



MEMORANDUM

DATE: May 23, 2023

TO: Mayor Linda Gorton & Lexington-Fayette Urban County Council

FROM: Jill Barnett, General Manager / Executive Director

SUBJECT: Lextran FY2024 Operating Budget and 5-Year Capital Plan

Each year, Lextran prepares a one-year operating budget along with a rolling five-year capital plan. This budget and capital plan were approved by the Lextran Board of Directors on April 26, 2023.

The Lextran FY2024 Operating Budget and 5-Year Capital Plan are attached for Council's consideration.

If you have any questions, please call me at 859.255.7756.

Proposed FY2024 Operating Budget

Presented to the Lexington-Fayette
Urban County Council

Presentation by
Jill Barnett, General Manager / Executive Director
Nikki Falconbury, Director of Finance and Human Resources



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



LEXTRAN AT A GLANCE



25 FIXED
ROUTES



3.07 MILLION
PASSENGER
TRIPS (2022)



10,372 TRIPS
PER WEEKDAY
(2022)



51% OF TRIPS
ARE FOR WORK
OR SCHOOL



893
BUS STOPS



104 SHELTERS
AT STOPS



77 VEHICLES
IN OUR
DIVERSE FLEET



48 WHEELS
PARATRANSIT
VEHICLES



15 VEHICLES
FOR RIDESHARE

LEXTRAN'S FLEET



77 VEHICLES IN
OUR DIVERSE FLEET



37 DIESEL



26 COMPRESSED
NATURAL GAS



8 BATTERY-
ELECTRIC



6 HYBRID
ELECTRIC



Highlights for FY2023

- Completed on-route infrastructure improvement projects at 23 bus stops in the Lextran service area (RAMP program):
 - 12 locations included covered shelters
 - 11 additional locations received improvements such as benches, sidewalk connections, and ADA-accessibility improvements (concrete boarding pads)
- Won three competitive grant awards –
 - Federal Low or No Emissions program – \$6.3M for fixed route fleet replacement & CNG station upgrades
 - Federal Congestion Mitigation Air Quality program – \$3M for fixed route and paratransit fleet replacement
 - Federal Carbon Reduction program - \$754,865 for fixed route fleet replacement
- Significant progress towards fleet replacement program
 - Accepted delivery of four new CNG buses and two new electric buses
 - Ordered seven new CNG buses, nine paratransit vans, and four non-revenue service vehicles
- Transitioned providers for paratransit service



Looking ahead to FY2024...

- 50th Anniversary celebration – December 2023
- Additional focus on the provision of paratransit service improvements
- Service improvements based on COA recommendations, including Georgetown Rd. and Baptist Health Hamburg
- Continued investment in passenger facilities (shelters, benches, boarding pads)
- Expected delivery of ten new fixed-route vehicles (7 CNG and 3 battery electric)
- Continued work on capital projects:
 - Transit Center rehabilitation
 - Canopy / Electric bus charging stations
 - CNG station upgrades (5339 LoNo grant)
- Potential strategic planning effort and Long-Range Plan, timed in coordination with MPO MTP
- Anticipated kick-off of CAD/AVL replacement project
- Anticipated kick-off of negotiations with ATU Local 639 (Collective Bargaining Agreement expires 06.30.2024)



Operating Budget

DRAFT

FY2024 Budget

FY2023 Projected

FY2023 Budget

FY2022 Actual

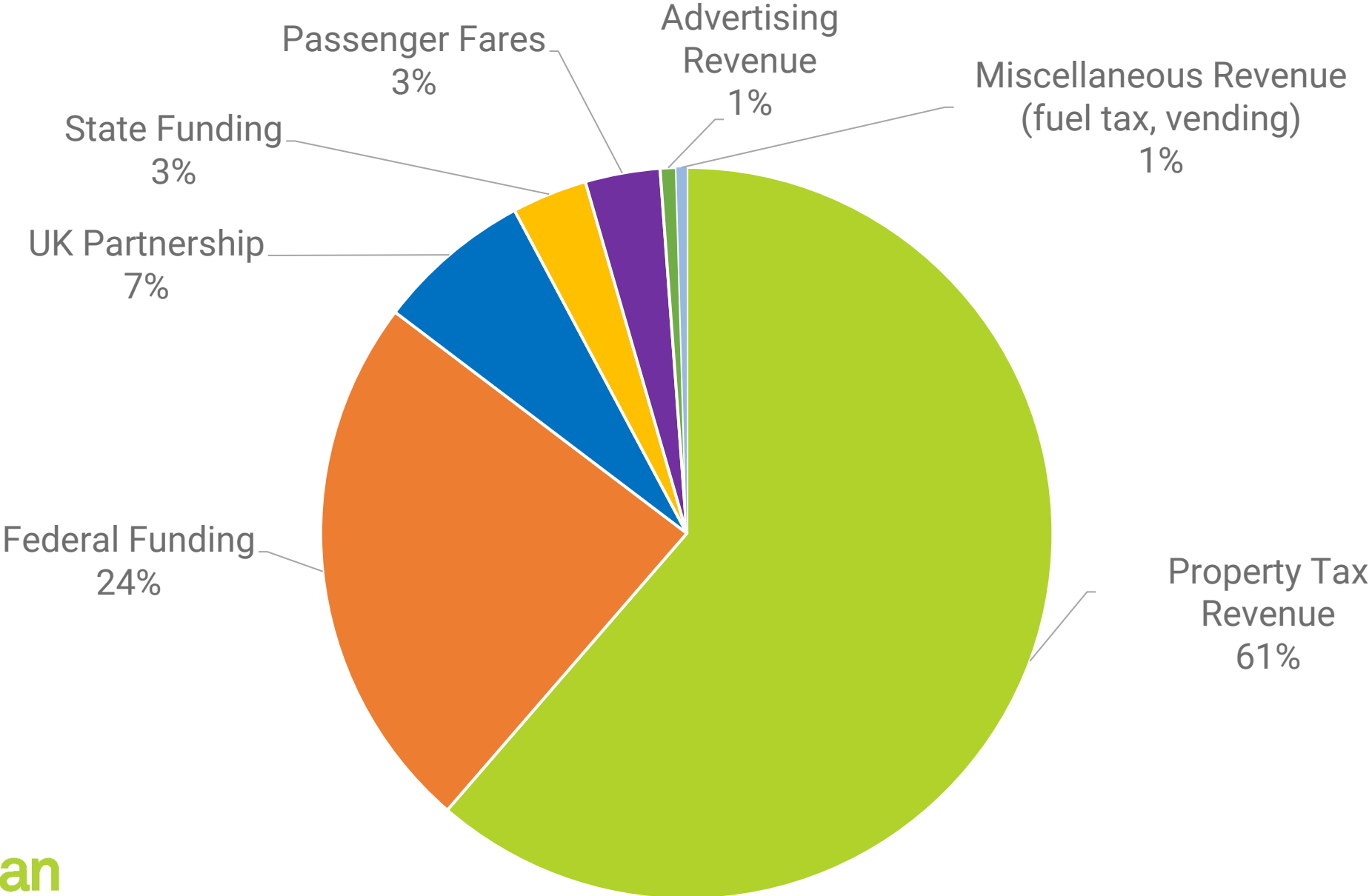
REVENUE

Property Tax Revenue	\$22,418,240	\$21,660,135	\$20,949,543	\$21,029,258
Federal Funding	\$8,761,413	\$17,057,336	\$17,918,641	\$7,739,281
UK Partnership	\$2,511,104	\$2,461,363	\$2,339,246	\$2,339,246
State Funding	\$1,216,025	\$1,216,025	\$1,216,025	\$1,213,668
Passenger Fares	\$1,207,223	\$1,149,291	\$986,917	\$972,803
Advertising Revenue	\$260,000	\$260,000	\$260,000	\$296,764
Miscellaneous Revenue (fuel tax, vending)	\$166,500	\$139,009	\$151,500	\$144,323
Revenue/Assets from Lextran Foundation	\$0	\$5,428,620	\$0	\$0
Local Operating Assistance	\$0	\$0	\$0	\$180,075
TOTAL REVENUE	\$36,540,505	\$49,371,779	\$43,821,872	\$33,915,416

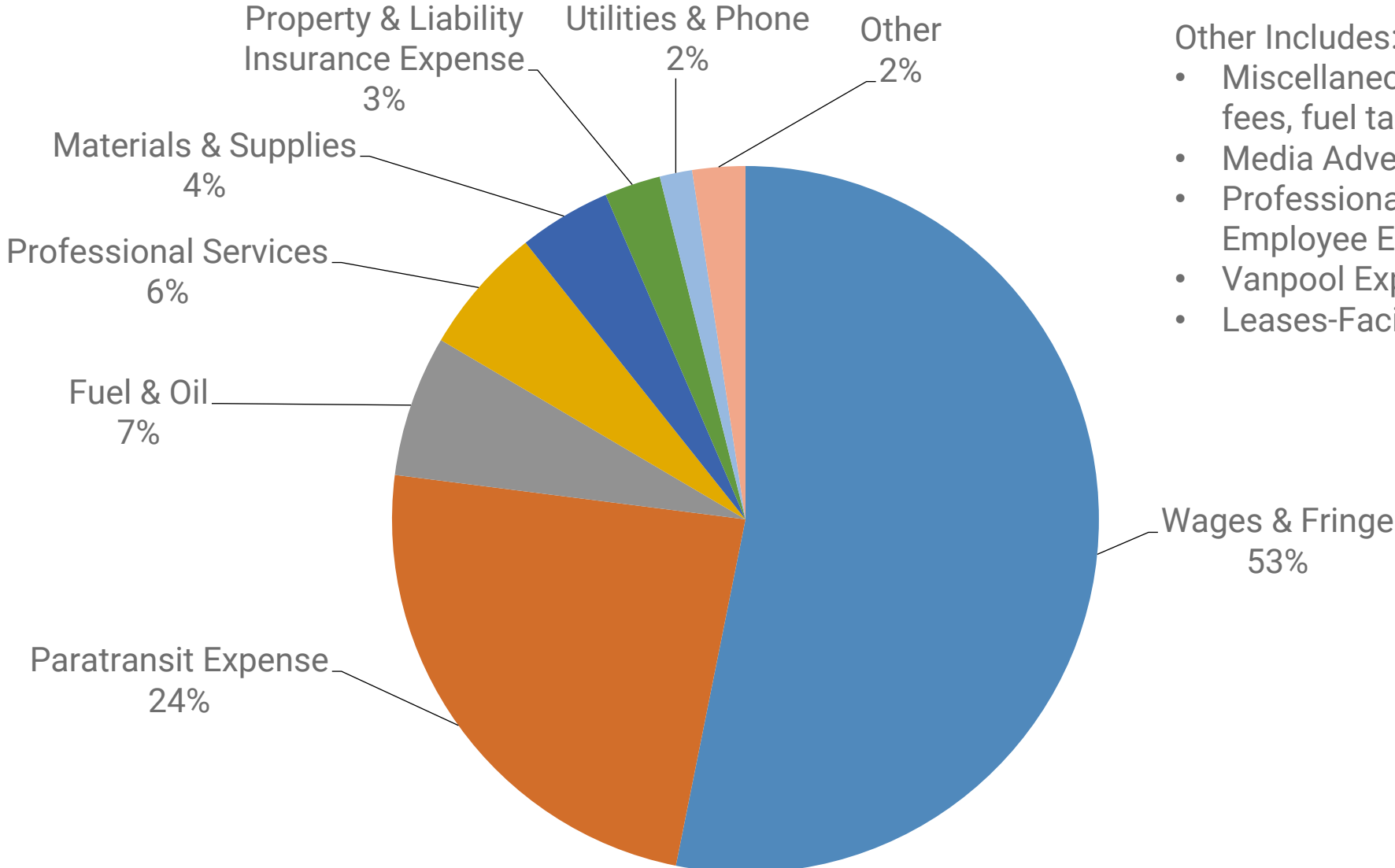
OPERATING EXPENSES

Wages & Fringe	\$18,009,309	\$16,604,633	\$17,691,171	\$16,226,119
Paratransit Expense	\$8,080,000	\$7,772,750	\$5,200,000	\$4,952,787
Fuel & Oil	\$2,273,650	\$1,934,275	\$1,881,484	\$1,526,593
Professional Services	\$1,979,735	\$1,151,532	\$1,826,663	\$1,489,686
Materials & Supplies	\$1,428,500	\$1,439,471	\$1,351,500	\$1,230,220
Property & Liability Insurance Expense	\$870,515	\$829,062	\$851,166	\$878,291
Utilities & Phone	\$502,500	\$408,334	\$471,932	\$416,201
Miscellaneous Expenses (Bank fees, fuel tax)	\$250,400	\$239,743	\$247,900	\$262,097
Media Advertising	\$230,000	\$229,880	\$233,000	\$109,242
Professional Development & Employee Engagement	\$264,799	\$213,000	\$243,625	\$96,776
Vanpool Expense	\$72,000	\$43,800	\$20,000	\$22,863
Leases-Facility-Admin	\$2,184	\$2,184	\$0	\$208,704
TOTAL EXPENSES	\$33,963,592	\$30,868,664	\$30,018,441	\$27,419,578

FY2024 Operating Budget - Revenue



FY2024 Operating Budget - Expenses



- Other Includes:
- Miscellaneous Expenses (Bank fees, fuel tax)
 - Media Advertising
 - Professional Development & Employee Engagement
 - Vanpool Expense
 - Leases-Facility-Admin

5 Year Capital Plan

CAPITAL PROJECTS	FY2023	FY2024	FY2025	FY2026	FY2027
Bus Purchase (CNG)	1,403,308	6,000,000	4,000,000	850,000	875,500
Electric Buses & Chargers	5,134,553	-	943,581	-	-
Paratransit Vehicles	-	-	550,000	-	-
Bus Canopy (carry over)	2,200,000	-	-	-	-
CAD AVL System	-	3,500,000	-	-	-
ITS Technology Services	1,018,087	928,491	1,100,000	1,125,000	1,125,000
Planning, Research & Development		350,000			
Service Vehicles	255,000	-	-	75,000	75,000
Capital Cost of Contracting (Paratransit)	2,600,000	3,500,000	2,542,841	2,520,401	2,558,804
Capital Maintenance	2,600,000	2,600,000	2,527,357	2,520,401	2,558,804
Transit Center Project (TAP) (carry over)	1,650,000	1,000,000	-	-	-
Transit Enhancements (Shelters, Benches, Trash Cans)	150,000	150,000	150,000	150,000	150,000
Hardware & Software (IT Projects)	94,200	113,000	190,000	190,000	190,000
Shop Tools/Equipment/Facilities	94,375	3,212,412	1,078,663	1,048,762	1,048,762
Security Equipment	378,000	63,502	64,137	64,137	64,778
SUBTOTAL CAPITAL PROJECTS	17,577,523	21,417,405	13,146,578	8,543,701	8,646,647
Section 5307 Formula Funding	6,238,037	6,350,193	6,413,695	6,413,695	6,477,832
Section 5339 Bus & Bus Facilities Funding	4,668,965	553,533	559,068	564,659	570,306
Section 5339 LoNo Grant	2,200,000	6,359,880	-	-	-
State Funding	1,216,025	1,380,745	1,394,553	1,395,671	1,409,627
Carbon Reduction Program (through MPO)	-	-	754,865	-	-
Congestion Mitigation & Air Quality Improvement (CMAQ)	-	-	3,000,000	-	-
Coronavirus Aid, Relief & Economic Security Act (CARES)	-	3,500,000	-	-	-
Transit Center Project (TAP) (carry over)	428,000	-	-	-	-
Local Share from Mass Transit Fund	2,826,496	3,273,054	1,024,397	169,676	188,882
TOTAL	17,577,523	21,417,405	13,146,578	8,543,701	8,646,647

**Local match may be required for new grant funds.

Grant funds carry over if not completed during the fiscal year.