

FY 2027 BUDGET

dart[®]

Enriching Lives,
Connecting Communities,
Expanding Opportunities



PUBLISHED
APRIL 2026

**Des Moines Area Regional Transit Authority
FY 2027 Budget**

FY 2027 BUDGET

July 1, 2026, through June 30, 2027

DART Commission Members

Connie Boesen (Chairperson), City of Des Moines

Bridget Carberry Montgomery (Vice-Chairperson), City of Urbandale

Joseph Jones (Secretary/Treasurer), City of Windsor Heights

Dean O'Connor (Exec Committee At Large), City of Altoona

Todd Shafer (Exec Committee At Large), City of Ankeny

Matt Silanpaa, City of Bondurant *

John Edwards, City of Clive

Paula Dierenfeld, City of Johnston

Angela Connolly, Polk County

Russ Trimble, City of West Des Moines

*Bondurant is not receiving service or being levied in FY27 but is still an official member through June 30, 2027.

DATE: January 2026



**Des Moines Area Regional Transit Authority
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Des Moines Area Regional Transit Authority FY 2027 Budget

February 2026

Dear Greater Des Moines Community,

I've always found inspiration in the adage that when the winds of change blow, you can build a wall to resist them—or a windmill to harness their potential. As DART's leader, I'm proud to say we chose the windmill. That choice has enabled a renewed sense of optimism and confidence as we prepare to roll out a new bus network that reflects our region's desired service approach within available resources to better serve communities, riders and employers.

Through robust community engagement and strong Commission leadership, DART is poised to grow our value for the region—receiving bold direction for changes that would not have been possible otherwise. You'll find several major initiatives completed or underway on the *Year in Review* page. A few highlights to emphasize:



- Throughout 2025, public input was the cornerstone of Reimagine DART, shaping the shared vision for a new regional network.
- We ended the year with the final bus network approved—balancing service preferences with the financial realities facing our member communities and rising operating costs.
- Those realities led two smaller communities to provide notice of departure, while the largest member communities affirmed the importance of regional transit and their commitment to implementing the new network.

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- Demand continues to grow: Last fiscal year, DART provided 3.7 million rides—up 7%—with more than 60% supporting trips to work.
- In 2026, riders, employers, and businesses will see a new network focused on more frequent service along our busiest corridors and expanded microtransit in some suburban areas, along with reviews of our Paratransit service, fares and funding structures.
- Phase I construction of the Operations & Maintenance Facility remains on time and under budget, with our maintenance team moving in by late spring.

On behalf of DART, thank you for your continued support of a service that delivers access to jobs, shopping and other essential parts of daily life for so many—and contributes to our region's economic growth and quality of life. We are deeply passionate about our work and remain dedicated to harnessing the winds of change in service to our growing and changing region.

Sincerely,

Amanda Wanke
Chief Executive Officer





MISSION

**Enriching
Lives
Connecting
Communities
Expanding
Opportunities**



VISION

**Facilitate
affordable,
seamless mobility
options that
support economic
prosperity for all.**



VALUES

**Adaptability
Teamwork
Excellence
Safety
Accountability
Innovation**

Des Moines Area Regional Transit Authority FY 2027 Budget

DART ORGANIZATIONAL OVERVIEW

BACKGROUND

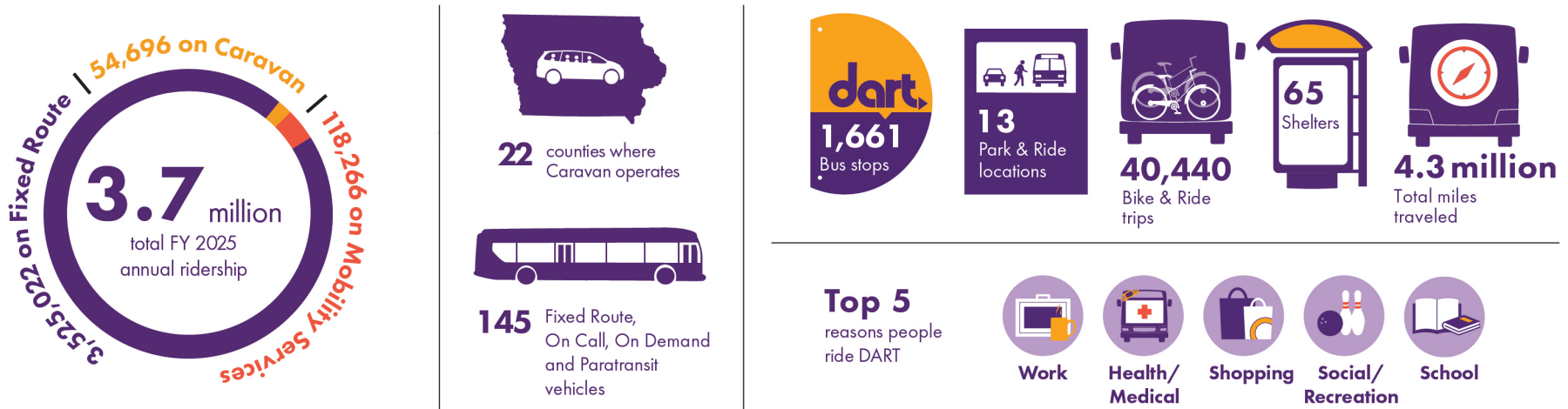
The Des Moines Area Regional Transit Authority (DART) is the transportation resource for the Greater Des Moines region, offering the largest network of buses in the State of Iowa as well as services for those who vanpool, walk or bike. The Greater Des Moines region has changed dramatically in recent decades with a growing reputation and vision for competing on a global level. A significant part of our community's ability to compete is tied to workforce, infrastructure and economic vitality.

Transportation is a critical component of a region's competitiveness — Vibrant, growing communities have strong public transit systems at the heart of their infrastructure to connect citizens with jobs, education, shopping and more. The DART Commission and staff have worked diligently to optimize the regional transit system since it was formed in 2006. In October 2017, DART's governance structure was reconstituted to establish a Board of Commissioners with one representative for each of its member governments. For FY27, DART's member communities will include:

- Altoona
- Ankeny
- Bondurant*
- Clive
- Des Moines
- Johnston
- Polk County
- Urbandale
- West Des Moines
- Windsor Heights

*Bondurant is not receiving service or being levied in FY27 but is still an official member through June 30, 2027.

DART FACTS



2025 YEAR IN REVIEW

Over 12 months, DART engaged the region in designing a new bus network. The first major redesign in more than a decade, the new network will increase access to transit, while limiting property tax growth. Alongside this work, the team continued to deliver a quality service and lay the path for long-term success.



REIMAGINE dart

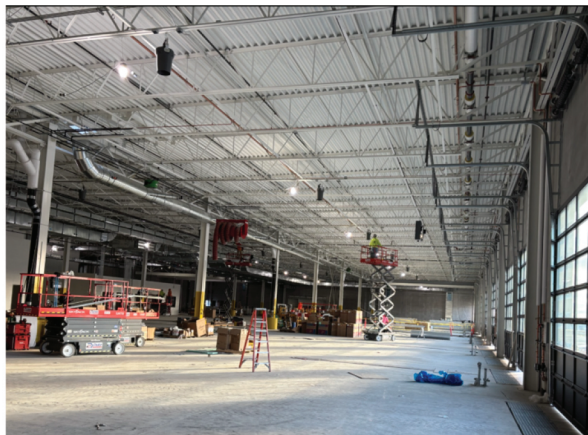


- Engaged local leaders in conversations about the value of public transit and established priorities for a new network.
- Collected feedback from thousands of DART riders and residents to inform a new design.
- Gained approval from the DART Commission to launch new bus routes and services in 2026.



DELIVERING ON SERVICE

- Provided 3.75 million rides across all DART services in FY 2025, a 7% increase from previous year.
- Installed 10 new art bus shelters, making transit safer and expanding access to public art.
- Demonstrated financial stewardship and strong management through a federally required review of DART.
- Introduced 14 new fixed-route buses with enhanced safety features and operator controls.



DRIVING THE FUTURE OF TRANSIT

- Made progress on a new Operations & Maintenance facility with a maintenance garage being constructed on time and under budget.
- Brought most DART Caravan maintenance in-house, improving efficiencies and reducing labor costs.
- Implemented a new agreement with the union, promoting a strong workplace culture and fiscal responsibility.
- Updated the funding formula to align member communities' contributions with the level of service in the new bus network.

**Des Moines Area Regional Transit Authority
FY 2027 Budget**

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**Des Moines Area Regional Transit Authority
FY 2027 Budget**

FY 2027 BUDGET OVERVIEW

<u>FY 2027 Operating Budget</u>	
Operating Revenue	\$4,694,350
Non-Operating Revenue	\$39,112,330
Total Revenue	\$43,806,680
Total Expenses	\$43,806,680
Surplus (Deficit)	\$0



**Des Moines Area Regional Transit Authority
FY 2027 Budget**

FY 2027 BUDGET OVERVIEW

	<u>Actual</u> <u>FY 2024</u>	<u>Actual</u> <u>FY 2025</u>	<u>Adopted*</u> <u>FY 2026</u>	<u>Budget</u> <u>FY 2027</u>	<u>% Change</u> <u>FY2026/ FY2027</u>
Operating Revenue	\$5,709,391	\$5,574,955	\$5,754,200	\$4,694,350	(18.42%)
Non-Operating Revenue	38,383,428	39,103,897	39,119,050	39,112,330	(0.02%)
Total Revenue	\$44,092,819	\$44,678,852	\$44,873,250	\$43,806,680	(2.38%)
Salaries, Wages and Fringes	\$24,668,793	\$27,023,961	\$29,916,650	\$29,501,710	(1.39%)
Services	3,833,695	4,006,459	4,253,440	4,140,740	(2.65%)
Building and Grounds Materials	235,648	228,609	404,600	311,000	(23.13%)
Office Supplies	25,916	33,358	40,300	27,250	(32.38%)
Fuels and Lubricants	2,598,069	2,362,995	2,513,500	2,028,170	(19.31%)
Tires	213,280	271,451	211,300	168,290	(20.35%)
Equipment Repair Parts	1,671,863	1,819,353	1,968,000	1,575,690	(19.93%)
Supplies and Materials	261,856	328,559	278,950	274,440	(1.62%)
Utilities	581,179	498,468	601,170	545,680	(9.23%)
Insurance	1,331,854	1,735,830	2,044,700	1,956,990	(4.29%)
Purchased Transportation	319,684	351,196	322,000	844,530	162.28%
Miscellaneous Related Expenses	650,957	701,523	495,390	466,190	(5.89%)
Local Match	2,150,000	2,000,000	1,950,000	1,966,000	0.82%
Total Expenses	\$38,542,792	\$41,361,761	\$45,000,000	\$43,806,680	(2.65%)
SURPLUS (DEFICIT)	\$5,550,025	\$3,317,090	(\$126,750)	\$0	

*FY 2026 deficit paid from reserves.



**Des Moines Area Regional Transit Authority
FY 2027 Budget**

BUDGET SUMMARY – OPERATING REVENUE

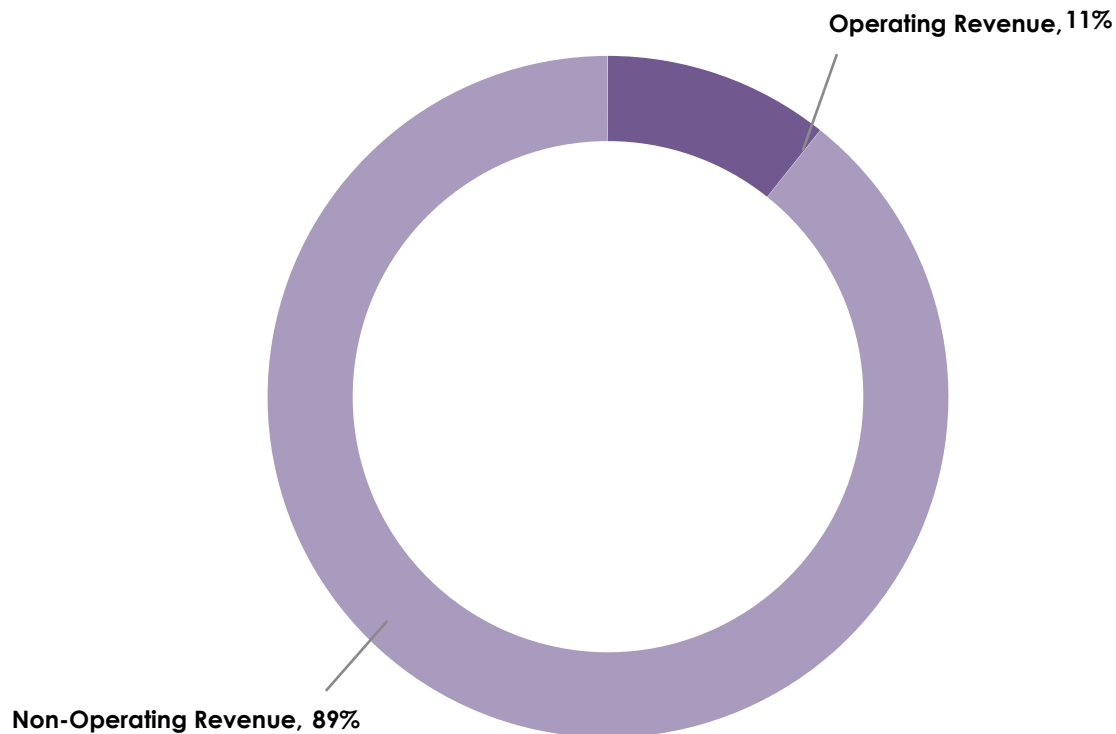
	<u>Actual</u> FY 2024	<u>Actual</u> FY 2025	<u>Adopted</u> FY 2026	<u>Budget</u> FY 2027	<u>% Change</u> FY2026 FY2027
OPERATING REVENUE					
Cash and Fares	\$2,766,807	\$2,748,207	\$3,094,200	\$2,379,150	(23.11%)
Other Contracted Services	2,090,967	2,016,949	1,877,000	1,640,200	(12.62%)
Polk County Funding	427,415	421,960	433,000	375,000	(13.39%)
Advertising Income	424,202	387,839	350,000	300,000	(14.29%)
TOTAL OPERATING REVENUE	\$5,709,391	\$5,574,955	\$5,754,200	\$4,694,350	(18.42%)
NON-OPERATING REVENUE					
Interest Income (Expense)	\$1,502,287	\$1,403,170	\$198,000	\$266,300	34.49%
Sale Of Scrap	6,388	3,504	8,000	8,000	0.00%
DCS Rental Income	795	3,391	7,000	7,000	0.00%
Miscellaneous Income	106,271	129,560	125,500	160,500	27.89%
Local Tax Revenue	26,081,140	28,456,038	29,697,980	31,184,740	5.01% *
State Operating Assistance	2,316,700	2,255,937	2,350,000	2,397,000	2.00%
State Fellowships	49,063	64,317	0	50,000	0.00%
State Property Tax Backfill	580,979	484,149	388,000	291,110	(24.97%)
State Special Projects	43,378	0	0	0	0.00%
MPO Grant Funds	0	990,432	2,609,570	0	(100.00%)
CMAQ Funds	0	144,784	0	0	100.00%
FEMA Revenue	77,533	0	0	0	0.00%
FTA ADA - 5307	475,000	475,000	475,000	540,800	13.85%
FTA Cabs - 5310	214,304	332,959	225,000	324,480	44.21%
FTA Operating Income	2,600,000	3,235,000	2,965,000	3,839,200	29.48%
FTA Operating Income - 5307 CARES	3,272,098	0	0	0	0.00%
FTA Planning Income	(90)	0	0	0	0.00%
FTA 5311 Rural	15,115	27,158	20,000	6,000	(70.00%)
FTA Lease Funds	655,000	640,408	0	0	0.00%
Local Match Revenue	387,467	458,090	50,000	0	(100.00%)
TOTAL NON-OPERATING REVENUE	\$38,383,428	\$39,103,897	\$39,119,050	\$39,112,330	(0.02%)
TOTAL REVENUE	\$44,092,819	\$44,678,852	\$44,873,250	\$43,806,680	(2.38%)

*Total local tax revenue is flat. The reported 5% increase is attributable entirely to the removal of \$2.6 million in MPO grant funding that reduced property tax needs in FY26.

**Des Moines Area Regional Transit Authority
FY 2027 Budget**

BUDGET SUMMARY — OPERATING REVENUE

**FY 2027 Operating Revenue
as a % of Total Revenue**



Revenue Assumptions:

- Residential/multi-residential rollback: 44.53%, Commercial rollback: 90% (value exceeding \$150,000)
- Underlying local tax revenue is flat. The reported 5.0% increase is attributable entirely to the removal of \$2.6 million in MPO grant funding that reduced property tax needs in FY26.
- Year six of DART property tax formula implementation: 40% old formula/60% new formula
- Revenue reductions: Operating revenue due to service reduction, property tax backfill (7-year phase out), loss of Pleasant Hill and Bondurant
- Additional \$1M in federal grant funding annually converted to operating support
- Eliminates one-time funding for ongoing operations



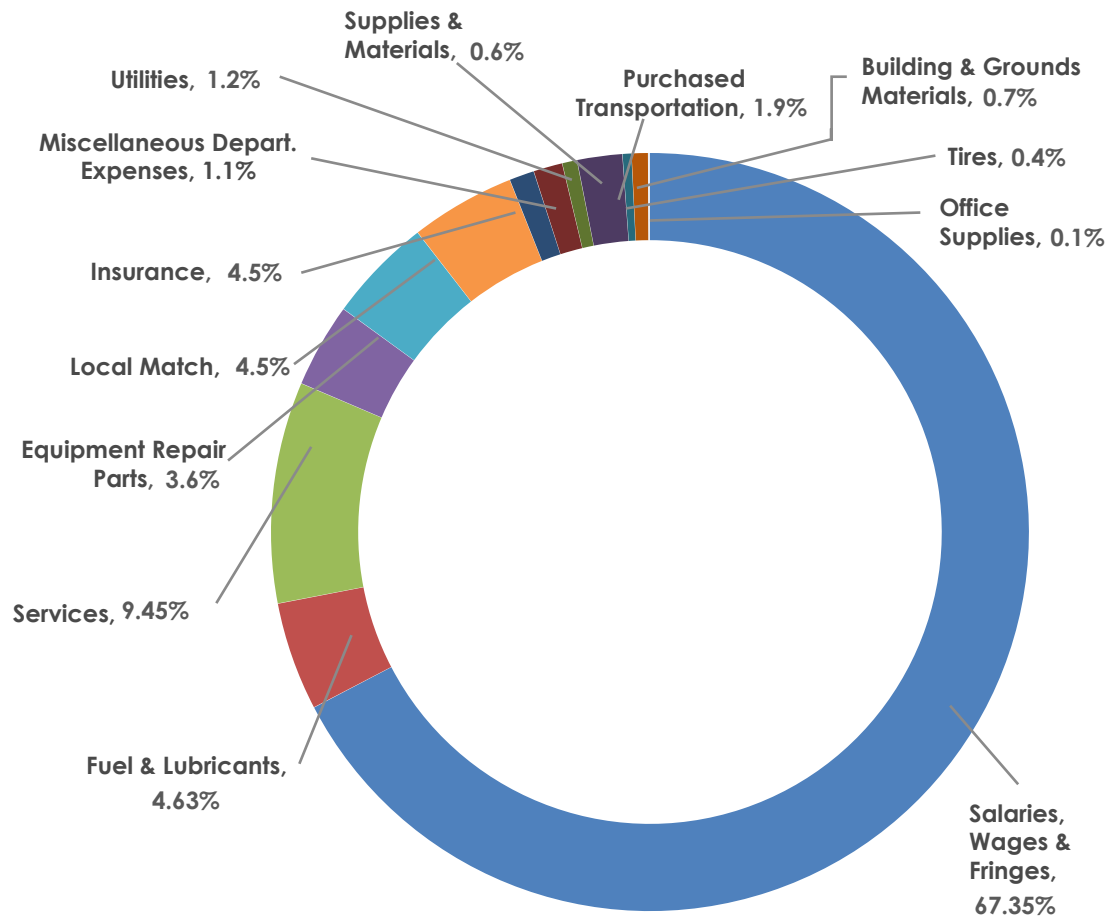
**Des Moines Area Regional Transit Authority
FY 2027 Budget**

BUDGET SUMMARY — OPERATING EXPENSES

	<u>Actual FY 2024</u>	<u>Actual FY 2025</u>	<u>Adopted FY 2026</u>	<u>Budget FY 2027</u>	<u>% Change FY2026/ FY2027</u>
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Local Match	2,150,000	2,000,000	1,950,000	1,966,000	0.82%
TOTAL EXPENSES	\$38,542,792	\$41,361,761	\$45,000,000	\$43,806,680	(2.65%)

Des Moines Area Regional Transit Authority FY 2027 Budget

BUDGET SUMMARY – OPERATING EXPENSES



Expense Assumptions:

- Reimagine DART Network Redesign: 10% reduction in service hours, two new microtransit zones
- Phase 1 operations of new Operations & Maintenance Facility
- Insurance increases: health (10%), property and casualty (10%), workers compensation (20%)
- Purchased transportation increased due to a shift toward our taxi and TNC partners providing more Paratransit trips at lower costs
- All remaining expense categories seeing a decrease in budget over prior year

Appendix A: Reserve Fund Usage for Non- Recurring Expenses

Des Moines Area Regional Transit Authority FY 2027 Budget

Reserve Fund Usage for Non-Recurring Expenses

Due to higher levels of sustained interest rates, DART's interest income has exceeded budget expectations for the last few years. This income is not typically generated at this level and therefore is not a sustainable revenue source to be placed within the operating budget. However, interest income has assisted in providing healthy operating and capital reserve levels to be utilized for unforeseen events and/or one-time expenses.

DART Staff identified opportunities to utilize these funds for one-time use purposes in FY 2026 for implementation costs of the Reimagine DART system redesign (\$750,000) and investments in efficiency efforts (\$200,000). Staff are recommending carrying over the projects/funds not utilized in FY 2026 (\$300,000) as well as identifying a few new additions for FY 2027 (\$600,000) in sum total of \$900,000:

- Implementation expenses related to Reimagine DART system redesign and possible new service models (Carry Over)
 - Testing possible new workforce shuttle services
 - Remaining request not to exceed \$150,000
- Temporary investments in efficiency efforts aimed to improve processes and minimize future growth in expenses (Carry Over)
 - Key business process SOP audit, update, and standardization
 - Evaluate key processes for efficiencies such as process automation through RPA and other tools
 - Total request not to exceed \$200,000
- Workforce attrition/retention expenses to be used to support the transition to a newly designed network requiring less operators without requiring layoffs
 - Retain staff during a time of intense change
 - Achieve 15 fewer operators required within new network without layoffs
 - Total request not to exceed \$250,000
- Safety and Security expenses for de-escalation and crisis intervention training recommended by FTA
 - FTA-recommended deescalation and crisis intervention training
 - Safety and security planning
 - Total request not to exceed \$100,000
- Contingency and emergency repairs at DART Way facility
 - New Operations and Maintenance Facility unforeseen transition expenses
 - DART Way facility repairs to accommodate significant system failures
 - Network redesign unforeseen expenses
 - Total request not to exceed \$200,000

All dollars not expended remain within the General Reserve Fund