	\$	82.83	\$ 23.42		

GLOSSARY

Accessible – As defined by FTA, “accessible” generally refers to a public transportation system or facility that is readily usable by people with disabilities, including those who use wheelchairs or other mobility aids.

Accessible Service – As defined by FTA, “accessible service” is a service that is readily accessible to and usable by individuals with disabilities, including those who use wheelchairs or other mobility aids. This includes fixed-route bus service with wheelchair lifts or paratransit service with wheelchair lift-equipped vehicles.

Accidents per 100,000 Miles – Measures vehicle accidents reported (Bus and Paratransit) per 100,000 miles of actual fixed-route mileage. Management’s objective is to reduce this ratio.

Calculation = [(Vehicle Accidents/Actual Mileage) * 100,000]

Accounting Basis - Financial statements are prepared on the accrual basis of accounting under which revenues and expenses are recognized when earned or incurred.

Accrual Method of Accounting - An accounting method that measures the performance and position of a company by recognizing economic events in the period they occur regardless of when cash transactions occur (i.e., recognize revenue in the period in which it is earned rather than when the cash is received; and recognize expenses when incurred rather than when cash is paid).

Accrued Expense - Expenses incurred and recorded during an accounting period for which payment will be made in the future.

ADA (The Americans with Disabilities Act of 1990) – As defined by FTA, as a civil rights law that prohibits discrimination and ensures equal opportunity for persons with disabilities in transportation, including public transit. The ADA mandates that public transit agencies provide accessible services and facilities, including complementary paratransit for those who cannot use fixed-route services.

ADA Paratransit Service – As defined by FTA, provides transportation for individuals with disabilities who are unable to use the fixed-route transit system due to their disability.

Ambulatory Disabled – A person with a disability that does not require the use of a wheelchair or have visual or hearing impairments.

American Public Transit Association (APTA) – Is a nonprofit membership organization whose mission is to strengthen and improve public transportation through advocacy, innovation, and information sharing.

Amortization - The process of allocating the cost of an intangible asset over the asset's useful life.

Associated Capital Maintenance Item (ACMI) – This is a Federal Transit Administration capital program that subsidizes the operating cost of LANTA's Tire Lease Program.

Audit – Official inspection of the Agency's financial accounts by an independent third-party.

Average Fare – Represents the average fare paid per passenger boarding on each mode of service during the period.

Calculation = (Modal Passenger Revenue – Commissions & Discounts) / (Modal Passenger Boardings)

Average Weekday Ridership – The average number of passenger boardings on a weekday. This measurement does not include ridership on Saturdays, Sundays, or holidays.

Balanced Budget - The Authority considers the budget balanced when total expenditures equal total revenues.

Boardings - Number of passengers utilizing transit service, measured on entrance of vehicle.

Budget Basis - The starting point for budget deliberations, usually the current budget year appropriation, or the Midyear Review estimate of expenses.

Budget Deficit - Usually, this is a projection of expenditures exceeding projections. It is normally determined during a monthly review. The budget is controlled so that expenditures plus encumbrances should not exceed appropriations.

CAFR (Comprehensive Annual Financial Report) – A required annual report that outlines the financial performance and position of a state, municipality, or other government entity, conforming to the accounting standards of the Governmental Accounting Standards Board (GASB).

Capital – As defined by FTA, refers to assets that have a useful life of more than one year and are used for public transportation services, such as buses, subways, light rail, and

commuter rail. This includes tangible assets like vehicles, facilities, and infrastructure, as well as some intangible assets like software.

Capital budget - The portion of the budget that provides for the funding of construction, improvements, projects, and major equipment purchases.

Capital Expenditure - Expenditures made to account for the acquisition, construction, replacement, repair and renovation of capital facilities, assets, and equipment.

Certified Riders – Certified riders are passengers who have been deemed eligible for Paratransit services because their disability prevents them from functionally accessing fixed route services. Eligibility is determined in accordance with the criteria outlined in the Americans with Disabilities Act of 1990.

Complaints Per 100,000 Passengers – This is a modal quality ratio that measures the number of service complaints per 100,000 passenger boardings (or per 1,000 boards for Paratransit). Management’s objective is to reduce this ratio.

Calculation = [(Service Complaints Received / Modal Passenger Boardings) * 100,000]

Cost per Revenue Mile – Efficiency ratio that measures the cost of providing a revenue mile of service. This measurement is based on fully loaded costs and excludes operating revenues. Management’s objective is to reduce this ratio.

Calculation = [Total Operating Expenses / Revenue Miles]

Capital Improvement Budget - The current year estimated revenues and expenses of construction projects and capital equipment purchases in the Capital Improvement Plan. The Capital Budget includes maintenance and expansion projects that are funded through grants and local sources.

Capital Improvement Plan (CIP) - A five to ten-year plan for constructing, acquiring, or maintaining capital assets.

Cash Accounting - An accounting method that recognizes revenues and expenses at the time cash is actually received or paid.

Deadhead - Hours or miles that the buses are in service, but there is not a reasonable expectation of carrying passengers. Examples include traveling between routes, between the garage and the start of a route.

Debt Service – The payment of interest and the repayment of principal on long-term borrowed funds according to a predetermined schedule.

Demand Response – As defined by FTA, demand response services are non-fixed route transportation systems that require advance scheduling by the customer. Paratransit clients must call to request service; therefore, the service is provided based on demand not on a predetermined schedule.

Depreciation – Is the process of systematically allocating the cost of an asset over its useful life. It reflects the gradual decline in an asset's value due to factors like wear and tear, inadequacy and obsolescence. The cost is allocated as an expense that affects the net income.

Directly Operated Motor Bus - Scheduled bus service that is provided directly by LANTA.

Equity - Captures the aggregate of accumulated revenues and expenses from previous years and is reflected on the Statement of Net Assets or Balance Sheet in and organization's financial statements under the caption of "Net Assets."

Expenditure - As defined by FTA, refers to the act of spending or using funds on public transportation activities that are both necessary and reasonable. Expenditures are recognized at time of payment.

Expenses - As defined by FTA, refer to the costs incurred by public transportation agencies when providing services, including both operating and capital expenses for the current fiscal period. Expenses are recognized as the cost is incurred or utilized.

Fares – The amount charged to passengers for use of various transportation services.

Fare box Revenue – All revenue collected onboard LANTA's fixed route buses. Revenue collected is representative from the sale of passenger tickets, passes, or other instruments of fare payment.

Fare Revenue Per Passenger - This calculation provides the ratio of total fare box revenues to the total number of passengers during the same period.

FTA (Federal Transit Administration) – The FTA is the federal agency that supports transit systems nationwide, including buses, subways, light rail, commuter rail, trolleys and ferries through funding and technical assistance. FTA provides financial and planning assistance to various transit agencies to improve America's communities through public transportation.

Fiscal year - A fiscal year is a 12-month period used for financial planning, budgeting and reporting that has another starting date other than January 1. LANTA operates on July 1 through June 30 fiscal year.

Fixed Route Service – As defined by FTA, is a system where vehicles operate along a prescribed route according to a fixed schedule.

Full-time equivalent (FTE): This represents a measurement equal to one employee working a full-time work schedule for one year based on 2,080 work hours per year.

Funding Formula – A specific formula used to determine a subsidy level.

GAAP - This is an acronym that stands for “Generally Accepted Accounting Principles” used in the United States of America and recognized as the standards in the accounting profession.

GAAS – This is an acronym that stands for “Generally Accepted Auditing Standards” used in the United States of America and recognized as the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States and the audit requirements of the Pennsylvania Department of Transportation.

GASB - This is an acronym that stands for “Governmental Accounting Standards Board” which is the source of generally accepted principles used by State and Local governments in the United States. The mission of The Governmental Accounting Standards Board is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

GFOA - Government Finance Officers Association

Grants - This is a source of revenue that is received from another governmental body such as local, federal, and state governments to provide capital or operating assistance.

Headway – The time span between service vehicles on a specific route.

Interest Income - Income gained from interest on funds that have been deposited. LANTA earns interest on checking account balances. Interest earned on Act 44 funds are available for use, however, are not recorded as income but as a receivable to the Commonwealth of Pennsylvania.

Labor Expenditure – This refers to the cost of wages and salaries (including overtime) to employees for the performance of work.

Line Item – An appropriation that is itemized on a separate line in a budget or financial plan.

Major Funds - Major Funds are funds whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental funds.

Maintenance Expenditure – This refers to the expenditures for labor, materials, services, and equipment to repair and service transit and service vehicles and facilities.

Medical Assistance Transportation Program (MATP) – As defined by FTA, a specific type of human services transportation (HST) that provides non-emergency medical transportation to individuals who receive Medicaid or medical assistance.

Miles between Road calls - This a reliability ratio that measures the total system miles to number of mechanical road calls. Management’s objective is to increase this ratio, with a higher mileage number indicating better performance.

Calculation = [Total Miles Operated / Total # of Road Calls]

Net Assets - See “Equity” above.

Non-Major Fund – A fund that does not constitute more than 10% of either revenue or expenditures of the appropriated budget, excluding other financing sources and uses. For the purposes of reporting on non-major funds throughout this budget document, they are presented in aggregate by their fund type (special revenue, debt service, capital, etc.).

Obligation – This is the term used to refer to funds that have been obligated to a specific purpose but have not been expended.

Off-Peak – Non-rush hour time periods.

On-Time Performance – This is a quality ratio that measures how often a service is on time (i.e., at a designated pick-up spot within a predetermined timeframe). The timeframe differs based on mode and frequency of service. Generally, for fixed route, on-time performance is defined as not arriving at a point early or and not leaving more than 5 minutes late. For paratransit services, it is no more than a half hour before or after a scheduled pick-up time. Management’s objective is to increase this ratio.

Calculation = [(# Scheduled Trips Sampled - # of Times Early or Late) / Total # of Scheduled Trips Sampled]

Operating Budget - The planning of revenue and expenditures for a given period of time to maintain daily operations is referred to as the Operating Budget.

Operating Cost Per Hour – This is a service cost efficiency ratio of total operating

costs to the total number of vehicle hours operated during the same period. This does not include depreciation or the cost to fund capital projects. Management's objective is to decrease this ratio.

Operating Revenues – Revenues from fare box, special events service, advertising, and pass sales are included in this revenue category and does not include vending commissions, recycling proceeds, interest income, or gain on sale of assets.

Operating Expenses – Expenses required to operate all of LANTA's revenue services are included in this expense category.

Passenger Canceled Trips Ratio – This ratio measures the percentage of times that Paratransit users cancel a scheduled trip. Total schedule trips include actual trips made, cancellations, and no-shows.

Calculation = [# of Canceled Trips / Total # of Scheduled Trips]

Passenger Mile – This refers to a single passenger traveling one mile.

Passenger No-Show Ratio – This is a quality ratio for Paratransit service that measures the number of times a Paratransit user makes a reservation and does not show-up for the ride. This measurement is different from the Passenger Canceled Trips Ratio that requires the user to cancel a scheduled trip. Management's objective is to reduce this number so that other trips can be scheduled in that timeframe. Users can lose the ability to access the Paratransit system if they have an excessive number of no-shows.

Calculation = [# of No-Shows / Total # of Scheduled Trips]

Passengers per Hour – This is a productivity ratio that measures the ridership to the hours of service operated during the same period. Management's objective is to increase this number.

Calculation = [Actual Passenger Boardings / Revenue Hours]

Passengers per Vehicle Mile - This is a productivity ratio that measures route productivity by comparing the number of passenger boardings to the number of revenue miles. Management's objective is to increase this ratio.

Calculation = [Passenger Boardings / Revenue Miles]

Passenger Revenue - Revenue earned through fares charged directly to passengers for transit services regardless of where fare is collected.

Peak Period - The period during which the maximum amount of travel occurs.

Principal – This represents the amount borrowed or the amount still owed on a loan or line of credit, separate from the interest.

Purchased Transportation Demand Response - This type of service is provided on an "as-needed" basis by a vendor under contract to the Authority.

Paratransit - Paratransit is scheduled service for people who cannot use regular fixed route bus service.

Pass - Thru - A situation where the Authority functions as a channel for the expenditure of funds from another source without authorization to decide the use of the funds.

Persons with Disabilities (PWD) Program – A program that provides subsidized shared-ride transportation for individuals aged 18 to 64 who have a disability. This program is funded by the Public Transportation Trust Fund and is administered by PennDot.

Purchase Order - A document issued to authorize a vendor or vendors to deliver specified merchandise or render a specified service for a stated price. Outstanding purchase orders are called encumbrances.

Proposed Budget - Refers to the budget prepared with preliminary estimates by the Executive Director and Senior Director of Finance for consideration of LANTA's Board of Directors.

Reduced Fares – A term used to describe a discounted fixed route fare.

Reserves – LANTA uses “reserves” to describe the Act 44 funds available from the previous fiscal year.

Revenue – All income generated from providing public transportation services during the Authority's fiscal year.

Revenue Hours – As defined by FTA, the time a vehicle is available to the public for passenger transportation and is expected to carry passengers.

Revenue Miles – As defined by FTA, the total number of miles traveled by a transit vehicle while in revenue service. This includes the miles driven while passengers are on board but excludes deadhead miles.

Revenue Passengers – As defined by FTA, are passengers who travel on public transportation vehicles in revenue service.

Revenue Service – As defined by FTA, the operation of vehicles for the transportation of passengers. This includes both fare-based and fare-free transit as long as it's a public service open to all. Excludes activities of operator training, vehicle maintenance, and deadhead trips.

Ridership – As defined by FTA, the total number of passengers who board public transportation vehicles, regardless of the number of transfers or vehicles used for a single trip.

Section 5307 Urbanized Area Formula Funding – As defined by FTA, is a Federal formula grant program that provides federal resources to urbanized areas and to governors for transit capital, operating assistance, and transportation related planning in urbanized areas.

Section 5309 Capital Program Funds – As defined by FTA, is a Federal discretionary program aimed at supporting capital investments in public transportation. 5309 funds provide capital assistance for various transit projects, including fixed guideway investments, new and expanded rail systems, streetcars, ferries and bus rapid transit.

Senior Shared Ride Lottery (SSR) Program – A program that offers discounted or free transportation to eligible seniors (age 65 and older) who are willing to share their trip with other passengers. This program is funded by the Pennsylvania Lottery, with the Lottery covering majority of the cost of the rides. Seniors can ride fixed-route public transit or commuter rail for free, and can also use on-demand, shared-ride services at a reduced rate.

State of Good Repair (SGR) – As defined by FTA, is the condition in which a transit asset, both individually and as a system, is operating at a level at least equal to its original design specifications or as modified.

Unliked Passenger Trips (UPT) – As defined by FTA, the total number of times passengers board public transportation vehicles, regardless of the number of transfers they make during their trip.

Vehicle Hours – As defined by FTA, is the total time that a vehicle spends in operation, including revenue service, deadhead, layover, and recovery time. This does not include hours for charter service, school bus service, operator training or vehicle maintenance training.

Vehicle Revenue Hours (VRH) – As defined by FTA, the total hours that vehicles spend in revenue service, including scheduled service and layover/recovery time.

Vehicle Miles – This is the total miles that a vehicle accumulates while in operation, including revenue service, deadhead, layover, and recovery time.

Vehicle Revenue Miles (VRM) – As define by FTA, the number of miles traveled by a transit vehicle while in revenue service, including scheduled stops and layover times.

Wheelchair Boardings - The number of times the wheelchair lift was used on buses.