

Metro Transit

Agency Budget by Fund

Fund	2022 Actual	2023 Adopted	2023 Actual	2024 Adopted	2025 C2C	2025 Request
Metro Transit	57,618,835	68,023,312	68,682,277	72,118,811	77,425,165	77,425,165
Total	\$ 57,618,835	\$ 68,023,312	\$ 68,682,277	\$ 72,118,811	\$ 77,425,165	\$ 77,425,165

Agency Budget by Service*

Service	2022 Actual	2023 Adopted	2023 Actual	2024 Adopted	2025 C2C	2025 Request
Fixed Route	<i>Service history not shown due to Results Madison service restructure. Services</i>					71,411,516
Paratransit	<i>listed here will take effect January 1, 2025.</i>					6,013,648
Total	\$ 57,618,835	\$ 68,023,312	\$ 68,682,277	\$ 72,118,811	\$ 77,425,165	\$ 77,425,165

Agency Budget by Major-Revenue

Major Revenue	2022 Actual	2023 Adopted	2023 Actual	2024 Adopted	2025 C2C	2025 Request
General Revenues	(6,868,624)	(6,833,578)	(7,093,366)	(6,833,578)	(6,970,250)	(6,970,250)
Intergov Revenues	(30,424,360)	(47,823,314)	(48,051,749)	(37,687,796)	(39,354,552)	(39,354,552)
Charges For Services	(10,256,328)	(10,716,334)	(10,774,364)	(11,231,642)	(12,508,125)	(12,508,125)
Misc Revenue	(114,203)	(640,422)	(165,542)	(640,422)	(150,000)	(150,000)
Other Finance Source	(828,757)	-	(83,366)	(373)	-	-
Transfer In	(9,126,564)	(2,009,664)	(2,513,890)	(15,725,000)	(18,442,237)	(18,442,237)
Total	\$ (57,618,835)	\$ (68,023,312)	\$ (68,682,277)	\$ (72,118,811)	\$ (77,425,165)	\$ (77,425,165)

Agency Budget by Major-Expense

Major Expense	2022 Actual	2023 Adopted	2023 Actual	2024 Adopted	2025 C2C	2025 Request
Salaries	30,830,017	34,334,325	35,058,941	35,606,781	39,485,951	39,485,951
Benefits	12,319,797	13,161,362	13,492,783	14,503,052	15,081,449	15,081,449
Supplies	4,526,616	5,864,000	5,831,046	5,789,000	5,789,000	5,289,000
Purchased Services	6,583,846	7,810,000	8,424,516	8,846,294	9,569,794	10,069,794
Debt Othr Financing	738,651	359,910	2,533,842	359,910	359,910	359,910
Inter Depart Charges	2,347,019	2,668,190	2,615,288	3,222,969	3,348,254	3,348,254
Transfer Out	272,890	3,825,525	725,860	3,790,806	3,790,806	3,790,806
Total	\$ 57,618,835	\$ 68,023,312	\$ 68,682,277	\$ 72,118,811	\$ 77,425,165	\$ 77,425,165

*Bus Rapid Transit (BRT) is being added as a service under Metro Transit's Results Madison service restructure. The agency is awaiting Federal guidance on classifying BRT related costs and plans to allocate budget using a similar approach. Federal guidance is not expected until early 2025. As such, the agency has not allocated costs to the new service in its 2025 request. The agency expects to be able to allocate budget to the service in the 2026 budget or possibly through the 2025 mid-year resolution.



TO: Mayor Satya Rhodes-Conway
FROM: Justin Stuehrenberg, Metro General Manager
DATE: July 17, 2024
SUBJECT: 2025 Operating Budget Transmittal Memo
CC: Deputy Mayors; Finance Director, Budget & Program Evaluation Staff

Mayor Rhodes-Conway and Mr. Schmiedicke,

I'm pleased to present Metro's proposed 2025 operating budget. Metro's 2025 operating budget proposal will be the first in many years where the focus is not on transition and change, but instead on stability and operational excellence.

Goals of Agency's Operating Budget

With most of our major projects completing in 2024, we will be focusing on refining our new service offerings, new facilities, and new technology towards a continuous improvement of our quality and efficiency. Given this, we are not proposing any changes in personnel or expenses, other than those operationalizing a full year of our new bus fleet and facility.

Lower Priority Service Activity Identification for General, Library, Transit, Public Health, and Fleet Funds

The following list, in priority order, are suggestions for how to meet or exceed the general fund subsidy targets. Note that routes with high ridership are not included here. Because Metro derives a share of its revenues from passenger fares, cutting services also means a loss of revenue. However, that revenue varies by route – with some routes covering nearly half of their cost from fares, while others cover less than 5%. Cuts to our heaviest ridership routes (primarily those serving the UW campus) would be counterproductive in that they would both reduce substantial fare revenue and overload other routes in the area that are already running at capacity. All of these costs also include associated reductions in paratransit service.

1. Late Night Service Reduction:

Currently, Metro operates most routes until roughly midnight. Late night service doesn't have high ridership, but it enables Metro to be a transportation option for people accessing entertainment and for workers in the service industry. A reduction here would save up to \$800k and have a relatively small impact on total ridership numbers. However, it would greatly impact many of our lowest paid workers in the service industry, leaving them without reliable transportation to get home from work. It could also cause demand to exceed supply for parking garages during major events downtown.

2. Weekend Service Reduction:

Similar to #2 above, weekend ridership is historically much lower than during the weekdays, and fare revenue impacts of reductions will be less impactful. However, also much like #2, it is disproportionately used by lower income riders to access service jobs, grocery stores, and other basic needs. Reducing Sunday service only could reduce the General Fund subsidy by up to \$1.2 million, while reducing both Sunday and Saturday



would be up to \$2.4 million. Ridership is generally higher on Saturday, so we would not suggest cutting Saturday without first cutting Sunday.

3. Individual Route Eliminations:

Beyond the time periods listed above, there are certain routes that consistently see low ridership and could be eliminated with minimal financial impact. Systemwide, our service averages 18 boardings for each hour that a bus is in service, with most 7-day routes in the range of 15-21 boardings per hour. In comparison, Route L is our lowest performing route with only 5 boardings per hour, Route O has 11 per hour (but much of that is right around campus), and Route J has 12 per hour.

Eliminating these routes would comprise a significant hardship on the residents along the line, as many of them would lose any access to transit. That impact is most acute for Route L, where large portions of its service area is not within any reasonable walk of another route but to some extent it exists for all of them. Eliminating these routes on their own, outside of a major system change, would also likely create issues with disproportionate impacts on neighborhoods with higher-than-average concentrations of people of color. This could then cause issues with compliance with Federal Title VI regulations.

Given this, if individual route eliminations were to be required, we would suggest cutting Route O first (up to \$600k), then L (up to \$800k), then J (up to \$700k). Route O users are more likely than the others to have access to another route within a somewhat reasonable distance.

In addition to the service reductions listed above, one other potential item is related to our contract with MMSD. Metro currently passes through a proportional share of our own State and Federal subsidies to MMSD as part of the supplemental school service contract, totaling roughly \$1.25 million per year. If not passed through, these subsidies could be used to reduce the General Fund amount. Metro does not derive any profit from the MMSD contract, and their service does not influence the total quantity of subsidy. Therefore, this pass-through does not provide any monetary value to Metro. MMSD qualifies for their own subsidies and would pay considerably higher rates if they were to transition this to a private yellow bus provider. While this would not pass costs to another City of Madison department, it would impact a partner agency. Therefore, it is included here for information only.

Enterprise Agencies

Metro is not proposing a rate increase. However, due to increasing ridership, we do anticipate general farebox revenues to increase by roughly 5%, and for unlimited ride program revenue to increase by nearly 20%. That results in a total increase in fare revenue of roughly \$1 million.

Several partner cities are planning changes in 2025 as well. Monona has already confirmed service to start in March 2025, for which the positions have already been added via a budget amendment. Verona and Fitchburg are also considering service increases. Fitchburg is planning an operating budget referendum in November in which transit enhancements are likely to be included. If passed, an amendment to our budget is likely to be needed soon after.



metro transit

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Reallocations and Other Changes (if applicable)

With the startup of our electric buses, costs will shift from diesel fuel to electricity. Zero net cost reallocations of some positions within Metro may be needed once our BRT and new operations facility are online, but we will need some time to evaluate after opening this fall before making those decisions. If so, we may request some adjustments through an amendment process.

Thank you for your consideration and I look forward to continued discussion.

Justin Stuehrenberg
General Manager, Metro Transit

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency: Metro Transit

Enter your Service: Bus Rapid Transit

Please provide an updated Service Description below.

If this is an existing service, please see the “Service Description” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency’s Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

This service is responsible for the operation and maintenance of all fixed guideway transit improvements, including, but not limited to, vehicle operation, vehicle maintenance, station maintenance, and associated administrative costs.

Please provide updated Activities Performed by Service.

If this is an existing service, please see the “Activities Performed by Service” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency’s Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

- Transit Service: Provide transit services to Metro’s BRT routes on a daily basis.
- Marketing, Advertising, & Community Outreach: Staff the customer support call center and Metro front counter, manage advertising campaigns, and oversee Metro’s branding campaign.
- Planning & Scheduling: Schedule Metro’s routes, oversee shelter maintenance and improvements, coordinate route detours when necessary, and analyze feasibility of route adjustments.
- Bus & Facilities Maintenance: Service, clean, and repair Metro’s fleet of BRT vehicles and stations
- Administration & Finance: Oversee general management of the Department and coordinate finances including management of federal and state grant awards.

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

Agencies can propose net neutral reallocations within their budget but must explain changes of \$10,000 or more at the **Major level**.

Examples of changes that **do** need to be detailed:

- Moving \$10,000+ from one Major to another Major

Examples of changes that **do not** need to be detailed:

- Total changes of less than \$10,000 at the Major level.
- Object level changes do not need additional justification if the net change to the Major is less than \$10,000. For example, if you propose moving \$15,000 from Consulting to Software within the Purchased Services Major, you do not need to detail the change.

If the proposed changes are a technical correction to the agency’s base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of Major Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
2150 - METRO TRANSIT	41 - GENERAL REVENUES	+6,970,250	Moved from Fixed Route service
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

Moving VRF revenue from Fixed Route to BRT service. Expenses will be allocated to BRT starting in 2026 budget.

Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

No impact

Part 3. Personnel Changes

All proposed personnel changes must be submitted for review, even if the change is net neutral. Agencies should contact their HR Analyst to discuss proposed changes prior to submitting their request. **If you are not submitting personnel changes, skip this section.**

Allocation Changes: Does your proposal change the position allocations of existing positions?

- No – No allocation changes
- Yes – Includes proposed allocation changes

If yes, complete the “Position Allocation Change Form” and submit as part of your proposal.

Reclassifications: Does your proposal reclassify existing positions?

- No – No reclassifications
- Yes – Includes proposed reclassifications

If yes, provide the position number and briefly describe the change:

Click or tap here to enter text.

of FTEs: Does your proposal change the total number of FTE positions?

- No – No change to # of FTEs
- Yes – Includes proposed change to # of FTEs

Note: If “Yes,” the proposed change must be net neutral to the target budget, and salary **and benefits must be considered when computing the cost of the change.*

If yes, provide the position classification and briefly describe the change:

Click or tap here to enter text.

Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

n/a

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

N/a

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency:	Metro Transit
Enter your Service:	Fixed Route

Enter your Service:	Fixed Route
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Please provide an updated Service Description below.

If this is an existing service, please see the “Service Description” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency’s Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

No changes needed

Please provide updated Activities Performed by Service.

If this is an existing service, please see the “Activities Performed by Service” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency’s Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

No change needed

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

Agencies can propose net neutral reallocations within their budget but must explain changes of \$10,000 or more at the **Major level**.

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If the proposed changes are a technical correction to the agency’s base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of Major Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
2150 - METRO TRANSIT	53 - SUPPLIES	-500,000	Reduction in Diesel due to electric buses
2150 - METRO TRANSIT	54 - PURCHASED SERVICES	+500,000	Increase in electricity due to electric buses
2150 - METRO TRANSIT	41 - GENERAL REVENUES	-6,970,250	Moved to new BRT service
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

No net impact. Change if fuel type moves cost between majors. Moving VRF revenue to BRT service. Expenses will be allocated to BRT starting in 2026 budget.

Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

No impact

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If yes, provide the position classification and briefly describe the change:

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Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

n/a

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

n/a

2025 Operating Budget Service Budget Proposal Form

Part 1. Identifying Information

Select your Agency:	Metro Transit
Enter your Service:	Paratransit

Enter your Service:	Paratransit
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Please provide an updated Service Description below.

If this is an existing service, please see the “Service Description” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated description.

If this is a new service due to the agency’s Results Madison restructure, please provide a 2-4 sentence description of the service and its goals.

Updated Service Description:

No change needed

Please provide updated Activities Performed by Service.

If this is an existing service, please see the “Activities Performed by Service” in the [2024 Adopted Budget](#). Write “No change needed,” if applicable. Otherwise, please provide a complete updated list of activities.

If this is a new service due to the agency’s Results Madison restructure, please provide a list of major activities using the format *Activity Name: Description*.

Updated Activities Performed by Service:

No change needed

Part 2. Base Budget Proposal: Significant Changes (\$10,000 or more)

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If the proposed changes are a technical correction to the agency’s base budget, simply state that the change is a correction/adjustment in the narrative questions below.

Summary Table of Major Changes of \$10,000 or More

Complete the table below to detail changes at the Major level and answer the narrative questions to describe your changes. **If there are no significant changes, skip this section**

Fund	Major	\$ Change	Description
Select	Select	Enter \$.	Click or tap here to enter text.
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Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.
Select	Select	Enter \$.	Click or tap here to enter text.

Explain the impact of the proposed change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

No change

Explain how your proposed change(s) will align with your draft 2024-2025 Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals? Is the change related to a Neighborhood Resource Team (NRT) recommendation? Be as specific as possible.

n/a

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- No – No reclassifications
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Click or tap here to enter text.

of FTEs: Does your proposal change the total number of FTE positions?

- No – No change to # of FTEs
 Yes – Includes proposed change to # of FTEs

Note: If "Yes," the proposed change must be net neutral to the target budget, and salary **and benefits must be considered when computing the cost of the change.*

If yes, provide the position classification and briefly describe the change:

Click or tap here to enter text.

Explain the impact of your proposed personnel change(s). Will there be a change to current activities or service levels? Why is this change needed in the 2025 budget?

n/a

Explain how your proposed personnel change(s) will align with your draft Department Equity Action Plan. Will the change(s) address specific inequities or advance other equity goals?

n/a

Service Identification Form

Each agency funded by the General, Library, and Fleet funds was required to submit a list of lower priority service activities equal to at least 5% of the agency's 2025 cost to continue budget while preserving core service activities. Metro Transit and Public Health were required to submit a list of activities equal to 5% of the General Fund subsidy to those agencies.

Agencies were allowed to propose fee or charge increases on service activities as a way to meet the 5% target. Budget guidance dictated that these proposals be on service activities primarily provided to those with the ability to pay.

Agency	Metro Transit
5% Minimum Target	922,112
Total Amount Identified	5,300,000

Service (Choose from drop-down list)	Activity (Narrative Description)	Recipients of the Service Activity (List)	Implication if Activity is Reduced/Fee is Increased (Narrative Description)	FTE Impact (#)	Total Amount (\$)
851 - FIXED ROUTE	Eliminate most Late Night Service (after 9pm)	Metro riders accessing jobs & entertainment late in the evening	Many workers in the service and hospitality industry would no longer be able to use Metro.	8	800,000
851 - FIXED ROUTE	Elimnate most service on Sunday	Metro riders accessing jobs & shopping on the weekend	Many workers in the service and hospitality industry would no longer be able to use Metro. Heavier paratransit impacts.	10	1,200,000
852 - FIXED ROUTE	Elimnate most service on Saturday	Metro riders accessing jobs & shopping on the weekend	Many workers in the service and hospitality industry would no longer be able to use Metro. Heavier paratransit impacts.	10	1,200,000

Service (Choose from drop-down list)	Activity (Narrative Description)	Recipients of the Service Activity (List)	Implication if Activity is Reduced/Fee is Increased (Narrative Description)	FTE Impact (#)	Total Amount (\$)
851 - FIXED ROUTE	Eliminate Route O	Riders on the South side	Some residents would have no transit access	6	600,000
853 - FIXED ROUTE	Eliminate Route L	Riders in a large swath of the East/North sides	Some residents would have no transit access	8	800,000
852 - FIXED ROUTE	Eliminate Route J	Riders on the West side	Some residents would have no transit access	8	700,000