



Chautauqua, Cattaraugus, Allegany & Steuben Counties

Southern Tier Extension Railroad Authority

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"This institution is an equal opportunity organization"
John Margeson, Chairman

Four-Year Financial Plan (2011 to 2014)

The following is the Authority's Four-Year Financial Plan for 2011 to 2014. The Plan includes a current (2011) and projected (2012 to 2014) capital and operating budget. [\(including an actual versus estimated budget, with an analysis and measurement of financial and operating performance\).](#)

Since the Authority's operations are based exclusively on its annual contractual fees provided by the Western New York and Pennsylvania Railroad and its occasional ability to obtain grant funding for railroad rehabilitation and other capital and non-capital projects, the projections necessarily are limited to these sources of funds and the activities associated with them. When grant funds are obtained, the Authority expends all grant funds obtained for contractually required uses as specified in the specific grant contracts.

The Authority does not include capital projects (including railroad rehabilitation projects) and non-capital projects in its four-year financial plan without having approved grants in hand, as the Authority will not implement any such projects without grant funding.

The Authority was notified in late 2010 by NYS DOT that it has been awarded a grant for railroad rehabilitation purposes (i.e., a capital project). The Authority anticipates receiving these funds in 2011; [however, as of the date of the approval of this four-year financial plan, the Authority has not received a contract for these funds from NYS DOT. Nonetheless, the Authority is including this project in its 2011 capital budget under the assumption that the contract will be received and the project will be commenced and completed in 2011.](#)

However, since there are no firm projections for obtaining any capital or non-capital project grant funds in the succeeding three years of the four year budget horizon, the four-year financial plan necessarily shows no capital or non-capital revenues or expenses in the last three years of the four year budget horizon.

Accordingly, the Authority's Four-Year Financial Plan for 2011 through 2014 is limited to specifying the budget relating to financial flows from the NYS DOT rehabilitation grant and the Authority's annual contractual fee revenue provided by the Western New York and Pennsylvania Railroad.

	(Current)			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Capital Budget</u>				
Revenues	\$894,898	\$ 0	\$ 0	\$ 0
Expenses	<u>894,898</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net revenues	\$ 0	\$ 0	\$ 0	\$ 0
<u>Operating Budget</u>				
Revenues	\$ 40,000	\$40,000	\$40,000	\$40,000
Expenses	<u>24,000</u>	<u>26,400</u>	<u>29,040</u>	<u>31,944</u>
Net revenues	\$ 16,000	\$13,600	\$10,960	\$ 8,056
<u>Cumulative Budget</u>				
Revenues	\$934,898	\$40,000	\$40,000	\$40,000
Expenses	<u>918,898</u>	<u>26,400</u>	<u>29,040</u>	<u>31,944</u>
Net revenues	\$ 16,000	\$13,600	\$10,960	\$ 8,056

Note 1: The Authority's capital budget is based exclusively on its occasional ability to obtain grant funding for railroad rehabilitation and other capital projects. The Authority has been notified by NYS DOT that it has been awarded a grant for railroad rehabilitation purposes. The Authority anticipates receiving these funds in 2011. However, since there are no firm projections for obtaining any of these funds in the succeeding three years of the four year budget horizon, the projected capital budget necessarily shows no capital revenues or expenses in the last three years.

Note 2: The Authority's operating budget is based exclusively on its annual contractual fees provided by the Western New York and Pennsylvania Railroad and its occasional ability to obtain grant funding for railroad rehabilitation and other capital and non-capital projects. Since there are no firm projections for obtaining any of these funds in the four year budget horizon (excepting the annual contractual fees provided by the Western New York and Pennsylvania Railroad), the projected operating budget necessarily shows no revenues other than these annual contractual fees provided by the Western New York and Pennsylvania Railroad, and no expenses other than those projected to occur as a consequence of those revenues. Operating expenses necessarily are limited to these sources of funds available.