



PROPOSED FY26 OPERATING BUDGET ADJUSTMENT

Finance Committee
October 9th, 2025



FY26 Key Items

Budget reflects
state grant
agreements

Updated
Service Levels
Budgeted

Approved
CBA's

Full Utilization
of ARPA Funds

Rural Deficit

FY26 Operating Budget Adjustment

	Proposed FY26 Operating Budget Adj.			\$ Changes between Approved FY26 & Proposed FY26 Budget Adj.			% Changes between Approved FY26 & Proposed FY26 Budget Adj.		
	URBAN	RURAL	Total	URBAN	RURAL	Total	URBAN	RURAL	Total
<u>Revenues</u>									
Federal, State and Local Revenues	\$17,341,360	\$6,559,932	\$23,901,291	(\$402,255)	(\$1,166,992)	(\$1,569,247)	-2.3%	-15.1%	-6.2%
Operating Revenues	\$2,228,241	\$3,029,500	\$5,257,741	\$62,613	(\$215,500)	(\$152,887)	2.9%	-6.6%	-2.8%
Total Revenues	<u>\$19,569,601</u>	<u>\$9,589,432</u>	<u>\$29,159,032</u>	<u>(\$339,642)</u>	<u>(\$1,382,492)</u>	<u>(\$1,722,134)</u>	<u>-1.7%</u>	<u>-12.6%</u>	<u>-5.6%</u>
<u>Expenses</u>									
Salaries & Wages	\$8,534,852	\$4,888,810	\$13,423,662	(\$747,085)	\$252,812	(\$494,272)	-8.0%	5.5%	-3.6%
Personnel Taxes & Benefits	\$3,664,608	\$1,694,333	\$5,358,941	(\$398,425)	\$110,894	(\$287,531)	-9.8%	7.0%	-5.1%
General & Administrative	\$1,998,497	\$1,104,071	\$3,102,568	(\$23,119)	\$56,935	\$33,816	-1.1%	5.4%	1.1%
Operations	\$48,600	\$37,500	\$86,100	(\$800)	\$100	(\$700)	-1.6%	0.3%	-0.8%
Planning	\$524,000	\$68,750	\$592,750	\$136,500	\$18,750	\$155,250	35.2%	37.5%	35.5%
Vehicle & Building Maintenance	\$2,539,378	\$938,634	\$3,478,012	(\$212,130)	(\$211,276)	(\$423,406)	-7.7%	-18.4%	-10.9%
Contractors	\$2,232,321	\$1,209,700	\$3,442,021	\$77,571	(\$908,194)	(\$830,623)	3.6%	-42.9%	-19.4%
Marketing	\$70,320	\$30,000	\$100,320	\$8,000	\$3,000	\$11,000	12.8%	11.1%	12.3%
Other	\$222,966	\$40,100	\$263,066	(\$128,518)	(\$210,315)	(\$338,833)	-36.6%	-84.0%	-56.3%
Total Expenses	<u>\$19,835,541</u>	<u>\$10,011,898</u>	<u>\$29,847,439</u>	<u>(\$1,288,007)</u>	<u>(\$887,293)</u>	<u>(\$2,175,300)</u>	<u>-6.1%</u>	<u>-8.1%</u>	<u>-6.8%</u>
Cost Allocations	\$265,941	(\$265,941)	\$0	\$193,207	(\$193,207)	\$0	265.6%	265.6%	0.0%
Balance	\$0	(\$688,407)	(\$688,407)	\$1,141,572	(\$688,406)	\$453,165			



FEDERAL, STATE & LOCAL FUNDING

Finance Committee
October 9th, 2025



URBAN - Federal, State & Local

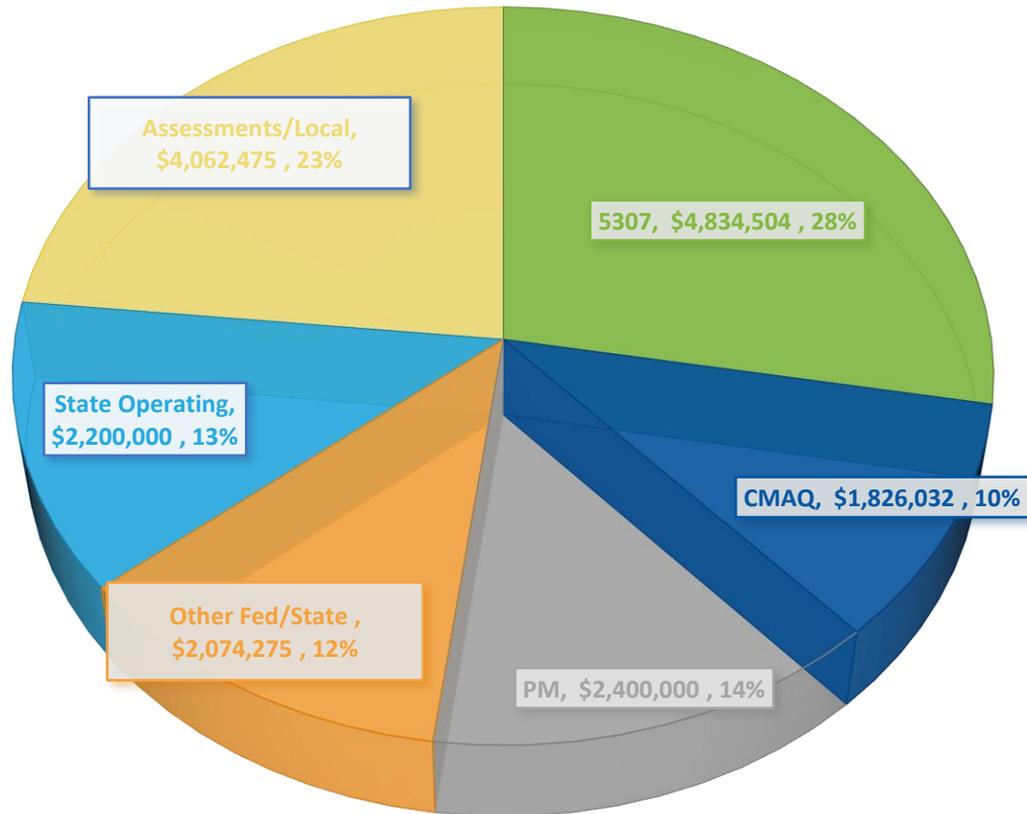
	FY26 Adj.	FY26 Approved	(\$ Change	(%) Change
Total Federal, State, & Local	\$ 17,341,360	\$ 17,743,615	\$ (402,255)	-2.3%
<i>5307 Federal Funds</i>				
Formula 5307	\$ 3,379,574	\$ 4,281,272		
ARPA	\$ 1,399,004	\$ 1,399,004		
Total 5307 Funds Budgeted:	\$ 4,778,578	\$ 5,680,276	\$ (901,698)	-15.9%
<i>Congestion Mitigation Air Quality</i>				
CMAQ Funds Budgeted:	\$ 1,826,032	\$ 1,975,644	\$ (149,612)	-7.6%
<i>Other Federal & State Grants</i>				
Carbon Reduction Funds	\$ 700,000	\$ -		
5311 Flex-to-5307	\$ 355,000	\$ 355,000		
CCRPC	\$ 684,900	\$ 600,000		
CCRPC RAISE Pass-Thru Grant	\$ 250,000	\$ 250,000		
Capital Funds for Proj. Mgmt.	\$ 28,125	\$ 28,125		
Mobility Management Fed. & State	\$ 56,250	\$ 84,375		
Preventive Maintenance Flex	\$ 2,400,000	\$ 2,400,000		
Total Fed. & State Grants Budgeted:	\$ 4,474,275	\$ 3,717,500	\$ 756,775	20.4%
<i>State Operating Funds</i>				
Operating Funds Budgeted:	\$ 2,200,000	\$ 2,000,000	\$ 200,000	10.0%
<i>Member Assessments</i>				
Total Assessments Budgeted:	\$ 4,055,195	\$ 4,363,195	\$ (308,000)	-7.1%
<i>Non Member Contributions</i>				
Contributions Budgeted:	\$ 7,280	\$ 7,000	\$ 280	4.0%

Why have forecasts changed?

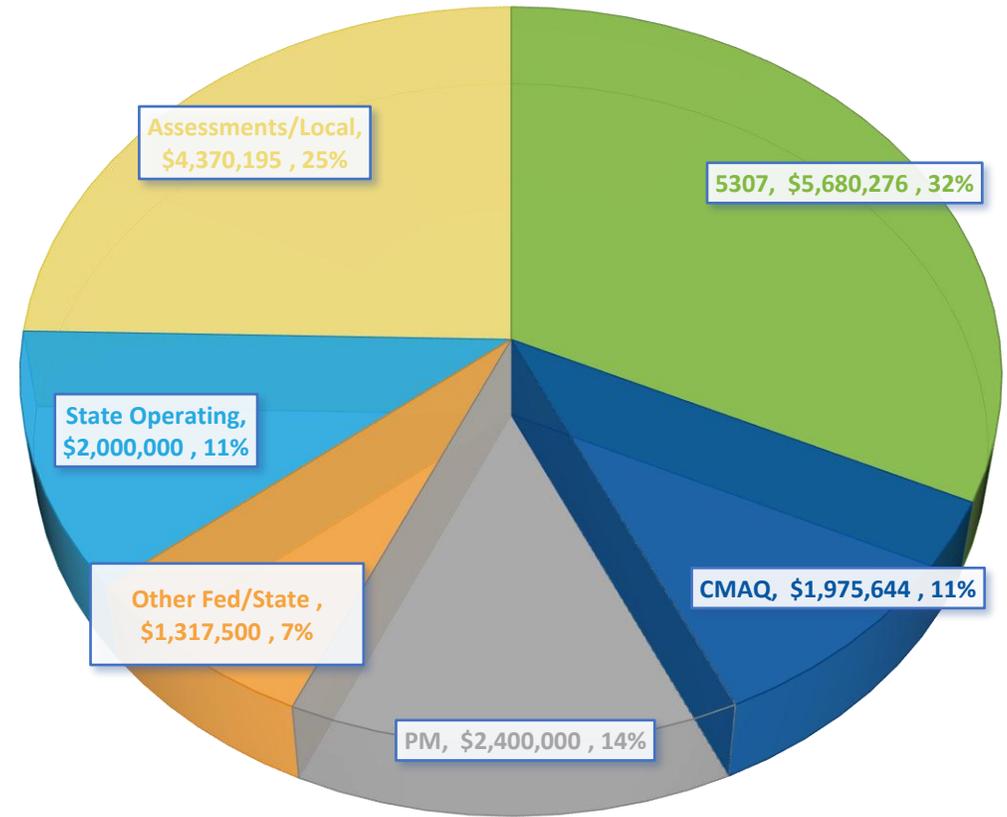
	Updated	Previous
5307 Reserves - Beg. FY25	\$ 5,241,538	\$ 5,241,538
FY25 Formula Spent	\$ (4,219,820)	\$ (5,241,538)
Formula Ending FY25 Balance	\$ 1,021,718	\$ -
Add: Annual Apportionment	\$ 4,249,890	\$ 4,281,272
Total 5307 Avail. For FY26	\$ 5,271,608	\$ 4,281,272
FY26 5307 Budgeted Spend	\$ (3,379,574)	\$ (4,281,272)
Total 5307 Remaining For FY27	\$ 1,892,034	\$ -
Add: Annual Apportionment	??	??

URBAN - Federal, State & Local

FY26 ADJ.
FED, STATE, LOCAL



FY26 APPROVED
FED, STATE, LOCAL

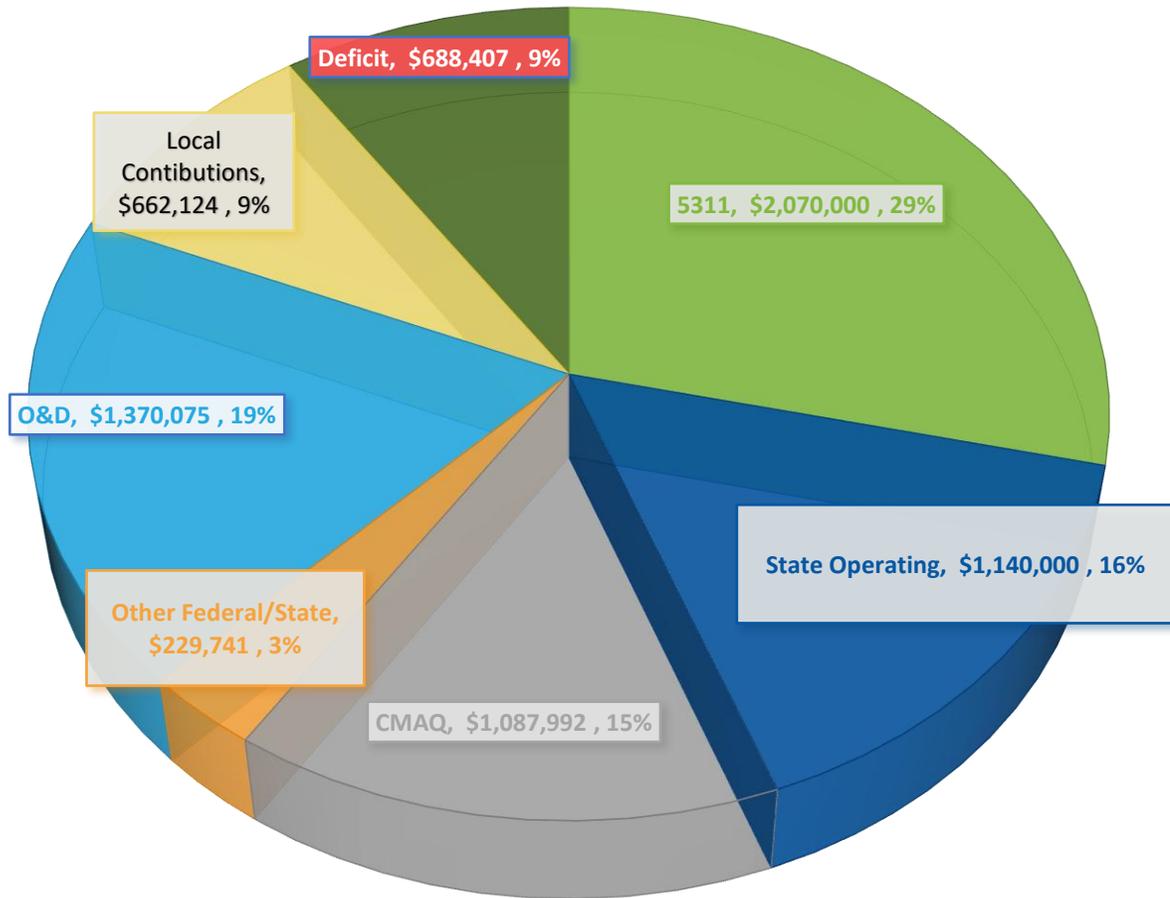


RURAL - Federal, State & Local

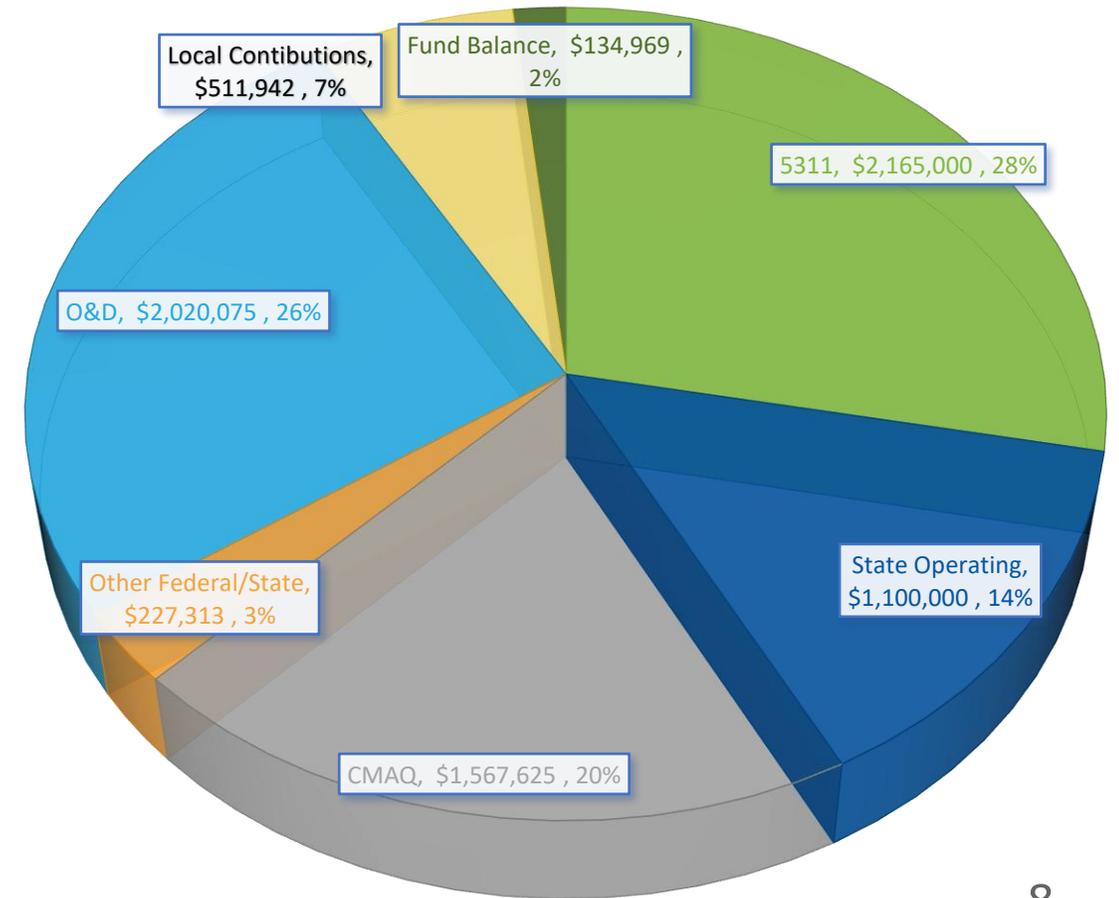
	FY26 Adj.	FY26 Approved	(\$ Change	(%) Change
Total Federal, State, & Local	\$6,559,932	\$7,726,924	(\$1,166,992)	-15.1%
<i>5311 Grant</i>				
5311 Operating	\$700,000	\$825,000		
5311 Admin	\$620,000	\$620,000		
5311 Preventative Maintenance	\$750,000	\$720,000		
Total 5311 Funds Budgeted:	\$2,070,000	\$2,165,000	(\$95,000)	-4.4%
<i>Congestion Mitigation Air Quality</i>				
Montpelier MyRide	\$930,000	\$1,120,500		
Montpelier MyRide State Match	\$57,992	\$280,125		
US Route 2 & Stowe Expansion	\$100,000	\$167,000		
Total CMAQ Funds Budgeted	\$1,087,992	\$1,567,625	(\$479,633)	-31%
<i>Other Federal & State Grants</i>				
RTAP	\$20,000	\$25,000		
Planning	\$55,000	\$50,000		
Mobility Management Fed. & State	\$84,375	\$144,938		
Capital Funds for Proj. Mgmt.	\$3,375	\$3,375		
MTI	\$62,991	\$0		
Recovery Job Access Fed. & State	\$4,000	\$4,000		
Total Fed. & State Grants Budgeted:	\$229,741	\$227,313	\$2,428	1.1%
<i>Older Persons & Disabled Grant</i>				
Federal	\$1,250,000	\$1,850,000		
State	\$35,200	\$85,200		
Local	\$84,875	\$84,875		
Total Older Persons & Disabled	\$1,370,075	\$2,020,075	(\$650,000)	-32.2%
<i>State Operating Funds</i>				
Operating Funds Budgeted:	\$1,140,000	\$1,100,000	\$40,000	3.6%
<i>Local Contributions</i>				
Contributions Budgeted:	\$662,124	\$511,942	\$150,182	29.3%
<i>Fund Balance</i>				
Fund Balance Budgeted	\$0	\$134,969	(\$134,969)	-100.0%

RURAL - Federal, State & Local

FY26 ADJ. FED, STATE, LOCAL



FY26 APPROVED FED, STATE, LOCAL



FY25 Net Position (Unaudited)

Fund Balances		
Type	Urban	Rural
Unrestricted*	\$ 1,194,274	\$ 3,138,264
Undesignated Restricted	\$ 2,047,611	\$ 142,396

**Urban unrestricted net position largely illiquid*



OPERATING REVENUES

Finance Committee
October 9th, 2025



Operating Revenue Adjustments

URBAN	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Passenger Revenue	\$1,838,703	\$72,871	4%	\$1,783,850
Paratransit Fare	\$169,888	\$14,092	9%	\$142,473
Advertising Revenue	\$180,000	(\$20,000)	-10%	\$176,581
Investment Income	\$200	(\$800)	-80%	\$119
Miscellaneous Revenue	\$5,000	\$0	0%	\$6,794
Sales of Equipment	\$5,000	\$0	0%	\$19,385
Misc. Purchase of Service	\$29,450	(\$3,550)	-11%	\$35,495
Total:	\$2,228,241	\$62,613	3%	\$2,164,698

RURAL	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Advertising Revenue	\$2,000	(\$8,000)	-80%	\$720
Investment Income	\$87,500	\$0	0%	\$221,450
Miscellaneous Revenue	\$1,500	(\$3,500)	-70%	\$1,630
Sales of Equipment	\$5,000	\$0	0%	\$37,070
Medicaid Revenue	\$2,900,000	(\$200,000)	-6%	\$2,754,745
Misc. Purchase of Service	\$33,500	(\$4,000)	-11%	\$33,541
Total:	\$3,029,500	(\$215,500)	-7%	\$3,049,156

Urban Fare Revenues		
Type	(\$)	%
Fixed Route	\$1,200,000	65%
Contracts	\$638,703	35%
Total:	\$1,838,703	

Total Revenues

	Urban	Rural
Total FY26 Adj. Revenues	\$ 19,569,601	\$ 9,589,432
Total FY26 Approved Revenues	\$ 19,909,243	\$ 10,971,924
Vs. FY26 Adj.	-1.7%	-12.6%
Total FY25 Revenues	\$ 19,637,389	\$ 10,334,023
Vs. FY26 Adj.	-0.3%	-7.2%



OPERATING EXPENSES

Finance Committee
October 9th, 2025



Salaries & Wages

URBAN	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Other Wages	\$2,268,496	\$59,611	3%	\$2,161,543
Driver Wages	\$4,723,546	(\$795,597)	-14%	\$5,403,910
Mechanic Wages	\$1,542,810	(\$11,098)	-1%	\$1,268,132
Total:	\$8,534,852	(\$747,085) ▲	-8%	\$8,833,585

➤ Volunteer Coordinator, staff allocations, and new hires drove Other Wages adjustments

➤ 13.6K decrease in forecasted urban driver pay hours

➤ Removal of urban driver buy outs - \$240K

➤ Rural driver pay hours increased by 5.8K (FGI Taxi)

RURAL	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Other Wages	\$1,753,833	\$86,793	5%	\$1,589,846
Driver Wages	\$2,907,295	\$182,201	7%	\$2,899,053
Mechanic Wages	\$227,682	(\$16,182)	-7%	\$212,543
Total:	\$4,888,810	\$252,812 ▲	5%	\$4,701,442

Fringe

URBAN	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Payroll Taxes	\$690,470	(\$60,439)	-8%	\$709,393
Unemployment Tax Exp	\$25,000	\$0	0%	\$6,372
Medical Insurance	\$2,261,664	(\$286,324)	-11%	\$2,327,192
Retirement ER Contributions	\$479,517	(\$76,047)	-14%	\$470,140
Employee Development	\$43,000	\$18,000	72%	\$19,262
Employee Benefits	<u>\$164,957</u>	<u>\$6,385</u>	<u>4%</u>	<u>\$160,215</u>
Total:	\$3,664,608	(\$398,425)	-10%	\$3,692,574

RURAL	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Payroll Taxes	\$395,505	\$20,453	5%	\$376,133
Unemployment Tax Exp	\$25,000	\$7,000	39%	\$23,814
Medical Insurance	\$1,036,408	\$88,194	9%	\$897,660
Retirement ER Contributions	\$146,065	(\$1,594)	-1%	\$137,851
Employee Development	\$20,000	(\$12,500)	-38%	\$29,456
Employee Benefits	<u>\$71,354</u>	<u>\$9,342</u>	<u>15%</u>	<u>\$66,766</u>
Total:	\$1,694,333	\$110,894	7%	\$1,531,680

- Payroll Taxes and Retirement largely driven by wage trends
- Medical insurance adjustments primarily driven by lower driver headcount/CBA changes
- Increased training needs/RTAP grant award factored into Employee Development budget

General & Admin

URBAN	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Admin Supplies and Expenses	\$90,600	(\$19,560)	-18%	\$87,543
Recruiting Expenses	\$10,000	\$0	0%	\$1,238
Dues and Subscriptions	\$5,000	\$1,500	43%	\$4,518
Travel and meetings	\$3,500	(\$1,500)	-30%	\$3,061
Communications	\$56,300	(\$6,022)	-10%	\$53,862
Computer Services	\$232,950	(\$32,950)	-12%	\$150,509
Legal Fees	\$20,000	(\$10,000)	-33%	\$13,575
Insurance	\$1,524,780	\$90,517	6%	\$1,378,475
Audit Fees	\$22,768	\$700	3%	\$22,508
Consulting Fees	\$32,600	(\$45,804)	-58%	\$27,433
Total:	\$1,998,497	(\$23,119)	-1%	\$1,742,722

RURAL	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Admin Supplies and Expenses	\$31,600	(\$3,386)	-10%	\$30,089
Recruiting Expenses	\$8,500	\$0	0%	\$4,122
Dues and Subscriptions	\$10,000	\$1,500	18%	\$10,048
Travel and meetings	\$11,000	\$1,300	13%	\$10,753
Communications	\$50,100	\$9,402	23%	\$54,625
Computer Services	\$116,619	(\$83,382)	-42%	\$225,044
Legal Fees	\$15,000	\$0	0%	\$10,291
Insurance	\$833,495	\$131,201	19%	\$666,665
Audit Fees	\$9,758	\$300	3%	\$9,898
Consulting Fees	\$18,000	\$0	0%	\$16,803
Total:	\$1,104,071	\$56,935	5%	\$1,038,336

- Lower credit card transaction costs than expected drove admin supplies adjustment
- Comm. Insurance renewal resulted in significant revision in budget
- Review of software costs and VTRANS capital funding helped reduce budget
- Urban Assessment study removed from consulting budget line

Operations

URBAN	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Employee New Hire/Background Checks	\$4,500	\$0	0%	\$2,832
DOT Testing	\$6,600	\$0	0%	\$6,801
Employment Recruitment Referral Program	\$0	(\$800)	-100%	\$0
Drivers' Uniforms	\$31,000	\$0	0%	\$22,618
Safety Expense	\$2,500	\$0	0%	\$490
Misc. Operating Expenses	<u>\$4,000</u>	<u>\$0</u>	<u>0%</u>	<u>\$4,705</u>
Total:	\$48,600	(\$800) ▲	-2%	\$37,445

RURAL	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Employee New Hire/Background Checks	\$12,500	\$0	0%	\$9,988
DOT Testing	\$8,000	\$0	0%	\$7,381
Employment Recruitment Referral Program	\$0	(\$400)	-100%	\$0
Drivers' Uniforms	\$15,500	\$0	0%	\$15,299
Safety Expense	\$500	\$500		\$327
Misc. Operating Expenses	<u>\$1,000</u>	<u>\$0</u>	<u>0%</u>	<u>\$2,538</u>
Total:	\$37,500	\$100 ▲	0%	\$35,532

- Employee recruitment recognized in wages
- Urban driver uniforms increased to match staff's forecast and CBA
- Remaining budget lines largely align with previous years actuals

Planning

RURAL	Adj. Budget Figure	<i>VS. FY26 Approved</i>		FY25 Actuals
		+/- Change	% Change	
Other Planning Expense	\$68,750	\$18,750	38%	\$56,771

URBAN	Adj. Budget Figure	<i>VS. FY26 Approved</i>		FY25 Actuals
		+/- Change	% Change	
CCRPC Planning Exp	<u>\$524,000</u>	<u>\$136,500</u>	<u>35%</u>	<u>\$905,116</u>

- Other Planning Expense adjusted to match grant funding provided by VTRANS
- CCRPC Planning Expense matches staff estimates of external planning costs

Vehicle/Building Maintenance

URBAN	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Parts Expense - Non-Revenue	\$10,000	(\$5,300)	-35%	\$7,710
Parts Expense - Revenue	\$887,000	(\$17,740)	-2%	\$649,538
Tires	\$150,000	(\$8,100)	-5%	\$123,158
Facility Maintenance	\$170,000	\$17,286	11%	\$132,800
Passenger Facility Expense	\$4,624	(\$15,136)	-77%	\$30,116
Cleaning Expense	\$0	(\$4,080)	-100%	\$0
Repeater Fees	\$28,000	\$2,500	10%	\$27,795
Light, Heat and Water	\$193,800	\$0	0%	\$186,664
Fuel -Vehicles	\$907,000	(\$189,500)	-17%	\$934,888
Maintenance Tools/Supplies/Uniforms	\$155,954	\$5,540	4%	\$152,298
Misc. Maintenance Expenses and fees	\$33,000	\$2,400	8%	\$28,367
Total:	\$2,539,378	(\$212,130)	-8%	\$2,273,333

RURAL	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Parts Expense - Non-Revenue	\$5,000	(\$100)	-2%	\$1,430
Parts Expense - Revenue	\$139,000	(\$113,960)	-45%	\$112,180
Tires	\$60,000	(\$1,200)	-2%	\$46,044
Facility Maintenance	\$81,400	(\$25,700)	-24%	\$96,699
Passenger Facility Expense	\$0	\$0		\$0
Cleaning Expense	\$0	\$0		\$1,491
Repeater Fees	\$20,400	\$0	0%	\$19,757
Light, Heat and Water	\$71,400	\$0	0%	\$67,553
Fuel -Vehicles	\$500,000	(\$54,916)	-10%	\$437,445
Maintenance Tools/Supplies/Uniforms	\$33,434	(\$13,310)	-28%	\$24,814
Misc. Maintenance Expenses and fees	\$28,000	(\$2,090)	-7%	\$28,584
Total:	\$938,634	(\$211,276)	-18%	\$835,996

- Changes in capital funding resulted in variances in Urban spare parts and Rural facility PM
- Reduction in outsourcing of vehicle maintenance helped lower parts expense in both divisions
- Fixed fuel price helped lower initial fuel budget

Contracted

URBAN	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
ADA/SSTA PARATRANSIT	\$2,232,321	\$77,571	4%	\$2,254,403

➤ ADA cost adjustment driven by increase in budgeted revenue hours

RURAL	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Partner Local Share	\$0	(\$4,941)	-100%	\$0
Volunteer Drivers	\$345,000	(\$50,500)	-13%	\$319,546
Other Transportation Svcs	<u>\$864,700</u>	<u>(\$852,753)</u>	<u>-50%</u>	<u>\$1,517,102</u>
Total:	\$1,209,700	(\$908,194)	-43%	\$1,836,648

➤ Volunteer driver expense reduced to match current volumes

➤ Other Transportation reduced to reflect state grant award and elimination of taxi usage in FGI

Marketing

URBAN	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Bus Tickets/Fare Media	\$10,000	\$0	0%	\$383
Marketing Exp	\$26,320	\$0	0%	\$25,491
Public Information	<u>\$34,000</u>	<u>\$8,000</u>	<u>31%</u>	<u>\$33,538</u>
Total:	\$70,320	\$8,000	13%	\$59,412

RURAL	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Marketing Exp	\$15,000	\$3,000	25%	\$16,518
Public Information	<u>\$15,000</u>	<u>\$0</u>	<u>0%</u>	<u>\$11,601</u>
Total:	\$30,000	\$3,000	11%	\$28,119

➤ Marketing expense lines adjusted to reflect previous years actuals and staff forecast

Other & Cost Allocations

URBAN	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Capital Match Fund	\$222,966	(\$128,518)	-37%	\$157,898

RURAL	Adj. Budget Figure	VS. FY26 Approved		FY25 Actuals
		+/- Change	% Change	
Capital Match Fund	\$40,100	(\$210,315)	-84%	\$140,700

Cost Allocations			VS. FY26 Approved		FY25 Actuals	
	Urban	Rural	+/- Change	% Change	Urban	Rural
Admin Allocation	\$456,861	(\$456,861)	\$126,387	38%	\$389,154	(\$389,154)
Maintenance Allocation	\$210,000	(\$210,000)	\$0	0%	\$244,093	(\$244,093)
GMTA Operated Link Allocation	(\$400,920)	\$400,920	\$66,820	-14%	(\$391,638)	\$391,638
Total:	\$265,941	(\$265,941)	\$193,207	-266%	\$241,610	(\$241,610)

- Local capital match mirrors expected needs in Capital Budget
- Burlington assessment refund added to Urban capital match for City of Burlington projects
- Allocations adjusted to match forecasts based on inputs (indirect rate, service level)

Total Expenses

	Urban	Rural
Total FY26 Adj. Expenses	\$ 19,835,541	\$ 10,011,898
Total FY26 Approved Expenses	\$ 21,123,548	\$ 10,899,191
Vs. FY26 Adj.	-6.1%	-8.1%
Total FY25 Expenses	\$ 20,001,182	\$ 10,205,224
Vs. FY26 Adj.	-0.8%	-1.9%

Bottom Line

	Urban	Rural
Total FY26 Adj. Operating Balance	\$0	(\$688,407)
Total FY26 Approved Operating Balance	(\$1,141,572)	\$0
Total FY25 Operating Balance	(\$46,256)	(\$112,811)

Future Fiscal Challenges

Projected Deficits

Salary/Wage
Pressures – Urban
CBA

Medicaid (NEMT)
Program
Profitability

Rural Transfer

Local Match

Capital
Investment

Health &
Commercial
Insurance Costs

End of COVID-
Relief Funds

ADA Cost
Pressures –
demographic
change

Fuel Price
Volatility

REQUESTED ACTION



***Motion to recommend approval of the proposed FY26
Operating Budget Adjustment to the Board of Commissioners***



QUESTIONS

Finance Committee
October 9th, 2025

