

# FY2027 Operating Budget and Five-Year Capital Plan

Presented to the Lexington Fayette Urban  
County Council

Fred Combs, General Manager



**WE SERVE  
PEOPLE  
AND OUR  
COMMUNITY  
WITH MOBILITY  
SOLUTIONS.**



# Outline

Presenting a balanced operating budget of \$39,335,613 and capital plan of \$9,351,881

- Lextran Services
  - Fixed-Route Outlook
  - Paratransit Outlook
  - LexRide
  - Microtransit
- FY2027 Budget
- Looking ahead to FY2027



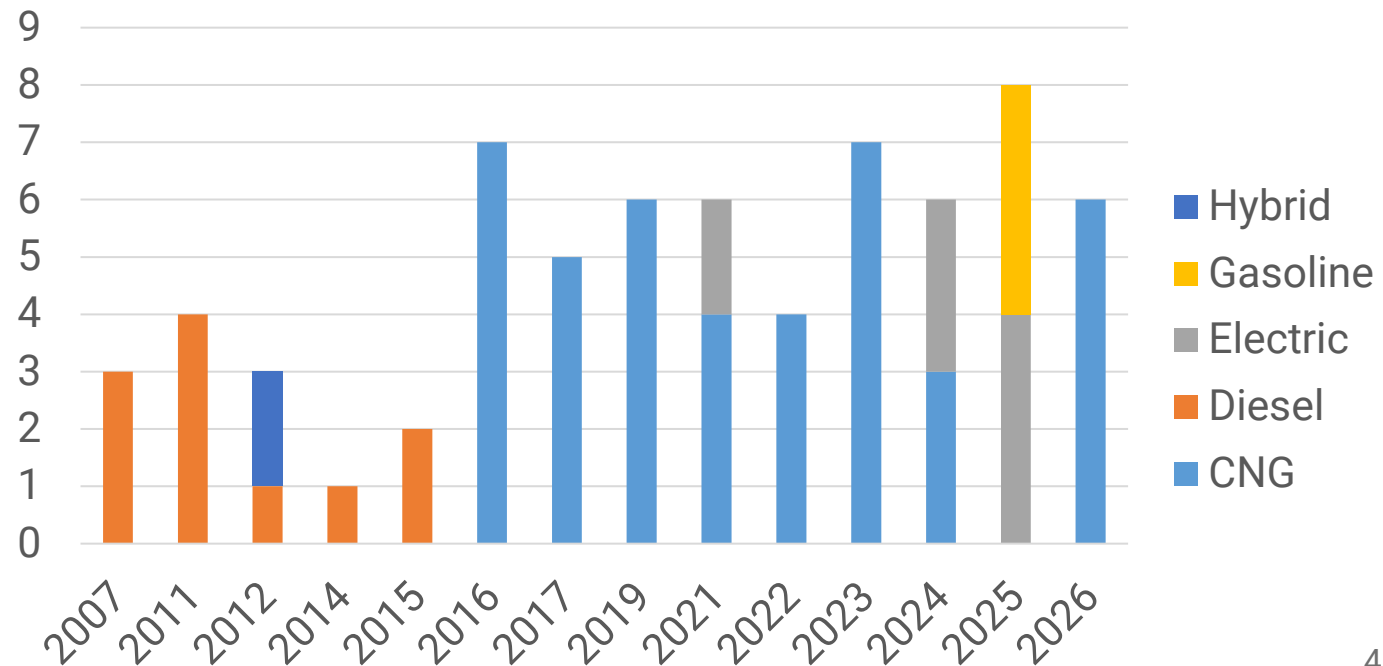
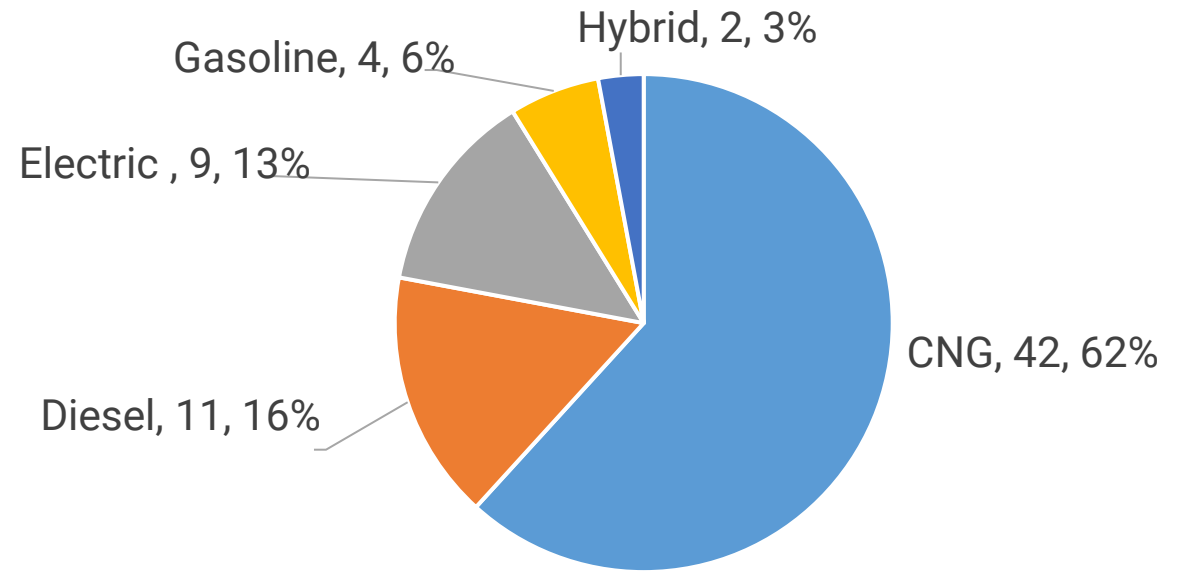
# Fixed-Route Outlook

## Lextran Services

Service levels maintained, with exception of Microtransit and LexRide pilots. Service improvements anticipated during the year to improve on-time performance.

- Lextran has grant funding for seven CNG vehicles for FY2027.
- CNG now comprises 62% of the fleet, up from 52% last year.
- FY26 YTD Ridership over 2.7 million trips
- FY26 YTD On-Time Performance of 86.0 percent

### Lextran Fleet Diversity



# Paratransit Outlook

## Lextran Services



- In April, Wheels welcomed a new General Manager
- Average vehicle capacity was 8.6, up from 6.2 last year
- Grant award is available for the purchase of 10 in FY2027, in addition to the 5310 allocation that could fund four more cutaways
- Continued improvement in On-Time Performance including four consecutive months over 80 percent
- Increased Ridership – March 2026 marked more than 16,000 trips, the most since February 2020
- Added 21 12-passenger vehicles in 2025

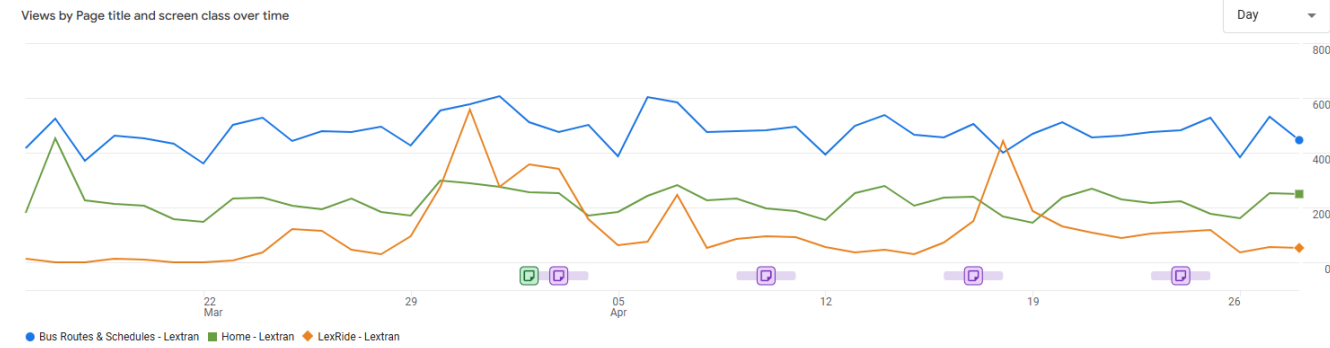
# LexRide

## Lextran Services

LexRide service launched April 2<sup>nd</sup>

- Positive feedback from community
- Multiple times most visited website page – above “Home Page” or “Routes & Schedules Page”
- Extended social – working with partners to attract riders and make using the service easy
- Positive ridership trajectory – continued monitoring throughout season through Breeder’s Cup Weekend

Partners include City of Lexington, Fund for Greater Lexington, VisitLex, LexPARK, and Downtown Lexington Partnership



**Dan Koett** • 2nd  
Affinity Media & Public Relations  
1d • Edited

Always enjoy highlighting initiatives that make our community more connected, and this was a fun one.

Grateful to our friends at **FOX 56 News**, especially **Paul Jones** and **Krista Spadaccini**, for the opportunity to spotlight LexRide, an exciting new pilot program from **Lextran** designed to make it easier (and more affordable) to move between some of Lexington’s most vibrant destinations. From neighborhoods and green spaces to local businesses and cultural hubs, LexRide is all about creating a more accessible and connected city.

What makes this initiative even more impactful is the collaboration behind it. This is truly a community effort, bringing together partners like Lextran, the City of Lexington, **VisitLEX**, **LEXPARK**, the Downtown Lexington Management District, and the Fund for Greater Lexington (**Blue Grass Community Foundation**) all aligned around a shared vision for connectivity and access.

Appreciate **Fred Combs**, **AICP**, and **Megan M.** for helping bring this initiative to life for viewers across the region.

Another great example of what can happen when public, private, and nonprofit partners come together with purpose.

Full segment in the comments.

Mary Quinn Ramer Martina Barksdale Lauren Parsons Lisa Adkins, J.D. Scott Fitzpatrick Courtney Bush Haley Danielle Bebout Mark Glover Jill Barnett



Katie Neal, ACC and 14 others 3 comments • 1 repost



**Overview**

Views	Reach	Interactions	Follows
3.1K	1.9K	103	2

This post's views are typical compared to your recent Instagram posts.

**Views** 3.1K

Audience	Views
Total	3.1K

Feed preview

Lextran Lexington, KY

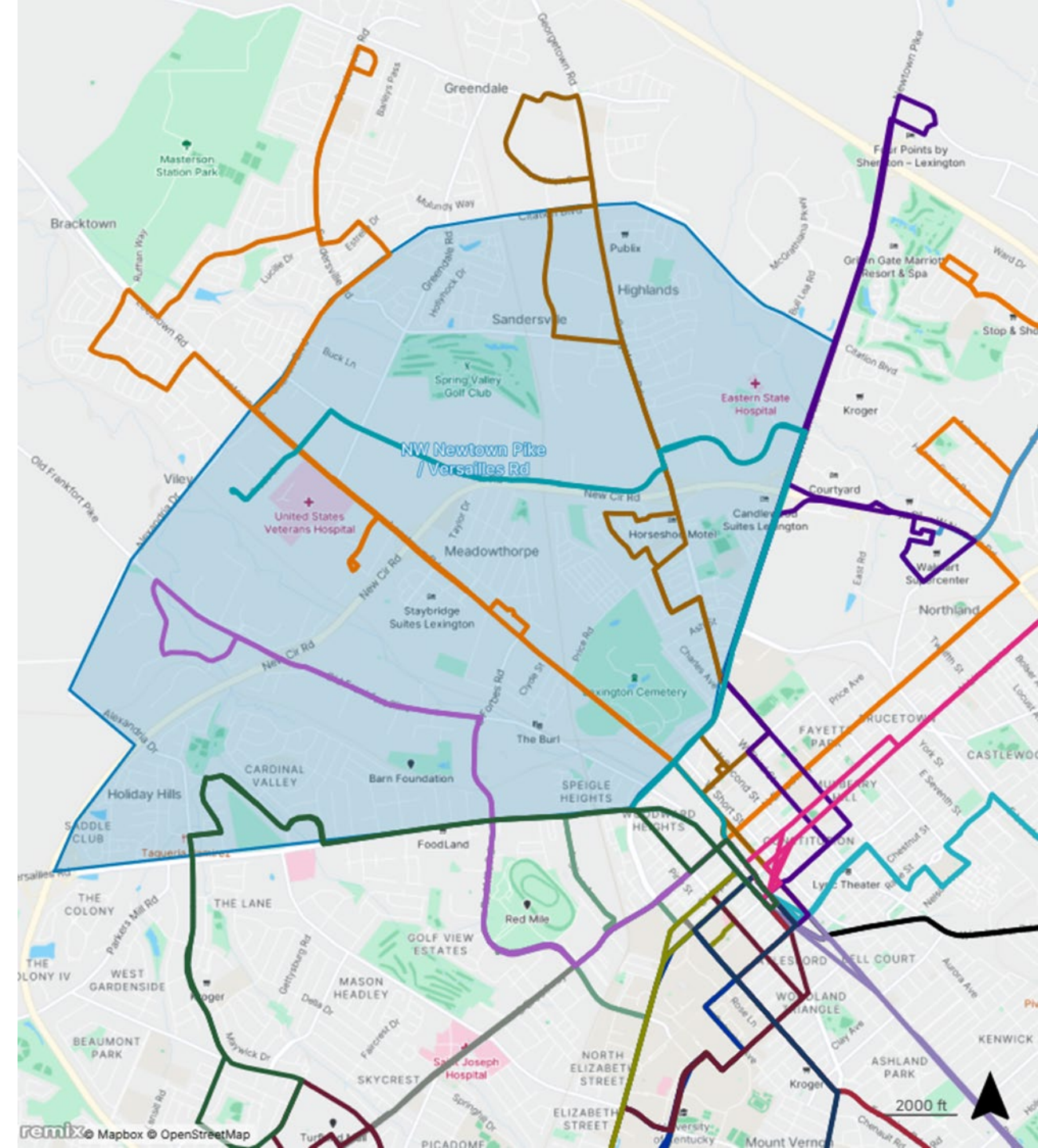
LEX

Lextran your weekend Thursday – Saturday

# Microtransit

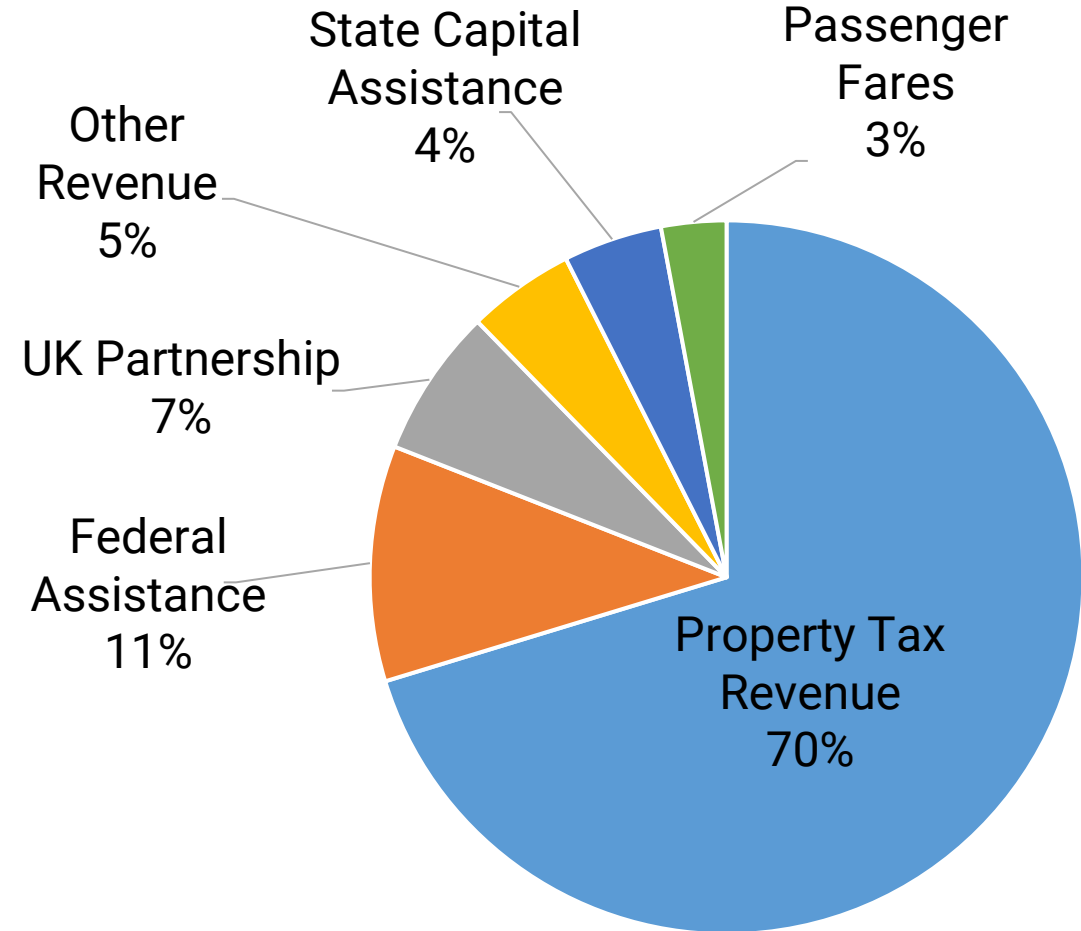
## Lextran Services

- Lextran Board authorized a contract for \$737,964 for a 12-month pilot, which will be funded with LFUCG's \$725k partnership.
- Additional expenses included in FY2027:
  - Depreciation on Lextran vehicles, additional costs for contractor-provided vehicles was roughly \$300k
  - Mobility Manager
  - Fuel costs
  - Advertising
- Fall 2026 service launch in Northwest zone, using the parameters from the Feasibility Study



# FY2027 Budget - Revenue

REVENUE	FY2026 Budget	FY2026 Projection	FY2027 Budget
Property Tax Revenue	26,350,560	26,691,840	27,650,077
Federal Assistance	5,188,397	5,000,000	4,199,232
UK Partnership	2,511,104	2,651,848	2,651,848
Other Revenue	934,599	1,318,587	1,910,000
State Capital Assistance	1,700,893	1,826,532	1,764,053
Passenger Fares	1,282,727	1,158,659	1,160,403
<b>Total Revenue</b>	<b>37,968,280</b>	<b>38,647,466</b>	<b>39,335,613</b>

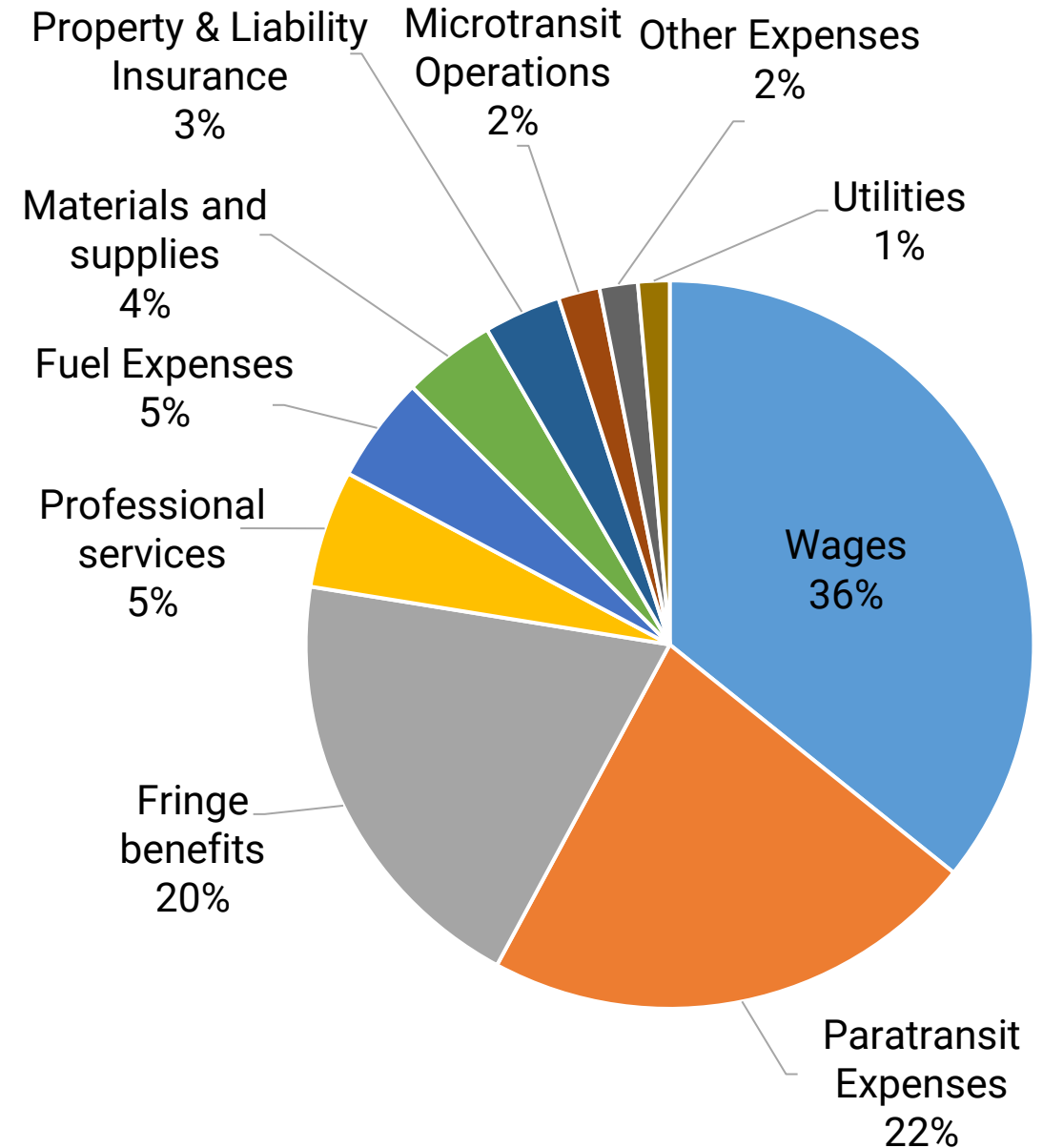


- Property tax revenue budgeted at 3.5%
- Federal Assistance projected about \$1m less in FY2027
- Other Revenue contains the Microtransit partnership, LexRide is in FY26
- Additional revenue sources are flat

# FY2027 Budget - Expenses

OPERATING EXPENSES	FY2026 Budget	FY2026 Projection	FY2027 BUDGET
Wages	13,700,257	13,253,738	14,068,937
Paratransit Expenses	8,378,000	8,160,000	8,694,880
Fringe benefits	7,511,874	7,152,644	7,740,693
Professional services	1,921,930	1,906,634	2,059,139
Fuel Expenses	1,640,000	1,446,902	1,855,600
Materials and supplies	2,479,000	1,545,802	1,625,600
Property & Liability Insurance	1,201,535	1,297,985	1,345,000
Microtransit Operations	-	-	725,000
Other Expenses	770,684	647,264	669,993
Utilities	365,000	475,487	550,771
<b>Total Operating Expenses</b>	<b>37,968,280</b>	<b>35,886,456</b>	<b>39,335,613</b>

- Focus on safety and security
- Insurance and fuel costs are rising
- Microtransit expenses line only includes LFUCG's partnership, additional expenses are included in other lines, fuel, wages, advertising, and so forth.



# FY2027 Capital Plan

- \$9,351,881 in funded capital projects
  - Capital maintenance
  - Capital cost of contracting paratransit
  - Technology
- Bus Operator Barriers
- Revenue and Non-Revenue Vehicles
- Planning Activities, including Long Range Plan
- Maintain a state of good repair



# Looking ahead to FY2027

- Continue planning cycle
  - Complete and implement strategic plan
  - Launch long range transit plan
- Fixed-route service improvements—On-time performance
- Launch Microtransit
- Deploy new vehicles:
  - 7 fixed-route buses to be ordered
  - 14 paratransit cutaways proposed in the capital plan, potential to reallocate existing funding for additional vehicles
- Fare collection strategy

