



To: County Executive Ed Mangano

From: Kate Slevin, Ryan Lynch, Tri-State Transportation Campaign
Eric Alexander, Vision Long Island

Date: September 20, 2010

Re: LI Bus Cuts in the Nassau County 2011 Budget

Over the past month Tri-State Transportation Campaign and Vision Long Island, in partnership with LI Bus riders and other non-profit organizations, have opposed the MTA's cuts in its contribution to the LI Bus system. We believe that the proposed cuts will balance the MTA's budget on the backs of those that can least afford it, and devastate one of the nation's largest suburban bus systems.

However, Nassau County's contribution of \$9.1 million a year is paltry given the LI Bus' operating budget of \$133 million a year and the County's over \$2.8 billion budget proposal for 2011.

We understand that like the rest of the country, Nassau County faces economic difficulties. Revenues are down, while the demand for social services is rising. However, we believe there are areas in the existing budget that can be reprioritized to increase the County's contribution to LI Bus. This reprioritization could help the County arrive at a negotiated settlement with the MTA and maintain the Authority's funding for this integral transit system. We also proffer ideas to free up operating funding by reevaluating the County's current operating budget and capital plan.

Finally, we identify ways to raise dedicated County revenue to support LI Bus. These potential revenue generators are fair and attempt to balance responsibility of funding across the County.

Operating Budget Reprioritizations:

We support reprioritizing funds from existing sources of monies to pay for LI Bus operations. Some suggestions are as follows:

- Shift **\$1 million** in Long Range Planning funds in the Department of Planning to LI Bus.
- Shift **\$1 million** from the Board of Elections operating budget to LI Bus.
- Reprioritize **\$500,000** in the Department of Social Services to LI Bus.
- Shift **\$500,000** from the Office of Budget and Management to LI Bus.
- Shift **\$500,000** from the Office of the County Attorney to LI Bus.
- Shift **\$1 million** from the Miscellaneous Budget to LI Bus.
- Tap into Reserve Funds in the amount of **\$500,000** for LI Bus.

Total: \$5,000,000

Capital Program Savings:

Forgoing non-crucial capital projects can save precious operating funds from deferred repayments. Based on the County's recent municipal bond sale at an interest rate of 2.75%, the County could save approximately **\$1.06 million** in operating funds by deferring the following capital projects:

- **Deferring** the Human Resources, Payroll and Benefits project (\$2 million) and the Integrated Information Management System project (\$3 million).
- **Deferring** funding to retain a consultant to study and issue recommendations for the future use of the pool at Christopher Morley Park (\$4 million).
- **Deferring** the Museum Row Economic Development Plan (\$29.5 million).

Potential Savings: \$1,058,750

Revenue Generators:

Earlier this month, Nassau County Comptroller outlined a plan for Nassau County to collect \$67 million more in non-tax revenue through increased enforcement of unauthorized building fines, the installation of muni-meter in County complexes, improved alarm system fee collection and restarting the 'Adopt-a-Road' program.

If these items are adopted, Nassau County should pre-designate 25% of these revenues to LI Bus operations. This would generate **\$16.75 million** to fund LI Bus.

Furthermore, the Nassau County District Court/Traffic and Parking Violations Agency projects an increase of approximately \$19.5 million in revenues over 2010 levels. We suggest dedicating 20% of these new revenues to LI Bus operations. This would generate **\$3.9 million** to fund LI Bus.

Total: \$20,650,000

These actions in their entirety would save or generate over **\$26 million**, an amount equal to the proposed MTA cut and an amount greater than what the MTA is asking the County to contribute annually over four years.

While we recognize that many of these actions may be unpopular, the economic climate requires that Nassau County elected officials make difficult choices.

We strongly urge you to consider any, or all, of these options as a means to fund the LI Bus system. The 33 million riders who ride LI Bus annually, the County's small businesses and all residents who cherish the County's environment and quality of life are depending on you.