



GMT Urban Fiscal Outlook and
Senate Amendment to TBill

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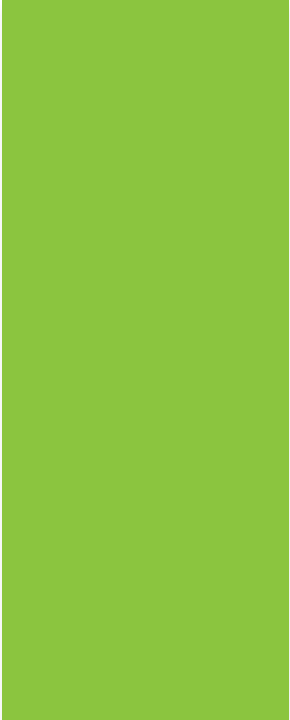
GMT Urban Fiscal Outlook

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- COVID relief funds run out in FY25
 - Projected \$2.7M funding gap in FY26

Balancing FY26 budget will require 29% reduction in service hours.



Urban Service Reduction Planning Under Way

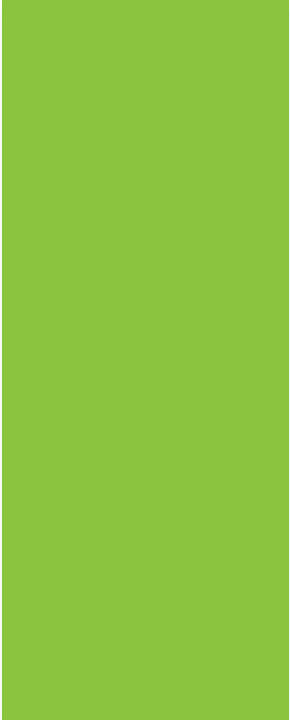
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- Municipalities notified of service reductions in March 2024
 - FY26 municipal assessments due November 2024
 - Next 7 months will include:
 - Required public process to provide feedback on proposed reductions
 - Modification of urban assessments, requiring municipal review and approval

Considerations



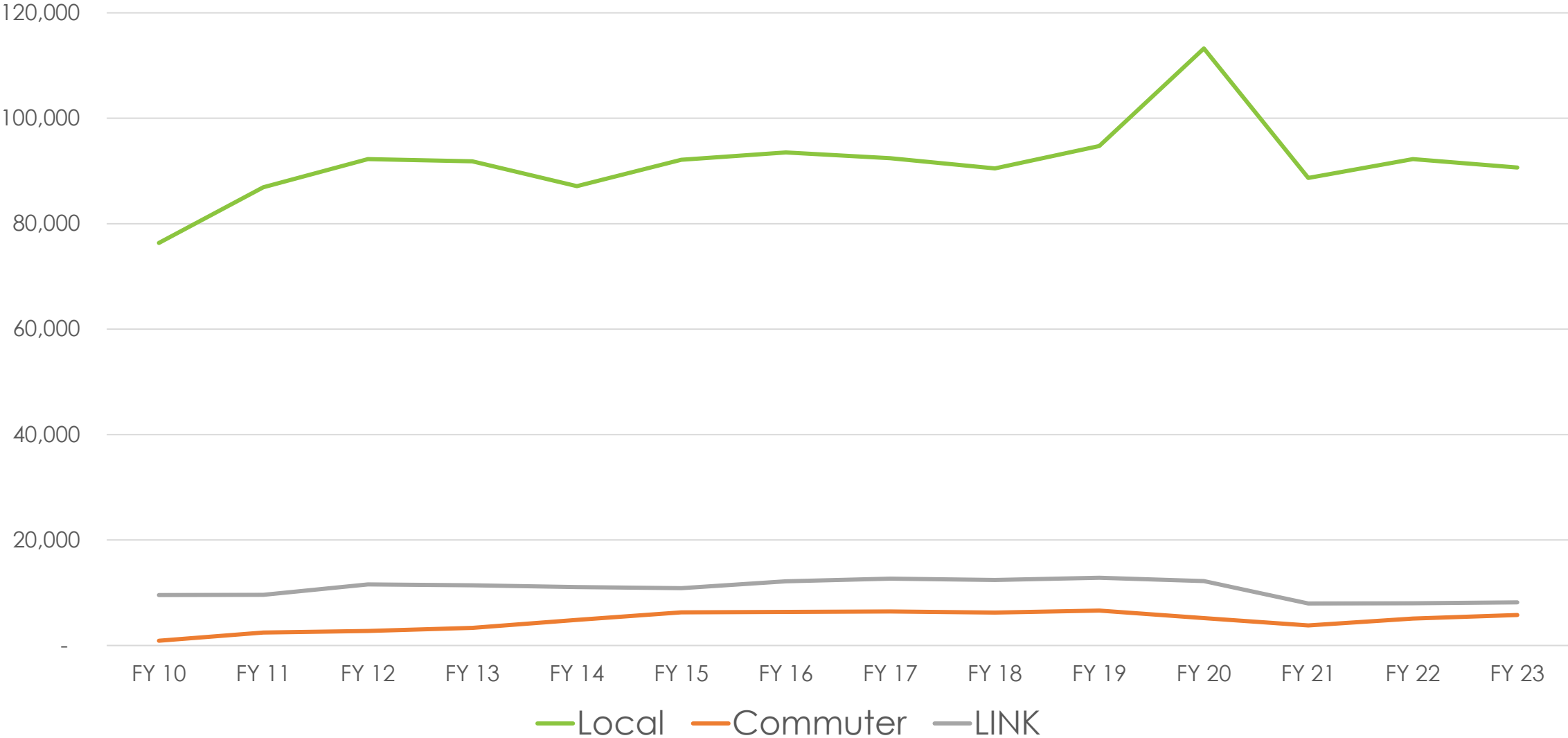


What does a 29% Reduction look Like?

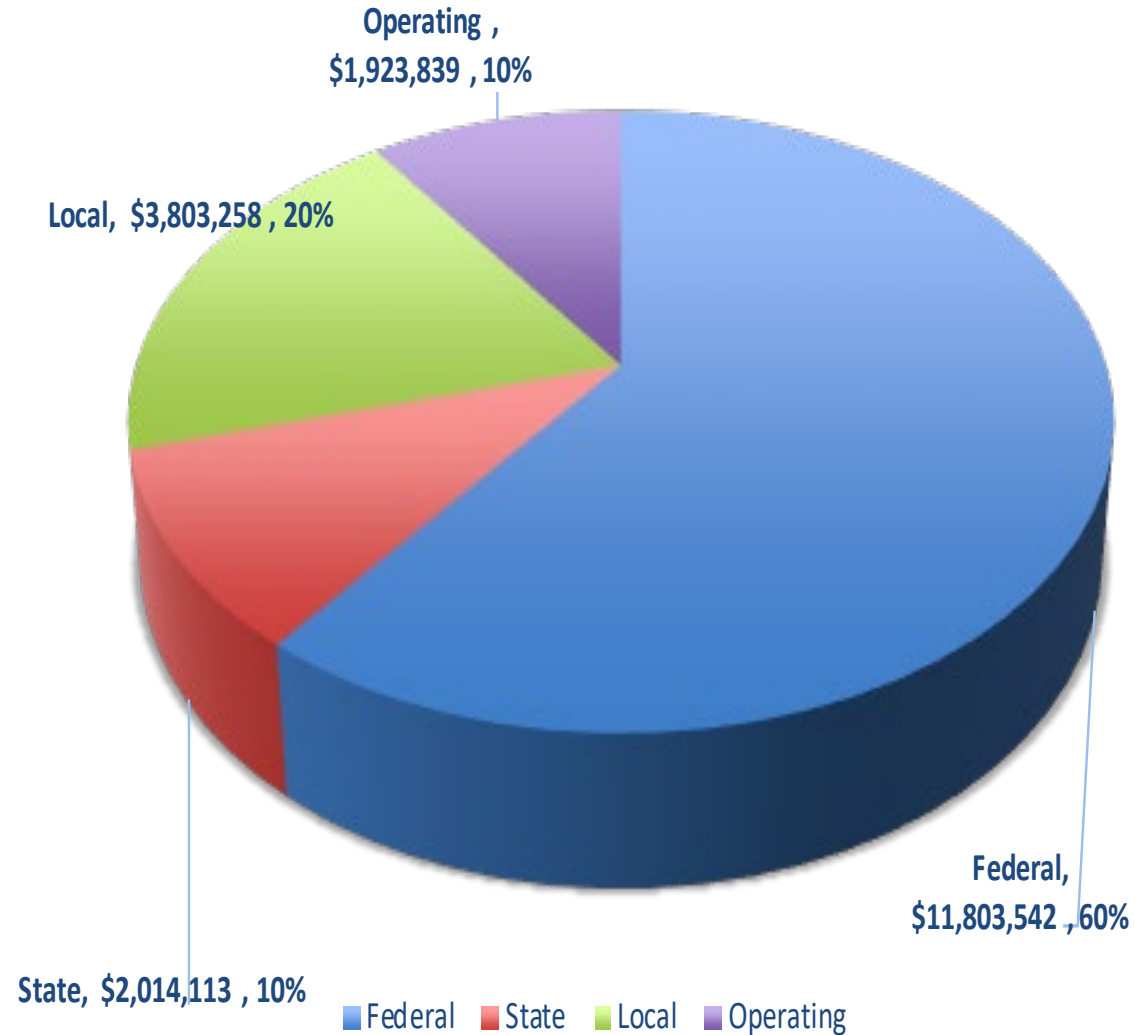
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- Elimination of all LINK Express*
 - Elimination of all Commuter*
 - Elimination of all Weekend Service*
 - Plus 12% Reduction Weekday Service

* Any reductions likely to impact these services first

GMT Vehicle Revenue Hour by Service Category

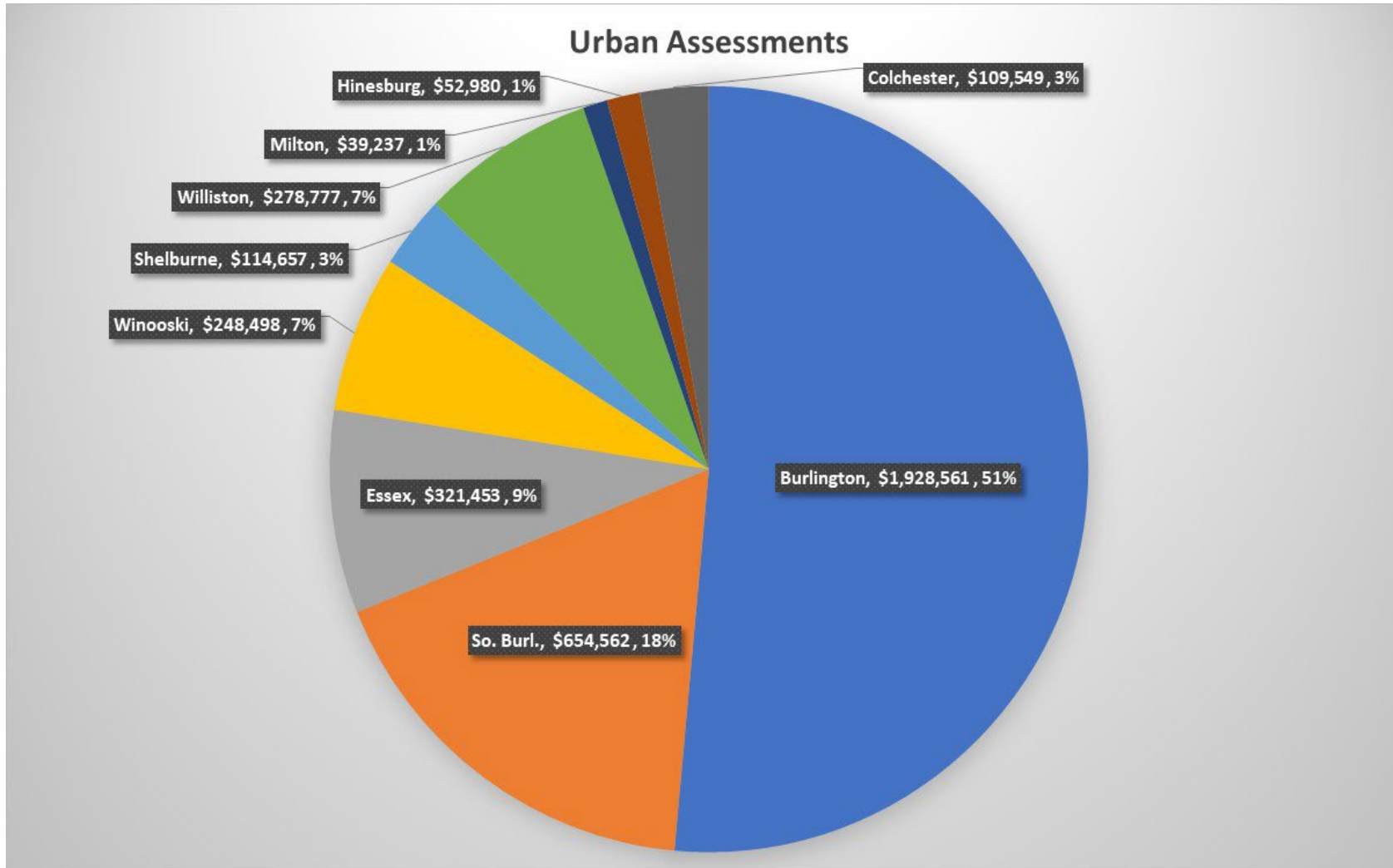


GMT Urban Funding Sources



*Based on Approved
FY25 Operating Budget*

Sources of Urban Local Funding



Total Urban Municipal Funding = \$3.8M (20%)

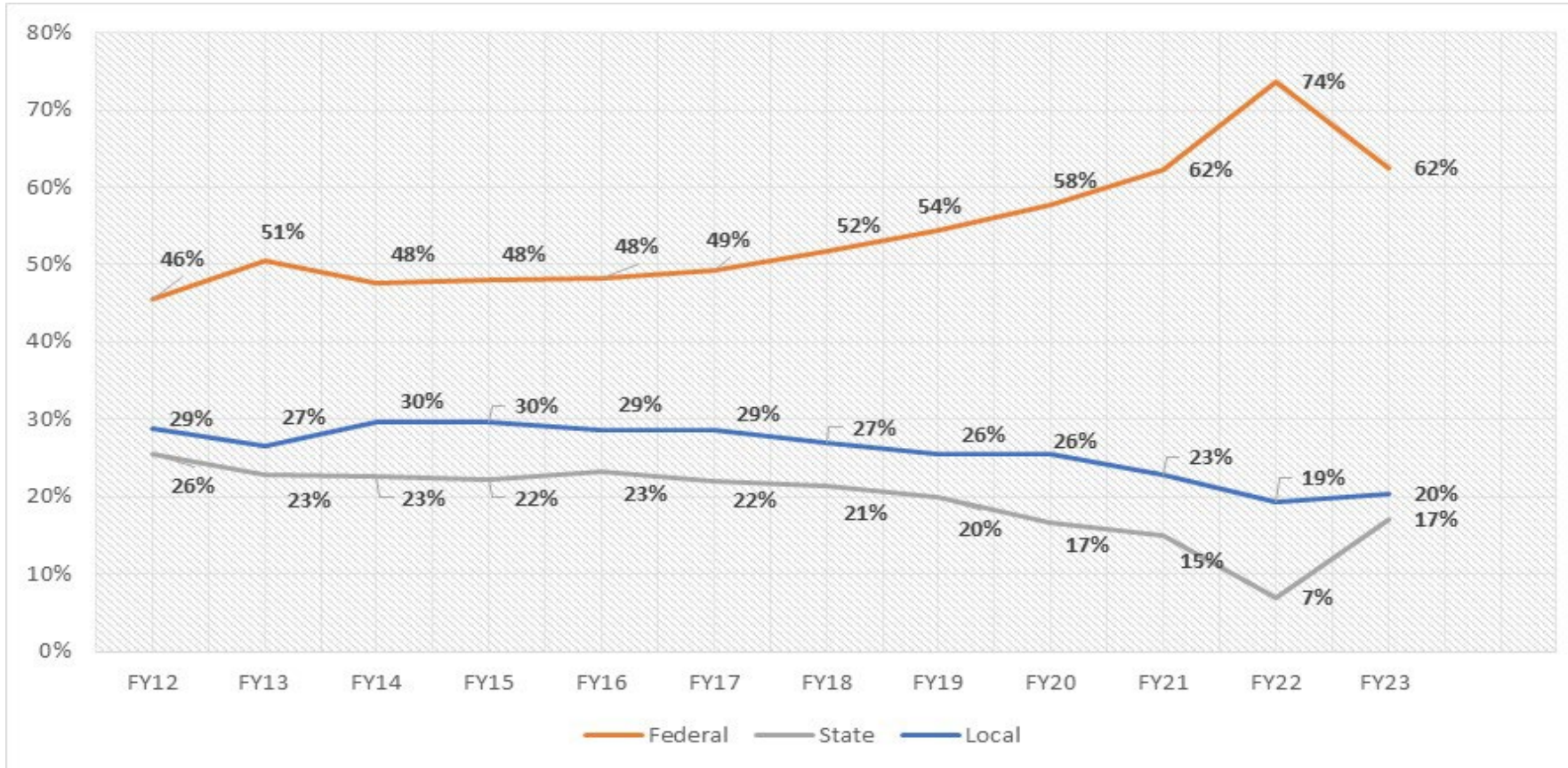
Total Statewide Municipal Funding = \$4.7M

Non-GMT Urban Municipal Funding = \$0.9M (2.5%)*

Unlike rural providers, GMT's Urban Local Match reliant on municipal contributions.

*Based on total rural transit cost of \$35.5M


Federal Reserves Changed Revenue Mix



COVID relief funds shifted costs away from State and Municipalities



GMT Assessment Authority

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- Special assessments require unanimous approval of all member city council/selectboards
 - Changes to assessment formula require 7 of 9 municipal city council/selectboards to approve, with last changes 15+ years ago




ADA Assessments Widen Fiscal Gap

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- Municipalities contribute 50% of ADA service costs




Urban Service Diversification

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- 100% of Urban Service Now Delivered on a Fixed Route 35'/40' bus
 - GMT studying converting ADA service to combined ADA/Microtransit service in FY26
 - Microtransit could be a better solution for low ridership routes




Organizational Assessment Highlights

GMT Uniqueness

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- Only 1 other small urban transit agency in the country provides both urban and rural service in same organization
 - GMT and VTrans need to revisit GMT's rural participation



Limited Savings Opportunities Outside Service


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- Non-operational staff reduced by 38% since 2011
 - 6.5% indirect rate
 - GMT provides more service than we are staffed to manage... non-operational staff appropriately sized for a small urban transit agency operating only fixed route service
 - This is the root of GMT dysfunction

Senate Amendment



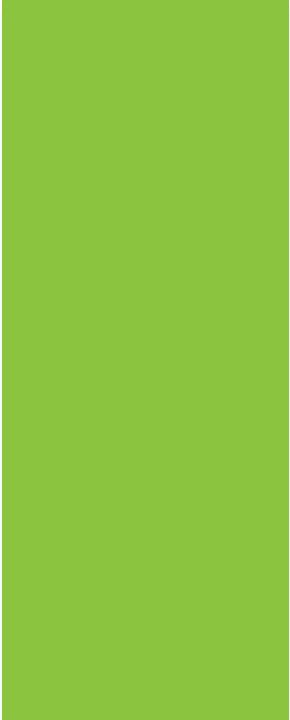


Senate FY25 Funding: +\$1M

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- Would decrease service reductions required to balance FY26 budget to 18%
 - Additional service reductions required to address future funding gaps
 - Will provide Legislature a review of the service changes required prior to completing FY26 budget

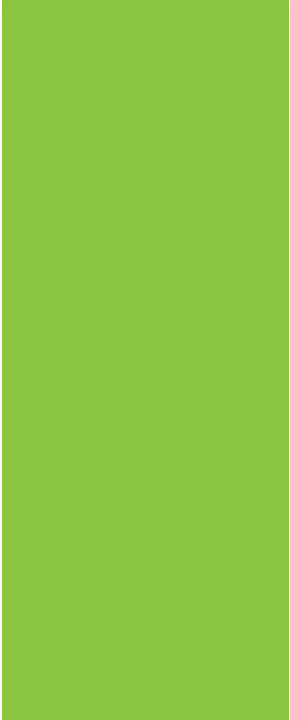


Return to Fares

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- Fares restarting May 20, 2024
 - All necessary equipment/applications received and/or working... riders are already using the system

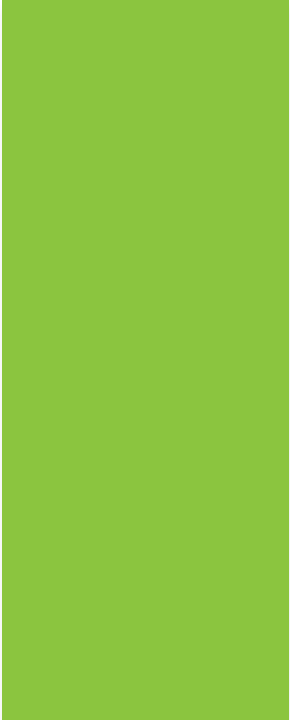


GMT Structure

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- Ready to provide structural change recommendations for GMT, which will likely include transfer of some or all rural service to other providers
 - Will also address service diversification



Not Your Father's ~~Oldsmobile~~ GMT

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- GMT needs to emulate rural transit providers
 - Entrepreneurial approach to diversify revenue and decrease reliance on state and municipal funding
 - GMT in process of creating an affiliated non-profit organization to allow for fundraising and increased access to grants
 - Integration with Human Service Organizations, Schools, Employers, etc.