

Lextran FY2026 Budget

Presented to the Lexington-Fayette Urban
County Council



WE SERVE
PEOPLE
AND OUR
COMMUNITY
WITH MOBILITY
SOLUTIONS.



Congratulations Mike Burnett, 4th Place in the 2025 International Bus Rodeo!



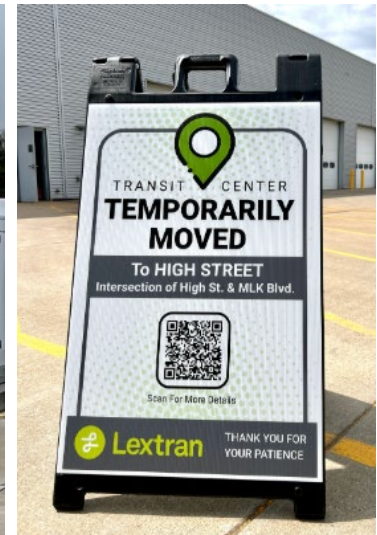
Outline

- Highlights from FY2025
- Lextran Services
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Highlights for FY2025

- Considerable progress on major capital projects
 - Transit Center Interior Renovation
 - CNG Fueling Expansion
 - Maintenance Facility CNG Enhancements
- A new Collective Bargaining Agreement
- Acquired and placed 10 paratransit and 6 fixed-route vehicles into service
- Implemented Service Improvements for fixed-route on-time performance
- Launched two major planning efforts: Microtransit Feasibility and Strategic Planning
- Began implementation of technology system improvements through Avail and TSI
- Paratransit community outreach and focus on improving service quality



Fixed-Route Outlook

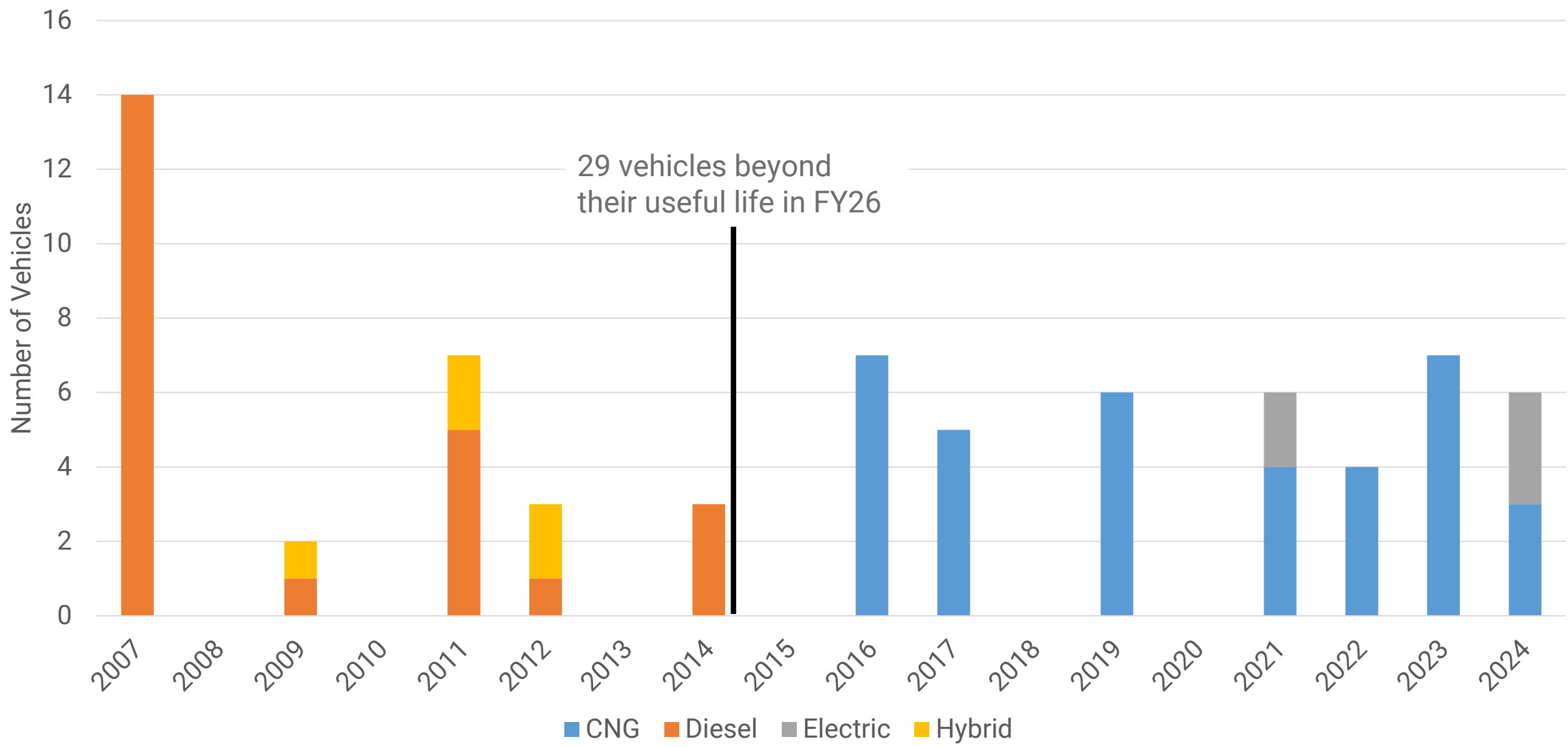
- Projected about 3.5 million fixed-route trips in FY2025; down from 3.76 million in FY2024.
- Progress on technology and passenger amenities.
- Service improvements for on-time performance planned for this fall.

Unfunded Service Priorities

- Frequency along major corridors
 - Most arterials have 35-minute frequency during peak periods;
 - 70 minutes during non-peak, nights, and weekends
- Service to growth areas (Polo Club; Reynolds Road; Blue Sky Rural Development District)
- More direct service (Centre Parkway Connector)



Active Fixed-Route Fleet



Paratransit Outlook

- Complementary to the fixed-route service under the Americans with Disabilities Act (ADA) and is operated county-wide
- Eligibility is based on ability to access to the fixed-route service
- We project about 170,000 trips in FY2025, an increase of about 2,000 trips from FY2024.
- Focus on fleet improvements to improve on-time performance and overall service quality.



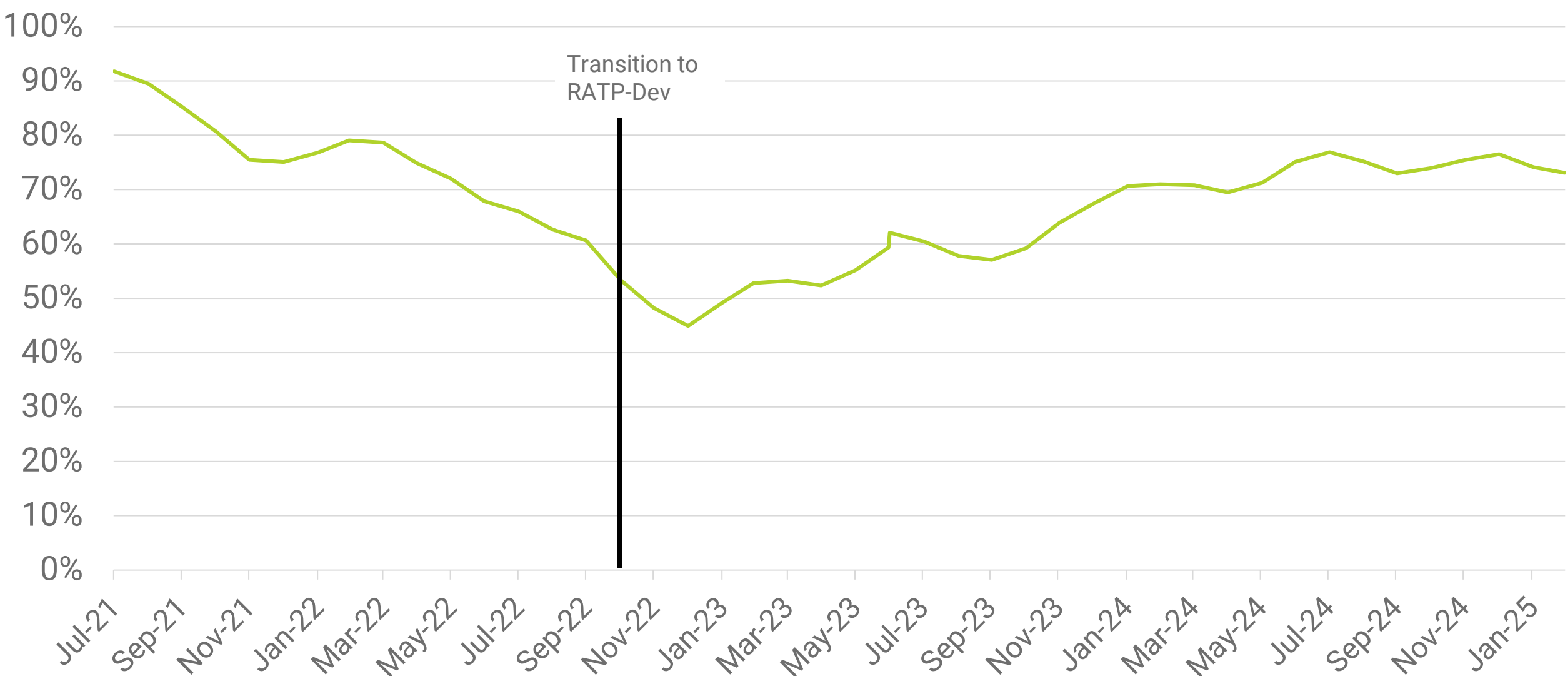
Paratransit Fleet Replacement

Year	Number of Vehicles	Max Passenger Capacity	Current Age
2012	3	8	13
2013	1	8	12
2015	1	4	10
2016	1	4	9
	5	8	9
2017	2	4	8
	4	8	8
2019	9	8	6
	5	10	6
2021 (leased)	19	3	4
2024	9	4	1
2025	7	8	0
	3	12	0

- Nearly half of the fleet has a maximum capacity of four passengers or less
- 50 of the 69 vehicles will be at or beyond its useful life in FY2026
- Long-term fleet goal is 62 cutaways with a minimum capacity of 8 passengers, preferably 12 passengers.



Wheels On-Time Performance Three-Month Rolling Average



Downtown Circulator

- Collaboration with LFUCG, VisitLex, Downtown Lexington Partnership, Lexpark, and District stakeholders
- Schedule and hours of operation are dependent on funding
- MPO grant funds are available for vehicles that can be flexed into Lextran services while not operating the circulator

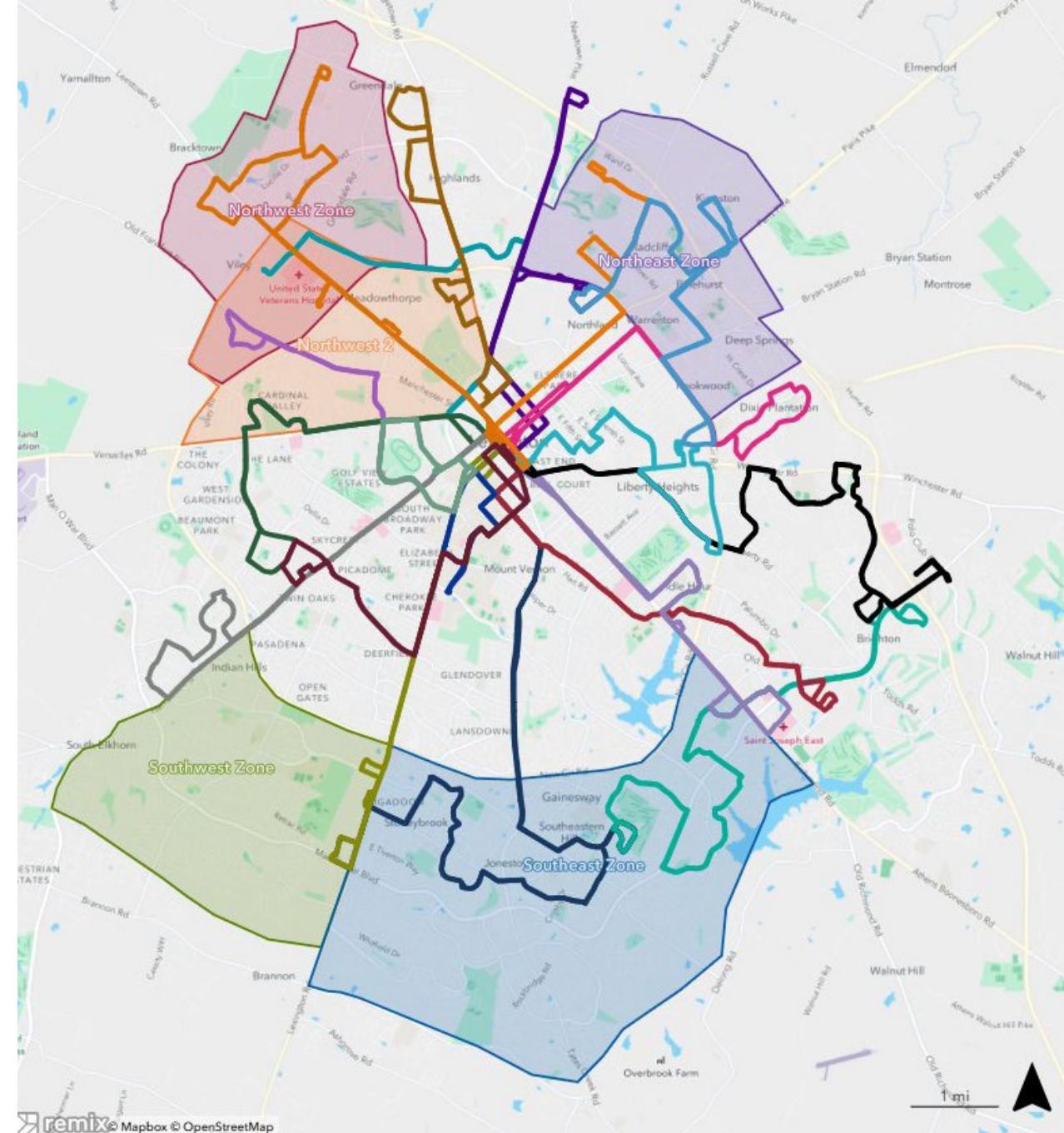
Collaborators are continuing exploration of operating funds for the service



Photos courtesy of The Warehouse Block and Lexington Distillery District Social Media

Microtransit Feasibility Study

- Ongoing Community Input & Data Analysis
 - Understanding needs and potential zones
 - Better idea of how a pilot fits into the Lexington-Fayette County landscape
- Completed Case Studies of six (6) peer agencies
- Preliminary findings:
 - Microtransit survey: About 72% of survey respondents indicated that they would use a microtransit service; only 25% said they would use it to access a Lextran bus stop.
 - Peer studies: Start small & be prepared for ADA considerations
 - Data analysis: Five (5) zones of high potential
 - Cost: Estimated at \$100 per vehicle per hour, excluding marketing, administration, and overhead



Economic Outlook

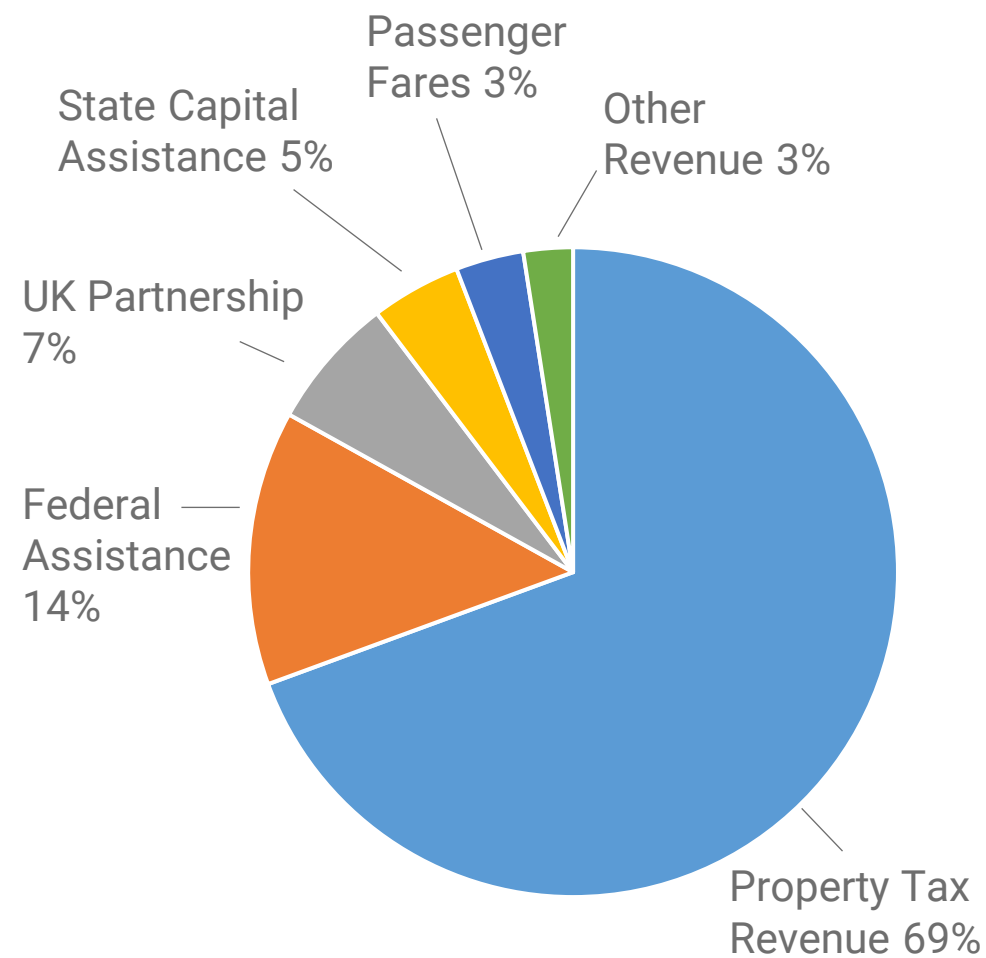
- Rising expenses
 - Paratransit (\$2.6m annual increase, 45% since FY19)
 - Wages (\$4.4m annual increase, 48% since FY19)
 - Fringe Benefits (\$2.5m annual increase, 49% since FY19)
- Uncertainty around federal funding and tariffs
- Significant unfunded capital needs
 - Paratransit vehicles
 - Fixed-route vehicles
 - Safety projects, including the Transit Center Exterior
 - Fare collection system



FY2026 Budget-Revenues

REVENUE	FY2025 Budget	FY2025 Projection	FY2026 Budget
Property Tax Revenue	24,023,978	25,459,478	26,350,560
Federal Assistance	5,617,465	4,880,000	5,188,397
UK Partnership Agreement	2,511,104	2,566,434	2,511,104
State Capital Assistance	1,587,548	1,587,548	1,700,893
Passenger Fares	1,274,153	1,282,722	1,282,727
Other Revenue	480,900	684,585	934,599
Total Revenue	35,495,147	36,460,766	37,968,279

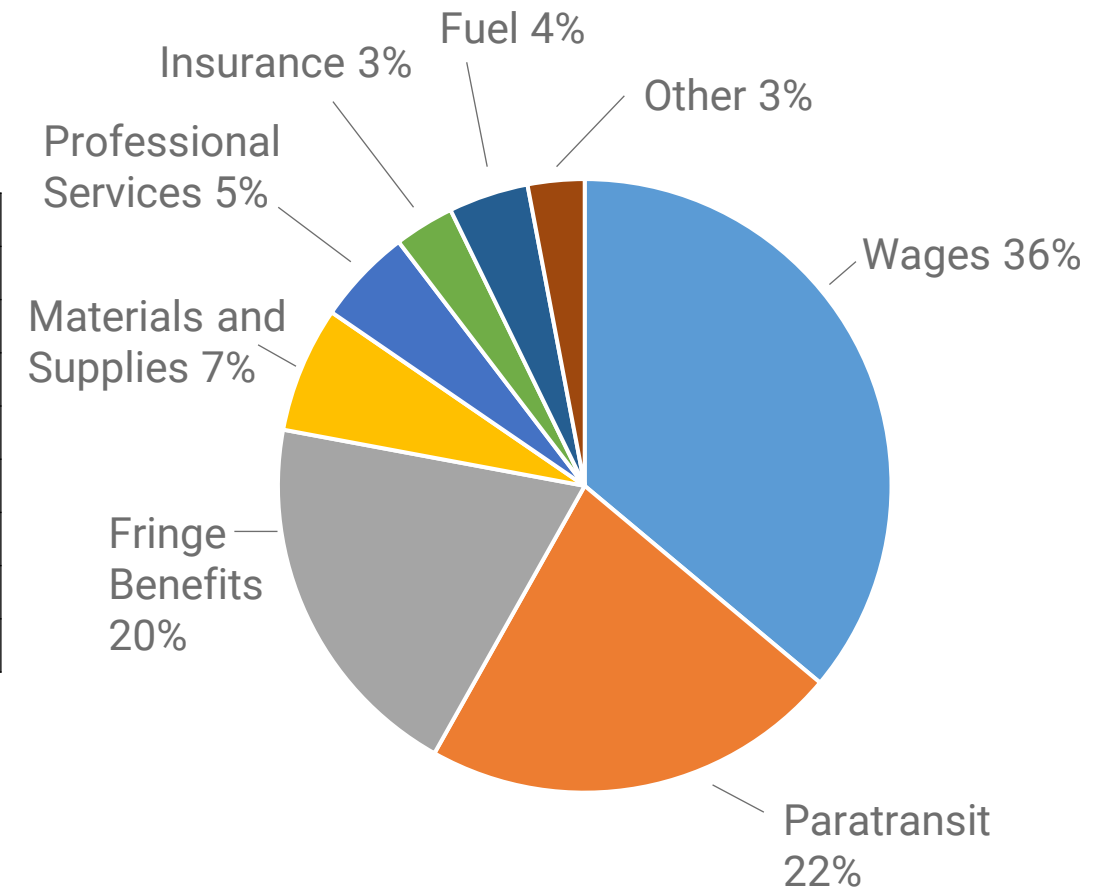
- Property Tax Revenue represents nearly 70% of revenue.
- State Capital Assistance supports matching of federal grants.
- Passenger Fare Revenue is budgeted to be stagnant, reflecting ridership trends.
- Other Revenue includes advertising, fuel tax refunds, vending, and other smaller revenues.



FY2026 Budget- Expenses

OPERATING EXPENSES	FY2025 Budget	FY2025 Projection	FY2026 Budget
Wages	12,557,405	12,734,353	13,700,256
Paratransit Expenses	8,067,918	7,805,000	8,378,000
Fringe Benefits	7,212,819	6,803,880	7,511,872
Materials and Supplies	1,576,500	1,968,208	2,519,000
Professional Services	1,907,601	1,762,166	1,921,932
Insurance	980,383	1,112,533	1,201,535
Fuel (Diesel and CNG)	1,839,959	1,012,499	1,600,000
Other Expenses	1,352,562	1,039,409	1,135,684
Total Operating Expenses	35,495,147	34,238,047	37,968,279

- Wages, Fringe, and Paratransit Expenses combine for about 78% of expenses.
- Materials and Supplies expenses are sensitive to tariffs.
- Other Expenses includes advertising, fuel taxes, utilities, travel, training, dues, subscriptions, and so forth.



Looking ahead to FY2026

- Complete major projects
 - Transit Center interior renovation
 - ITS technology project
 - CNG maintenance improvements
 - Microtransit feasibility study
 - Strategic plan
- Realize paratransit on-time performance improvements
- Launch an operator safety barrier installation project
- FTA program updates—DBE and Title VI
- Fixed-route service improvements
- Incorporate new vehicles into the fixed-route and paratransit fleet
 - 10 fixed-route buses currently on order; existing grant funding for one additional electric bus
 - 10 paratransit cutaways

