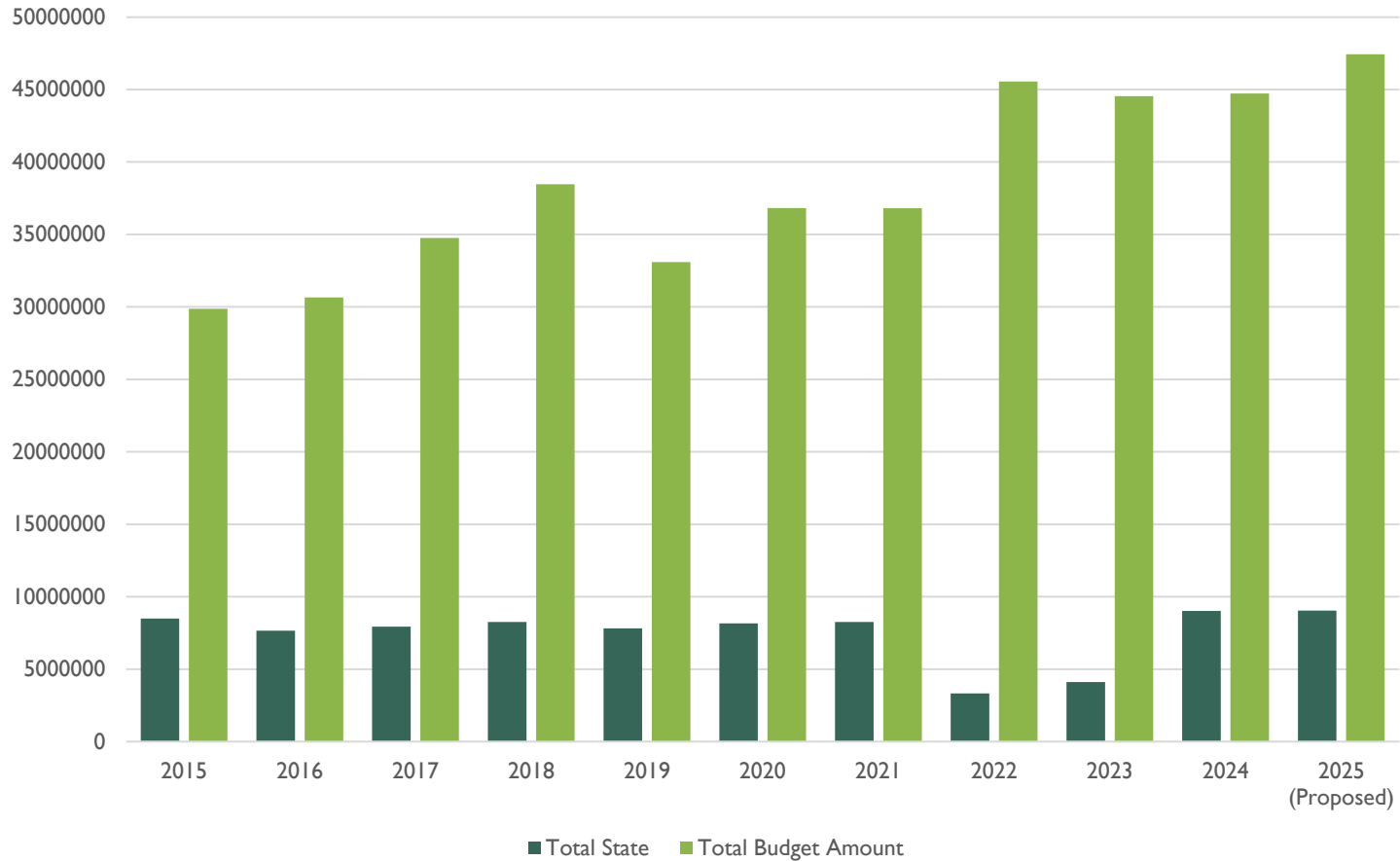


FY2025 PUBLIC
TRANSIT FUNDING
SOURCES

ROSS MACDONALD
JANUARY 30, 2024

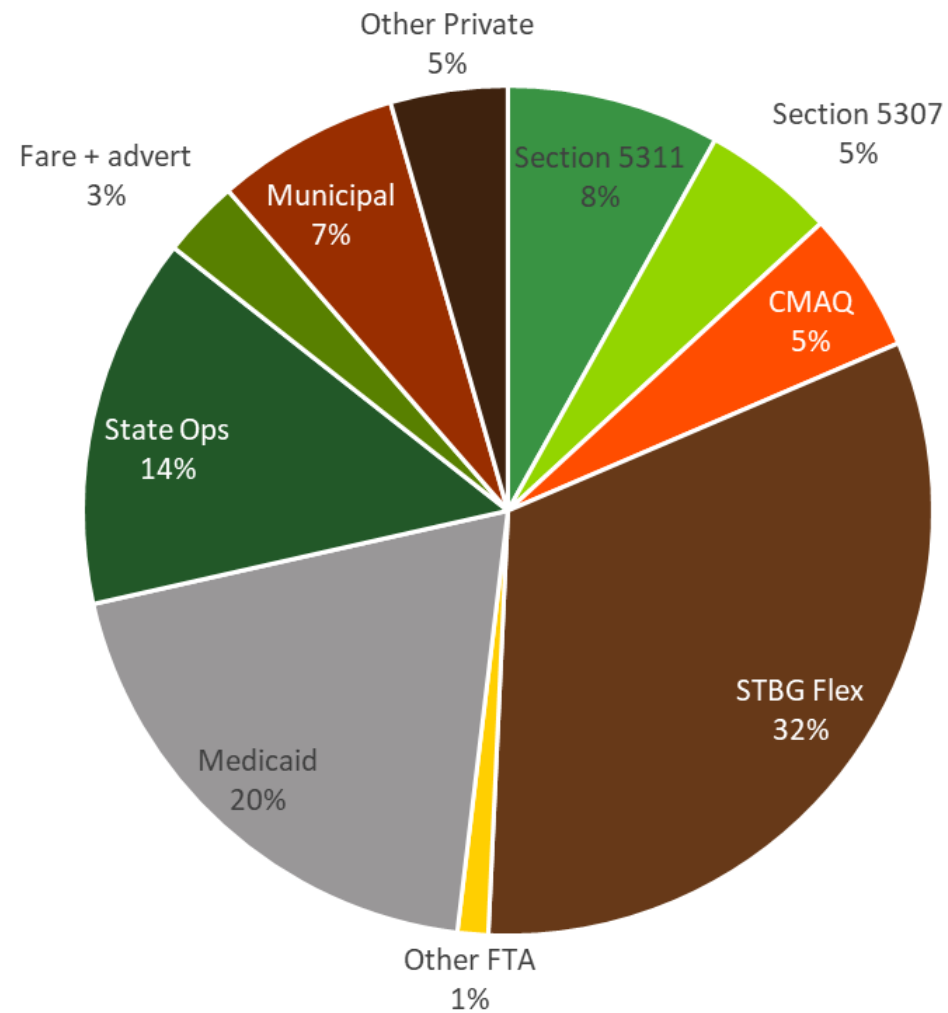
AGENCY OF
TRANSPORTATION

Historical Funding Levels (State and Total)



PUBLIC TRANSIT BUDGET

FY2023 TRANSIT OPERATING FUNDING BY PROGRAM



PUBLIC TRANSIT – BUDGET FUNDING SOURCES

Funding Source	SFY 2025 Proposed Amount
State Funds (T-Funds)	\$9,807,525
FTA Formula	\$10,542,700
FTA Competitive Awards	\$8,250,000
FHWA Flex (CMAQ and STBG)	\$20,900,000
Local Funds	\$4,508,775
Interdepartmental (AHS)	\$100,000
Carbon Reduction Funds	\$7,000,000

STATE FUNDS COMPARISON TO OTHER RURAL STATES

State	Population 2021	Pct. rural	Total State Funds for Transit	2021 State Funds per Capita
Vermont	646,972	64.9%	\$8,330,000	\$12.87
Maine	1,377,238	61.4%	\$3,720,000	\$2.70
West Virginia	1,785,526	55.4%	\$2,260,000	\$1.27
Mississippi	2,949,586	53.7%	\$1,760,000	\$0.60
Montana	1,106,227	46.6%	\$1,580,000	\$1.42
Arkansas	3,028,122	44.5%	\$3,490,000	\$1.15
South Dakota	896,164	42.8%	\$1,050,000	\$1.17
Alabama	5,049,846	42.3%	\$0	\$0.00
New Hampshire	1,387,505	41.7%	\$460,000	\$0.33
Kentucky	4,506,589	41.3%	\$1,400,000	\$0.31

BUDGETED STATE FUNDS

SFY	Budgeted State Funds
2019	\$7,920,711
2020	\$8,156,111
2021	\$8,264,557
2022	\$3,324,855
2023	\$4,108,577
2024	\$9,016,189 (added \$822k through Pay Act)
2025	\$9,807,525

State Fund Considerations

- Declines in t-fund revenue
- Additional federal funds to match
- Funds are usually allowed to be carried forward (capital-related funds) from one FY to the next

FTA FORMULA (AND COVID FUNDS)

SFY	Budgeted FTA Formula
2019	\$6,176,607
2020	\$8,085,290
2021	\$8,085,285
2022	\$4,233,110 (+25,309,813 Covid funds)
2023	\$4,680,801 (+\$11,060,000 Covid funds)
2024	\$9,714,141 (+\$1,650,000 Covid funds)
2025	\$10,542,700

Formula Fund Considerations

- 5311 (FFY '24 - \$5,670,467) Operations can only be covered with FTA Formula or FHWA CMAQ
- 5339 (FFY '24 - \$4,000,000) for Capital
- Using virtually all Formula for Ops
- IIJA increased Formula by 30%
- Covid funds are fully expended/obligated

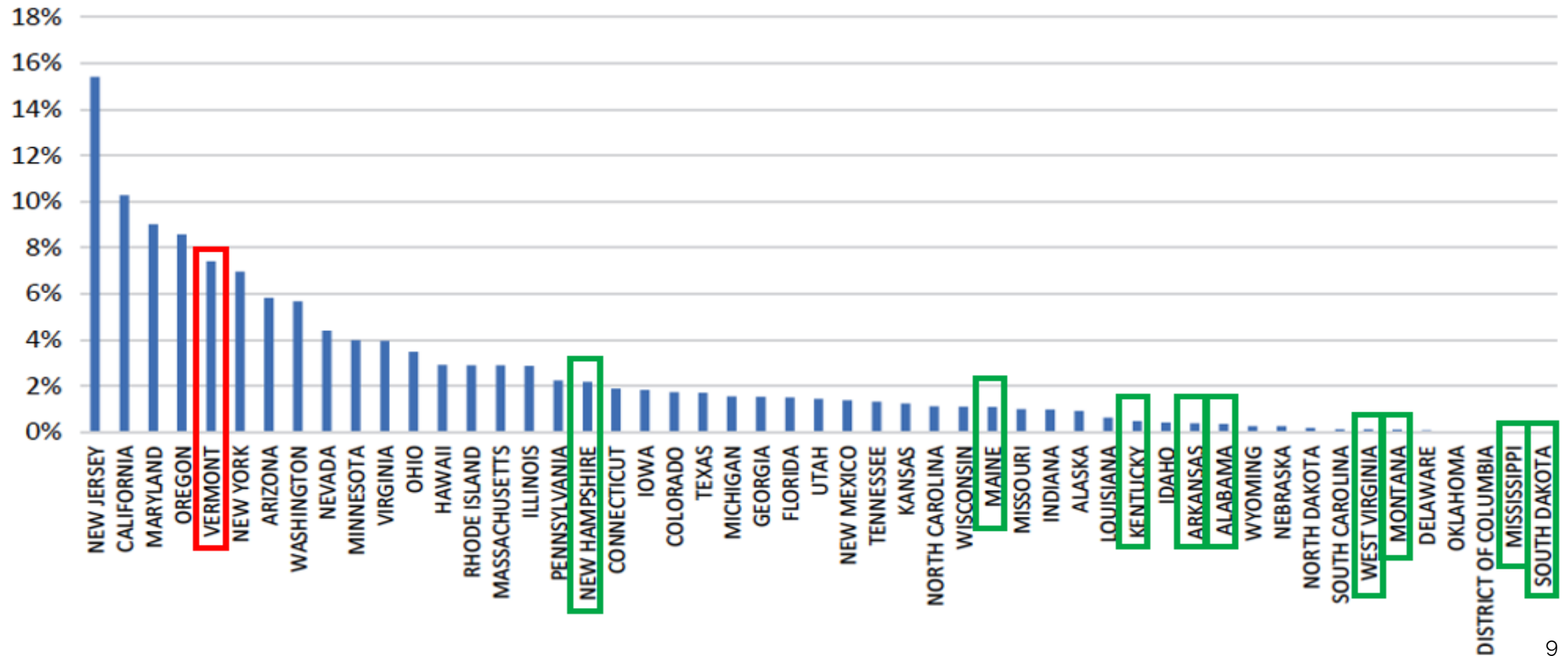
FHWA “FLEX” TO FTA PROGRAM

SFY	FTA Formula Apportionments
2019	\$14,157,985
2020	\$19,525,934
2021	\$19,633,003
2022	\$8,000,000
2023	\$23,292,324
2024	\$23,025,000
2025	\$20,900,000

FHWA Flex Considerations

- Higher costs putting pressure on FHWA projects.
- Can only use CMAQ portion (\$3M-\$5M) of the Flex for Ops. IIJA allows CMAQ to be used indefinitely for Ops.
- Federal budget process can make these funds difficult to access.
- Covers most Admin, Maintenance, Capital, Older Adults and Persons with Disabilities program, Go Vermont... a significant percentage of the transit program heavily relies on these annual flex processes.
- Among the highest % of FHWA flexed to transit

PERCENT OF FHWA FUNDS FLEXED TO TRANSIT



FHWA FLEX AWARDS – GMT URBAN

Fiscal Year	Budget total	GMT-Urban	% for GMT Urban	Actual GMT	Actual %
2020	\$ 16,525,934	\$ 3,000,000	18.2%	\$ 3,341,842	20.2%
2021	\$ 16,633,003	\$ 3,000,000	18.0%	\$ 3,118,316	18.9%
2022	\$ 18,958,303	\$ 3,000,000	15.8%	\$ 3,380,000	17.8%
2023	\$ 23,292,324	\$ 3,000,000	12.9%	\$ 4,934,216	21.2%
2024	\$ 23,025,000	\$ 3,000,000	13.0%	\$ 5,475,419	23.8%
2025	\$ 20,900,000	\$ 3,500,000	16.7%	?	

LOCAL FUNDING

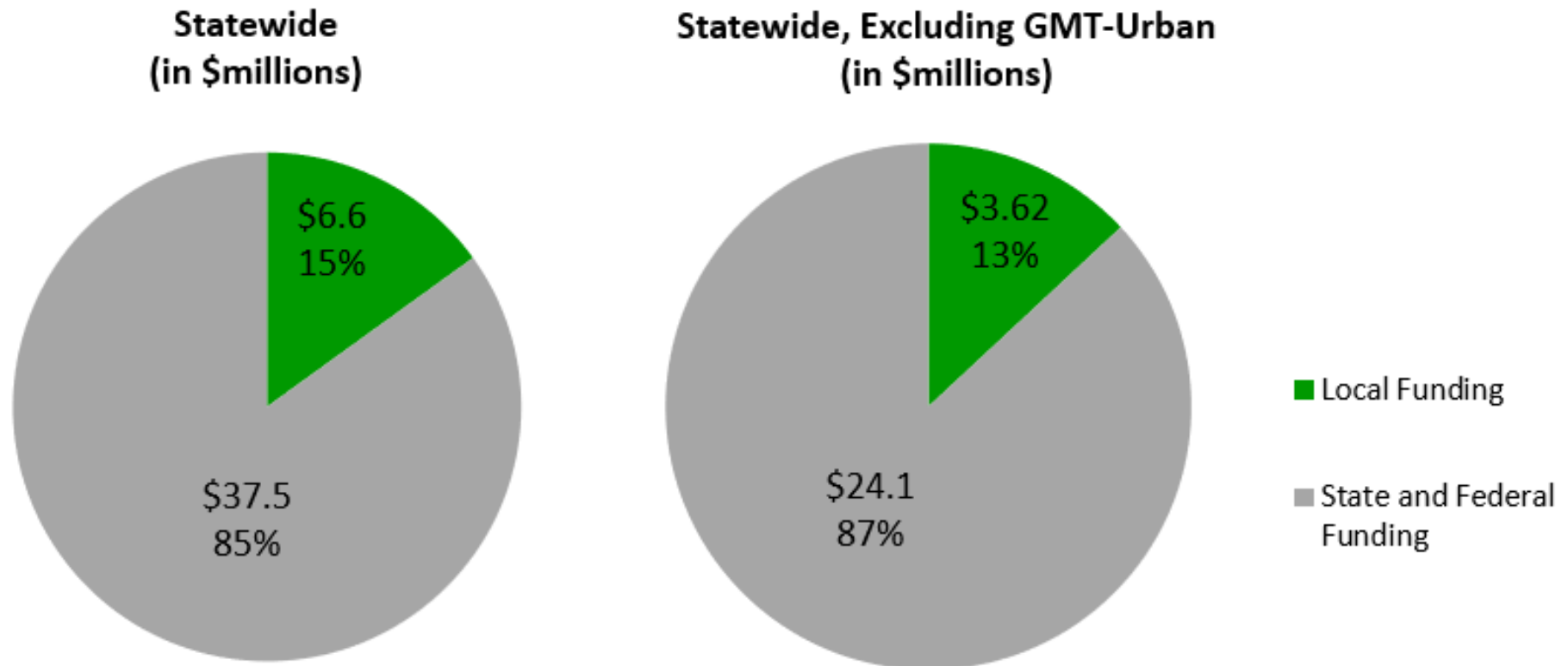
SFY	Local Funds Expenditures
2019	\$8,898,664
2020	\$7,342,202
2021	\$4,628,770
2022	\$3,242,835
2023	\$6,864,149
2024	\$TBD
2025	\$TBD

Local Funding Considerations

- Local revenue primarily from towns, resorts, large businesses, donations, and advertising.
- Reserves have increased since pandemic years, when much of the transit services were covered by Covid funds (100% federal).
- Returning to “normal” means returning to increased local share requirements.

LOCAL SHARE – SFY 2023

Figure 8: Local Share



FTA COMPETITIVE GRANT AWARDS

SFY	Budgeted FTA Competitive Awards
2019	\$2,120,000
2020	\$1,157,064
2021	\$3,830,000
2022	\$4,911,712
2023	\$4,397,576
2024	\$5,250,000
2025	\$8,250,000

Competitive Grant Considerations

- No guarantee our applications will be awarded
- One application per year
- Funds are largely limited to Bus and Bus Facility needs (vehicles, capital)
- Operating funds are often for projects we already provide (demand response, human service coordination, etc.).
- Recent awards require several years of estimated delivery of e-Buses

INTERDEPARTMENTAL FUNDING

SFY	Local Funds Expenditures
2019	\$0
2020	\$40,000
2021	\$40,000
2022	\$40,000
2023	\$100,000
2024	\$100,000
2025	\$100,000

Interdepartmental Funding Considerations

- Recovery and Job Access program – VTrans and AHS splits the non-fed match
- Relies on annual MOU
- Limited role in other Agency's budgeting process

CARBON REDUCTION FUNDING

SFY	Carbon Reduction Funds
2019	\$0
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$4,000,000
2025	\$3,000,000

Carbon Reduction Funding Considerations

- Significant opportunity to use these funds to support transit services.
- Current plan is to use FY'24 funds for 20 “e-Sprinters” and insert FY'25 funds into the MTI program for potential microtransit, demand response, and/or other service.
- New source of funding – yet to be “flexed” into FTA Budget
- Funds for ops may not be sustainable over the long-run