



To: Rep. Patricia McCoy

From: Nick Foss, Director of Finance

Date: March 4, 2026

RE: GMT FY26 Operating Budget Funding Overview

Dear Representative McCoy:

Pursuant to your request, please find below an overview of Green Mountain Transit's (GMT) funding sources for Fiscal Year 2026. This summary outlines the major revenue components supporting both GMT's Urban and Rural Divisions and reflects the FY26 Adjusted Operating Budget.

GMT Urban Division

FY26 Adjusted Operating Budget Total: \$19,569,601

Local Revenue

- **Municipal Member Assessments & Local Contributions – \$4,062,475**
Funds raised from GMT's member municipalities to support transit operations.

State Operating Support

- **State of Vermont Operating Grant – \$2,200,000**
State operating assistance provided by VTrans.

Federal Operating Grants

- **Federal 5307 Operating Grant – \$4,778,578**
Formula funds provided directly by the Federal Transit Administration (FTA) for urbanized area transit operations. In FY27 \$3,379,574 of regular formula funds and \$1,399,004 Covid-Relief funds are budgeted. No Covid-Relief funds will be remaining after FY26.
- **Federal CMAQ Operating Grant – \$1,826,032**
Congestion Mitigation and Air Quality (CMAQ) funds flexed (transferred by VTrans to the FTA for GMT's use) to support eligible operating expenses.
- **Federal Preventative Maintenance Grant – \$2,400,000**
Federal funds largely flexed (transferred by VTrans to the FTA for GMT's use) by VTrans to support eligible maintenance expenses. VTrans provides \$2.2M and \$200K is provided directly by the FTA.



- **Carbon Reduction Funds – \$700,000**
Federal funds flexed (transferred by VTrans to the FTA for GMT’s use) to support operating costs related to carbon-reduction transit initiatives. These funds are expected to only be provided in FY26 and FY27 per guidance from VTrans.
- **5311 Flex-to-5307 Grant – \$355,000**
Federal rural funds flexed (transferred by VTrans to the FTA for GMT’s use) to support urban operations. This funding has been discontinued starting in FY27.

Planning & Pass-Through Grants

- **CCRPC Planning Grant – \$684,900**
Planning funds provided by the Chittenden County Regional Planning Commission. These funds help support operating and external costs related to the work GMT’s Planning Department conducts.
- **CCRPC RAISE Grant (Pass-Thru) – \$250,000**
Federal pass-through funds applied for by CCRPC for planning projects. GMT simply administers these funds and provides reimbursement to CCRPC for eligible planning activities.

Capital & Mobility Support (Operating-Eligible)

- **Operating Capital Grant (Federal + State) – \$28,125**
- **Mobility Management Grant (Federal + State) – \$56,250**
Federal and state funds supporting specific capital and mobility management functions tied to operations.

Fare & Other Operating Revenue

- **Fixed Route Passenger Fares – \$1,838,703**
- **Paratransit Passenger Fares – \$169,888**
Revenue collected directly from riders for both fixed route and paratransit services.
- **Other Operating Revenues – \$219,650**
Primarily advertising, contract services, and miscellaneous operating income.

GMT Rural Division

FY26 Adjusted Operating Budget Total: \$9,589,432

Local Revenue

- **Local Operating Funds – \$662,124**
Funds raised from participating towns and local partners in rural service areas.



State Operating Support

- **State of Vermont Operating Grant – \$1,140,000**
State operating assistance provided by VTrans.

Federal Operating Grants

- **Federal Rural Operating Grant (5311) – \$1,320,000**
FTA Section 5311 funds administered by VTrans to support rural transit operations and administrative costs.
- **Federal O&D Grant and Cash Match – \$1,370,075**
Federal, state, and local funds supporting services for older adults and persons with disabilities (O&D).
- **Federal CMAQ Operating Grant – \$1,087,992**
CMAQ funds administered by VTrans to support eligible rural operating expenses.
- **Federal Preventative Maintenance Grant (5311) – \$750,000**
FTA Section 5311 funds administered by VTrans to support rural transit maintenance costs.
- **Federal RTAP Grant – \$20,000**
Rural Transit Assistance Program administered by VTrans for training and technical assistance.
- **Federal Planning Grant – \$55,000**
Federal funds administered by VTrans to support planning activities.

Capital & Mobility Support (Operating-Eligible)

- **Mobility Management (Federal + State) – \$84,375**
- **Operating Capital Grant (Federal + State) – \$3,375**
- **MTI Grant – \$62,991**
- **Recovery & Job Access Grant (Federal + State) – \$4,000**
Targeted federal and state funds supporting specific operational, mobility, and workforce-access initiatives.

Contract & Other Operating Revenue

- **Medicaid Contract Revenues – \$2,900,000**
Reimbursement revenues associated with GMT's Medicaid Non-Emergency Medical Transportation (NEMT) services.



- **Other Operating Revenues – \$129,500**

Miscellaneous operating income and service-related revenues.

We appreciate the Committee's continued engagement on public transportation funding. Please do not hesitate to contact us if additional detail or clarification would be helpful.

Respectfully submitted,

Nick Foss
Green Mountain Transit