

# **MET Transit Division**

**Current Year Department (Transit Division) Budgeted Expense Total:** \$11,113,103

**Change from Prior Year:** (\$2,523,063)

## **Overall Budget Justification:**

The Transit Division of the Aviation and Transit Department is responsible for providing Fixed Route bus and Paratransit van transportation service for the City's citizens. This service meets a significant percentage of the mobility needs for those citizens without access to private transportation (referred to as transit-dependent citizens), particularly students, seniors, low-income populations, and individuals with disabilities.

### **Revenues**

The budget for Transit revenues totals \$10,598,722 for FY 2026, which is an increase of \$2,102,572 from the FY 2025 budget. This increase is mainly due to increased capital projects funded by both competitive and formula grants and projects carried forward from FY25. Anticipated generated operating revenue increased slightly by \$127,857 primarily due to growth of collected fares through increased ridership and growth of the advertising program; anticipated federal and state transit revenue decreased by \$331,386 due to no anticipated carryover of federal funds from prior years. Local tax revenues increased by \$4,034. Overall revenues to support operations decreased by a total of \$55,870.

### **Expenses**

Total FY 2026 budgeted operating expenses of \$8,181,153 reflect an increase of \$360,113 from FY 2025. Personnel services increased significantly by \$410,720 due to step increases for those employees with six years of service or less and the union negotiated cost of living increase. Non-personnel related operating expenses decreased slightly by \$50,607 primarily due to negotiation of lower rates with software vendors and decreases to the non-bargaining training budget.

### **Capital**

Transit's FY 2026 capital expenditure budget totals \$2,931,950 and consists of planned bus stop improvements (\$162,500), construction supporting service and amenity updates at the Downtown Transfer Center (\$609,500), additional access controls at the METroplex facility (\$72,450), onboard technology replacement for the fixed-route buses (\$118,860), a replacement vehicle lift for the maintenance program (\$80,000) an additional operations support vehicle (\$50,000), a replacement emergency generator for the METroplex (\$55,000), scaffolding for rooftop bus work (\$30,000), and 8 replacement paratransit vans (\$1,000,000). The program also includes projects carried forward from FY25 including bus wash refurbishment (\$250,000) and transfer center security cameras (\$220,000). An additional 2 paratransit vehicles were also carried forward from FY24 and FY23 due to vehicle order delays at the State of Montana (\$283,640); total carried forward from previous years is \$753,640.00

A combination of Section 5310 and Section 5339A Grant will fund 80% of the allowed costs for the bus stop improvement and 85% for State of Montana paratransit purchased vehicles. Section 5339A federal formula funding will be used as available for 80% of allowable facility projects,



access controls, technology updates, service vehicles and equipment. A Section 5339B competitive grant received in 2024 will fund 80% of the scaffolding and 85% of the 8 paratransit vehicles.

**New or Expanded Programs:**

MET anticipates finalizing a Financial Sustainability and Governance study initiated in FY 2025 that will help inform decision making regarding expanded services and programs in the coming years.

**Staffing Changes:**

MET is not requesting additional staff for FY 2026.

**MET GOALS:**

**Goal: Improve bus stop locations through assessment for accessibility and proper amenities.**

Action(s): Continue assessment of bus stop locations for accessibility, amenities based on usage, and equity for the community. Implement identified improvements to designated locations.

Outcome: A more accessible transit system that equitably and effectively serves the riding public with appropriate amenities.

**Goal: Continue to improve Transit system convenience and usability.**

Action(s): Complete updates to the Downtown Transfer Center to provide for a customer service window and improved passenger amenities. Continue to assess improvements to fixed route bus scheduling and routes for potential modifications or changes to enhance usability for the public.

Outcome: A more efficient and effective transit system resulting in increased ridership, convenience, and customer satisfaction.

**Goal: Continue to increase Transit Division revenue for ongoing and expanded operations.**

Action(s): Continue growth of Transit advertising program to increase generated revenue. Assess potential for partnerships to increase transit reach and funding levels. Assess fares and user fee structure for recommended changes. Complete the Transit Financial Sustainability and Funding Study.

Outcome: An increase in revenue generated providing improved ability to meet match requirements, additional funds for utilization in existing and expanded operations, and clearer plans for future revenue growth.

**TRANSIT FUND  
OPERATING BUDGET**

FUNDS 5710,5720,4110,4120,2040

	<b>ACTUAL FY 23</b>	<b>ACTUAL FY 24</b>	<b>BUDGET FY 25</b>	<b>ESTIMATE FY 25</b>	<b>PROPOSED FY 26</b>
<b>WORKING CAPITAL - BEGINNING</b>	<b><u>\$ 6,250,919</u></b>	<b><u>\$ 6,888,083</u></b>	<b><u>\$ 5,969,086</u></b>	<b><u>\$ 8,714,847</u></b>	<b><u>\$ 6,659,981</u></b>
<b>REVENUES:</b>					
STATE AND FEDERAL GRANTS	\$ 3,238,827	\$ 5,029,146	\$ 3,877,640	\$ 4,063,850	\$ 3,546,254
FTA CAPITAL GRANT	841,336	2,822,360	251,400	8,008,528	2,409,742
TAX REVENUE	2,567,659	2,648,844	3,097,247	3,065,234	3,101,281
INTER GOVERNMENTAL	517,716	335,866	352,021	352,021	362,211
OPERATING REVENUES	775,117	818,338	763,243	846,723	891,100
INTEREST ON INVESTMENTS	117,588	315,857	139,000	140,860	241,434
MISCELLANEOUS	28,148	23,277	10,050	35,843	10,050
SALE SURPLUS EQUIP	45,978	2,549	5,649	18,460	36,650
<b>TOTAL REVENUE</b>	<b><u>\$ 8,132,369</u></b>	<b><u>\$ 11,996,237</u></b>	<b><u>\$ 8,496,250</u></b>	<b><u>\$16,531,519</u></b>	<b><u>\$10,598,722</u></b>
<b>EXPENSES:</b>					
ADMINISTRATION	\$ 889,205	\$ 1,583,150	\$ 848,112	\$ 835,534	\$ 911,758
OPERATIONS/DRIVERS	2,674,084	3,067,485	3,508,304	3,561,955	3,831,532
OPERATIONS/NON-DRIVERS	505,013	451,254	572,205	614,578	575,749
MAINTENANCE	1,129,703	1,164,217	1,296,489	1,314,747	1,342,619
MARKETING	56,591	117,650	158,809	121,344	141,041
PARATRANSIT	974,302	1,181,885	1,395,821	1,288,001	1,326,981
DOWNTOWN TRANSFER CNTR	32,496	42,886	41,300	54,456	51,473
CAPITAL-LOCAL	9,306	-	50,000	77,434	-
CAPITAL - FEDERAL	1,429,215	3,455,639	719,000	10,718,336	2,931,950
O & M - LOCAL	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b><u>\$ 7,699,915</u></b>	<b><u>\$ 11,064,166</u></b>	<b><u>\$ 8,590,040</u></b>	<b><u>\$18,586,385</u></b>	<b><u>\$11,113,103</u></b>
WORKING CAP. CHANGES NOT BUDGETED	<u>204,710</u>	<u>894,693</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>WORKING CAPITAL - ENDING</b>	<b><u>\$ 6,888,083</u></b>	<b><u>\$ 8,714,847</u></b>	<b><u>\$ 5,875,296</u></b>	<b><u>\$ 6,659,981</u></b>	<b><u>\$ 6,145,600</u></b>
<b>LESS OPERATING RESERVE</b>	<b><u>1,000,000</u></b>	<b><u>1,000,000</u></b>	<b><u>1,300,000</u></b>	<b><u>1,046,000</u></b>	<b><u>1,384,117</u></b>
<b>AVAILABLE WORKING CAPITAL</b>	<b><u>\$ 5,888,083</u></b>	<b><u>\$ 7,714,847</u></b>	<b><u>\$ 4,575,296</u></b>	<b><u>\$ 5,613,981</u></b>	<b><u>\$ 4,761,483</u></b>

**TRANSIT FUND  
OPERATING BUDGET**

FUND 5710,5720,4110,4120,2040

	<b>ACTUAL FY 23</b>	<b>ACTUAL FY 24</b>	<b>BUDGET FY 25</b>	<b>ESTIMATE FY 25</b>	<b>PROPOSED FY 26</b>
PERSONAL SERVICES	\$ 4,533,264	\$ 5,620,748	\$ 5,828,617	\$ 5,804,975	\$ 6,239,337
OPERATIONS AND MAINTENANCE	1,728,130	1,987,779	1,992,423	1,985,640	1,941,816
CAPITAL	<u>1,438,521</u>	<u>3,455,639</u>	<u>769,000</u>	<u>10,795,770</u>	<u>2,931,950</u>
<b>TOTAL EXPENSES</b>	<b><u>\$ 7,699,915</u></b>	<b><u>\$ 11,064,166</u></b>	<b><u>\$ 8,590,040</u></b>	<b><u>\$ 18,586,385</u></b>	<b><u>\$ 11,113,103</u></b>

**STAFFING AUTHORIZATION**

<b>POSITION</b>	<b>ACTUAL FY 23</b>	<b>ACTUAL FY 24</b>	<b>BUDGET FY 25</b>	<b>PROPOSED FY 26</b>
AVIATION & TRANSIT DIRECTOR	0.2	0.2	0.2	0.2
ASSISTANT AVIATION DIRECTOR	0.1	0.1	0.1	0.1
TRANSIT MANAGER	1.0	1.0	1.0	1.0
TRANSIT OPERATIONS COORDINATOR	-	-	1.0	1.0
TRANSIT MAINTENANCE SUPERVISOR	-	-	1.0	1.0
TRANSIT SUPERVISOR	3.0	3.0	-	-
TRANSIT TRAINING AND COMPLIANCE COORDINATOR	-	-	1.0	1.0
ROAD SUPERVISOR	2.0	2.0	3.0	3.0
MARKETING SPECIALIST	0.5	0.5	1.0	1.0
TRANSIT PLANNING & DEVELOPMENT COORD.	1.0	1.0	1.0	1.0
PC SUPPORT SPECIALIST	0.5	0.5	-	-
TRANSIT/PARA TRANSIT OPERATORS	41.0	41.0	47.0	47.0
ADMINISTRATIVE SUPPORT III	-	-	-	-
ADMINISTRATIVE SUPPORT II	1.0	1.0	1.0	1.0
TRANSIT SERVICE WORKER	1.0	1.0	2.0	2.0
MECHANIC II	3.0	3.0	3.0	3.0
MECHANIC I	-	-	-	-
PARA TRANSIT COORDINATOR	-	-	-	-
FACILITIES MAINT MECHANIC	1.0	1.0	1.0	1.0
ON CALL TRANSIT/PARA TRANS OPR	-	-	-	-
TRANSIT SERVICES DISPATCHER	<u>4.0</u>	<u>4.0</u>	<u>5.0</u>	<u>5.0</u>
<b>TOTAL</b>	<b><u>59.3</u></b>	<b><u>59.3</u></b>	<b><u>68.3</u></b>	<b><u>68.3</u></b>