



**Green Mountain Transit Board of Commissioners Meeting
February 16, 2021 - 7:30 a.m.
101 Queen City Road, Burlington VT 05401**

The mission of GMT is to promote and operate safe, convenient, accessible, innovative, and sustainable public transportation services in northwest and central Vermont that reduce congestion and pollution, encourage transit oriented development, and enhance the quality of life for all.

Due to current social distancing measures, this meeting will be held entirely virtually.

To join the meeting via Zoom:

Video Conferencing: <https://us02web.zoom.us/j/89305968523>

Audio Only: (646)-558-8656

Meeting ID: 893 0596 8523

- 7:30 a.m. 1. Open Meeting
- 7:31 a.m. 2. Adjustment of the Agenda
- 7:33 a.m. 3. Public Comment
- 7:35 a.m. 4. Consent Agenda (Action Item) **Pages 4-40**
 - a. January 19, 2021 Board Meeting Minutes
 - b. Check Register
 - c. Finance Report
 - d. Maintenance Report
 - e. Planning, Marketing and Public Affairs Report
 - f. IT Support, Administrative Support, Training and HR Report
 - g. Ridership Reports
- 7:40 a.m. 5. VTrans Update
- 7:50 a.m. 6. General Manager Report – Updates and Opportunity for Questions on the Report **Pages 41-45**



8:00 a.m. 7. Board Committee Reports

8:10 a.m. 8. Justice, Equity, Diversity & Inclusion (JEDI) Standing Committee Policy (Action Item) **Pages 46-47**

8:20 a.m. 9. FY20 Audit Presentation & Discussion (Action Item) **Pages 48-100**

8:30 a.m. 10. Purchasing Policy Update Presentation & Discussion (Action Item) **Pages 101-144**

8:40 a.m. 11. Paid Time-off (PTO) Policy Update Presentation & Discussion (Action Item) **Pages 145-151**

8:55 a.m. 12. Executive Session: 1 VSA 313(a) (1) (b), labor relations agreements with employees.

Is there a motion to find that premature public knowledge regarding the upcoming Collective Bargaining negotiations would place GMT at a substantial disadvantage?

Is there a motion to enter executive session pursuant to 1 VSA 313(a) (1) (b) to discuss labor relations agreements with employees?

9:20 a.m. 13. Executive Session: 1 VSA 313(a) (1) (e), pending or probable civil litigation or prosecution, to which the public body is or may be a party.

Is there a motion to find that premature public knowledge of a pending civil litigation to which GMT is a party would place GMT at a substantial disadvantage?

Is there a motion to enter executive session pursuant to 1 VSA 313(a) (1) (e) to discuss a pending civil litigation?

9:30 a.m. 14. General Commissioner Comments

9:40 a.m. 15. Adjourn

Next GMT Board of Commissioners Meeting Date: March 16, 2021

NOTES



- Persons with disabilities who require assistance or special arrangements to participate in programs or activities are encouraged to contact Jamie Smith at 802-540-1098 at least 48 hours in advance so that proper arrangements can be made. Hearing disabled patrons can contact GMT through the Vermont Relay Service (711).
- Free transportation to and from GMT Board Meetings is available within the GMT service area. To make advance arrangements, please call GMT's Customer Service Representatives at 802-540-2468.
- Municipal Clerks: Please post this public meeting notice pursuant to Act 78 of the Acts of the 1979 Vermont Legislature. Thank you.

Green Mountain Transit Board of Commissioners Meeting
January 19, 2021 - 7:30 a.m.
101 Queen City Road, Burlington VT 05401

The mission of GMT is to promote and operate safe, convenient, accessible, innovative, and sustainable public transportation services in northwest and central Vermont that reduce congestion and pollution, encourage transit oriented development, and enhance the quality of life for all.

Present:

Commissioner Davis
Commissioner Waninger
Commissioner Pouech
Commissioner Derenthal
Commissioner Kaynor
Commissioner Buermann
Commissioner Dimitruk
Commissioner Spencer
Commissioner Baker

Commissioner Polyte
Commissioner Bohn
Commissioner Brewer
Commissioner Wallis
Commissioner Sharrow

Absent: None

Jon Moore, General Manager
Jamie Smith, Director of Marketing and Planning
Devin Mason, Transit Planner
Chris Damiani, Transit Planner
Kim Wall, Grants Manager
Trish Redalieu, Director of Human Resources
Nick Foss, Director of Finance
Matt Kimball, Capital Projects Manager
Jordan Posner, Paratransit and Broker Services Manager
Ross MacDonald, VTrans

Public:

Laura Jacoby, Old Spokes Home
Spencer Smith, Member of the Public

1. Open Meeting

Commissioner Waninger opened the meeting at 7:31 AM.

2. Adjustment of the Agenda

None.

3. Public Comment

- Laura Jacoby indicated self as present.
- Spencer Smith was present to hear VTrans report.

4. Consent Agenda (Action Item)

- Commissioner Waninger entertained motion to approve Consent Agenda or remove anything therefrom.
- Commissioner Kaynor motioned to approve but would like to make comments after second to motion.
 - Commissioner Baker seconded.

Further Discussion

- Commissioner Kaynor indicated error pertaining to labels in rural and ADA ridership report, as well as minor typos in minutes. Also commended GMT for training YouTube channel.
- Consent Agenda approved without abstention or opposition.

5. VTrans Update

- Received \$26.7 million in CRRSSA funds. This is in addition to \$13.3 million received in the spring of 2020.
- Ross MacDonald instructed by VTrans to add \$5 million in funding for capital, which will likely allow the State to assist GMT with the purchase of additional cutaway buses.
 - Five or six buses will likely be purchased.
 - This week, VTrans is releasing an RFP and a scope for an electrification plan.
 - **Commissioner Dimitruk:** Will statewide funding allow providers to remain fare-free for FY22? **Ross MacDonald:** Yes, for 5311 (Rural) service. Cannot speak for 5307 (Urban) service.
- **Commissioner Derenthal:** Would fare-free service continue on the rural side, while fares are reinstated on the urban side? **Ross MacDonald:** This would be a decision for GMT's Board of Commissioners.
- **Commissioner Waninger:** Would the capital purchases be 100 percent funded as well? **Ross MacDonald:** They will not; local match obligations would still apply.

6. General Manager Report – Updates and Opportunity for Questions (continued on next page).

- Kim Wall will be providing an update on CRRSSA funding, and any associated potential impacts.
- GMT has a service modification plan in the event of any Inauguration-related protests at the Vermont State House.
 - Jon Moore provided updates regarding staffing-related service suspensions.
- With additional candidates in the recruitment process, GMT hopes to reinstate suspended service once it can be reliably staffed. Due to low ridership, these service reductions should not affect capacity.
- GMT will be receiving \$2.48 million in 5307 (Urban) CRRSSA funds and a \$1.5 reduction in State operating funds. This may present an issue with regards to local match requirements.

CRRSSA Presentation: Potential Impacts on Local-Match Funding

- Even with additional CRRSSA and COVID-19 relief funding, GMT is still projecting a local-match deficit of \$555,962 for FY22.
- **Commissioner Dimitruk:** Would like to see VTrans not reduce GMT's State operating funding by as much.
- **Ross MacDonald:** While the state is working to provide as much assistance as possible, it likely would not be feasible for VTrans to cover GMT's local-match deficit.
- **Commissioner Derenthal:** Does the local match include urban fares? **Jon Moore:** It excludes cash fare but includes unlimited-access revenue.
- **Commissioner Kaynor:** Given that GMT is currently fare-free, why are unlimited-access fares being factored into the budget? **Jon Moore:** For budgetary reasons, fare-collection is set to resume in FY22.
 - **Commissioner Kaynor** indicated curiosity about the possibility of GMT obtaining revenue similar to that of the unlimited-access program without reinstating fare-collection.
- **Commissioner Wallis:** What are GMT's options for closing the local-match deficit? **Jon Moore:** GMT may be able to increase urban assessments. Additionally, ADA funding could be shifted to 5307 (Urban) funding.
- **Commissioner Polyte:** For local matches, have any towns provided pushback? **Jon Moore:** Not thus far, though GMT has power of assessment on the urban side.

6 General Manager Report – Updates and Opportunity for Questions (continued from previous page).

- **Commissioner Baker:** Per the board packet, might some towns also see reduced assessments? **Jon Moore:** These pertain more to the impact of service cuts related to COVID-19, in FY21. That remark does not closely relate to FY22.
- **Commissioner Pouech:** Hinesburg budget will be finalized January 20, by Australian ballot. GMT local match is not a separate ballot item.

Bus Chargers: Contractual Challenge

- Chargers for Proterra buses were intended, per the original RFP, to be programmable to charge the buses only within specific windows of time; this allows for off-peak charging, when, per an agreement between GMT and the Burlington Electric Department, electricity rates are significantly lower.
- Due to programming issues and three instances of human error (one being by a Proterra service technician), GMT has seen utility costs increase by \$20,000 for FY21, after buses were charged during peak hours.
- GMT is working to obtain reimbursement from Proterra for these expenses, which Proterra has thus far refused. GMT's legal counsel has reviewed the contract, and GMT is prepared to take legal action if the matter is not satisfactorily resolved.
- **Commissioner Kaynor:** Cannot the buses themselves be programmed not to charge during peak hours, even if connected to the charger? **Jon Moore:** No.

7. Board Committee Reports

- **Commissioner Buermann (Strategy):** Strategy Committee did not meet in December; preparing for “pseudo-board-retreat”.
- **Commissioner Bohn (Finance):** No major updates, but would like to thank GMT Finance staff for their work in formulating the FY22 budget.
- **Commissioner Sharrow (Operations):** Operations Committee discussed issues with electric bus chargers and the buses themselves, microtransit, and the Paid Time Off (PTO) Agreement.
- **Commissioner Polyte [Justice, Equity, Diversity, and Inclusion (JEDI)]:** JEDI Committee discussed consultant RFP, committee formation, and committee composition. Devin Mason will become the administrative representative for the committee, replacing Jenn Wood, who left the agency in early-January.
- **Commissioner Pouech – Question:** Will there soon be some type of report on the Proterra buses, detailing matters such as performance and issues? Jon Moore: This is likely something to become available in the February board report.
- **Commissioner Waninger:** For the next board meeting, during executive session, the board will be developing its priorities relating to re-negotiation. Jon Moore will also raise any issues

8. Investment Advisor Contract Award (Action Item)

- New committee created to assist with planning of GMT's retirement funds.
- Committee sought to identify a financial advisor to accomplish this task, awarding a contract to John Servin of NFP.
- Nick Foss and the Committee are recommending that the Board of Commissioners approve this change.
- **Commissioner Waninger:** Should the motion to approve this contract award include the name of the individual to whom it is being awarded? **Nick Foss:** Advisable.
- **Commissioner Wallis** expressed concern regarding potential risks for bad investments. **Nick Foss:** The consultant would work only in an advisory capacity, for individuals with retirement plans, and would not manage the accounts. However, John Servin is also a licensed financial advisor.
- **Commissioner Baker** made a motion to **approve awarding the Investment Advisor Contract to John Servin, of NFP. Commissioner Spencer** seconded this motion, and it carried without abstention, opposition, or further discussion.

9. FY21 Capital Budget Amendment (Action Item)

- Finance Committee approved recommendations.
- Federal and State funding shares were altered for many capital items to reflect additional federal funding, with federal share rising by 5 percent and state falling by the same amount. Shifted funds were for projects such as building repairs and revenue vehicle procurements.
- Line 8D for replacement of Berlin facility above-ground fuel tank was changed to "Berlin Facility Improvements", which allows for greater flexibility in the use of these funds. A new fuel tank is no longer needed, as GMT is working to identify a location for a new facility within the next two years.
- **Commissioner Bohn** made a motion to approve the Capital Budget Amendment. **Commissioner Kaynor** seconded, and the motion passed without opposition, abstentions, or further discussion.

10. FY22 Operating Budget Final Approval (Action Item) (Continued on next page)

- Before approval by the Board of Commissioners, this approval was subject to presentation at a public hearing, which saw no attendance by members of the public. Therefore, staff is not recommending any changes based on public feedback.
- **Commissioner Bohn** made a motion to adopt the FY22 Operating Budget. **Commissioner Kaynor** seconded.

Further Discussion:

- **Commissioner Spencer** requested clarification from Jon Moore regarding the statement that assessments would be increasing, while information from the packet indicated that all ADA assessments would be decreasing except for Colchester's. **Nick Foss**: The 4 percent increase was only for fixed-route service. For FY23, ADA assessments may increase, as Colchester's status change, to a non-voting member, means that capital buy-in will no longer be included in its assessment. Calculation errors were also identified on page 80 of the February board packet, which Nick Foss indicated he would fix.
- **Jon Moore** clarified that the assessment letters would reflect (correct) figures shown in the Excel spreadsheet, not those from the PowerPoint presentation (incorrect).
- **Commissioner Derenthal**: Pre-COVID-19, GMT's average cost per passenger was roughly \$7.00; how does that compare to historical figures? **Jon Moore**: This cost is typical; however, urban trips are significantly less expensive due to the effect of economies of scale.
- Commissioner Kaynor made a motion to approve the FY22 Operating Budget. Commissioner Pouech seconded.

Further Discussion

- **Commissioner Spencer**: Is it possible to delay this vote until February? If not, are there other options which may allow for flexibility with regards to additional received funding from VTTrans and from the federal government? **Jon Moore**: While the staff would prefer to approve the budget today, the only crucial portion is the member assessments; the rest may be able to wait until the February board meeting.
- **Commissioner Polyte**: Concerned that GMT's largest contributors seem to be fairly large increases, percentage-wise. Winooski's assessment is set to rise by nearly 7.5 percent, well beyond the initial 4 percent discussed. Concerned that such municipalities may not be able to provide this funding. **Commissioner Bohn** stated that that ADA assessments are based on ridership and that, for towns with relatively low ADA ridership, it does not take a large number of additional ridership to significantly raise assessments. **Commissioner Kaynor** echoed that ADA assessments normally vary more than fixed-route assessments.

10. FY22 Operating Budget Final Approval (Action Item)(Continued from previous page)

- **Commissioner Spencer:** If the budget is approved today, could language be included stating that there will be additional discussion, before the new fiscal year, of extending fare-free service, and additional discussion relating to the utilization of CRRSSA funding? **Jon Moore:** There is significant potential for variation in CRRSSA funding, but GMT staff would be happy to accommodate this request to the best of its abilities.
- **Commissioner Spencer:** Willing to approve FY22 operating budget with language indicating subsequent discussion of urban fare-free service, as well as options for utilization of CRRSSA funding, prior to the beginning of FY22.
- Previous motion to approve was accepted by the board, with Commissioner Spencer's suggested amendment. None were opposed, none abstained, and no further discussion occurred.

11. COVID-19 Service Suspensions and Local Funding Policy Discussion

- **Jon Moore** outlined current suspensions resulting from the COVID-19 pandemic, including the 116 Commuter and certain runs on various other routes.
 - While GMT is saving some operating costs, it is still incurring expenses associated with maintaining the vehicles which will be needed to operate the service once it resumes.
- With some service remaining suspended for the entirety of FY21, Jon Moore would like to see the matter of assessment impacts referred to a committee for further discussion.
- **Commissioner Waninger** proposed moving this matter to the Finance Committee, to which the Board agreed.

12. Chittenden County American with Disabilities (ADA) and Elders & Disabled (E&D) Request for Proposals (RFP) Contract Award (Action Item)

- 29 firms requested copies of the RFP, but only SSTA submitted a proposal.
- GMT has been meeting with SSTA regarding annual rate negotiations.
- Initial contract is three years, retroactive from July 1, 2020. Potential for two one-year extensions, at GMT's discretion.
- Maximum contract value would be \$10 million. Contract contains language incentivizing productivity and penalizing non-productivity.
- **Commissioner Baker** made a motion to award the contract to SSTA. **Commissioner Sharrow** seconded. **Commissioners Bohn** and **Spencer** commended GMT staff for their work on this procurement. The item passed without opposition, abstention, or further discussion.

13. Microtransit Operations Update

- 571 rides from 271 accounts since launch.
- Software issue, relating to breaks, has occasionally resulted in breaks being shortened, removed, or not properly recorded.
 - This can affect rides scheduled after the break.
- The count-down clock for the driver's arrival is also not working properly; it is counting down once the driver arrives, and not once it nears the scheduled pick-up time.
- **Commissioner Sharrow:** If pick-up times are assigned specific time windows, why would a driver arrive early? **Jamie Smith:** Because, with fewer rides, there may be extended periods of times between pick-ups.
- **Commissioner Davis:** If drivers arrive early at a stop while transporting other passengers, would those passengers also need to wait for the driver to get back on-schedule? **Jamie Smith:** Currently, yes. Once the clock is fixed, there should not be any instances of passengers boarding their bus early; if the bus was early, it would simply wait at or near the passenger's location until the scheduled pick-up time.
- **Commissioner Waninger:** Has MyRide seen significant use by seniors and by individuals with disabilities? **Jamie Smith:** Yes, though GMT is keeping in touch with local senior housing facilities to find ways to improve the service for them.
- **Commissioner Waninger:** How does this ridership compare to combined ridership, last year, for the routes replaced by MyRide.
- **Commissioner Buermann:** Would flag-stops still be offered? **Jamie Smith:** Unlikely, as it could throw off the schedule for passengers who booked in advance.
- **Commissioner Buermann:** Has there been outreach to familiarize, with the MyRide service, people who do not have access to a smartphone or other means by which to electronically view schedules or other service information? **Jamie Smith:** Yes, by several local groups and individuals.

14. General Commissioner Comments

- **Commissioner Kaynor** thanked the Operations staff for maintaining service through the pandemic.
- **Commissioner Buermann:** How is GMT doing with regards to sick employees? **Jon Moore:** A small handful of employees are out, either for testing positive or for having come in close contact with someone who has, but there have been no canceled runs since Christmastime.

15. Adjourn

- **Commissioner Polyte** motioned to adjourn the meeting. Commissioner Bohn seconded. Without opposition, abstention, or further discussion, the meeting adjourned at 9:30 AM.

Vendor ID	Vendor Name	Document Date	Document Number	Document Amount	
V1446	M T Wallets	1/7/21	EFT000000015684	3,000.00	Lease
V1825	Ride Your Bike LLC	1/4/21	EFT000000015683	955.09	
V742	AHC Corp	1/8/21	93131	2,356.53	Lift Repair
V1305	Allegiant Care	1/8/21	93132	223,259.00	Insurance
V1481	Amerigas	1/8/21	93133	458.43	
V219	Aubuchon C/O Blue Tarp Financial, Inc.	1/8/21	93134	70.52	
V590	Barrett Trucking Co., Inc.	1/8/21	93135	206.48	
V225	Burlington Electric Department	1/8/21	93136	7,507.74	2 Electric Bills
V1227	Burlington Public Works-NON Water!!!	1/8/21	93137	80.00	
V226	Burlington Public Works-Water	1/8/21	93138	1,881.37	2 water and sewer Bills
V220	Class C Solutions Group	1/8/21	93139	1,766.94	4 Part Invoices
V928	Conway Office Solutions	1/8/21	93140	169.29	
V239	Cummins Northeast LLC	1/8/21	93141	1,633.23	Part Invoice
V242	Danform Shoes	1/8/21	93142	144.00	
V1870	Environmental Air Specialties Inc.	1/8/21	93143	16,443.00	Air Purificaton Systems Invoice
V250	Fisher Auto Parts	1/8/21	93144	600.42	
V253	FleetWave Partners, LLP	1/8/21	93145	3,084.00	2 Radio Repeater Invoices
V1347	Foley Distributing Corp.	1/8/21	93146	343.27	
V799	Gauthier Trucking Company, Inc.	1/8/21	93147	438.23	
V257	Gillig Corp.	1/8/21	93148	237.94	
V1129	Global Montello Group Corp	1/8/21	93149	8,839.71	Fuel
V259	Grainger	1/8/21	93150	75.22	
V260	Green Mountain Kenworth, Inc.	1/8/21	93151	647.68	
V263	Heritage Ford	1/8/21	93152	72.83	
V472	Irving Energy Distribution	1/8/21	93153	1,279.43	Heating Oil for Berlin
V1068	Midwest Bus Corporation	1/8/21	93154	6,858.09	2 Part Invoices
V283	Neopart LLC	1/8/21	93155	704.84	
V325	Northern Tool & Equipment Catalog Company, Inc.	1/8/21	93156	2,502.99	Small Tool Invoice Heat Gun
V950	Northern ToyotaLift	1/8/21	93157	487.36	
V1484	Parsons Environment & Infrastructure Group Inc.	1/8/21	93158	53.04	
V291	Prevost Parts	1/8/21	93159	300.41	
V296	Rouse Tire Sales	1/8/21	93160	3,827.72	2 Tire Invoices
V299	SB Collins, Inc.	1/8/21	93161	7,789.50	Fuel
V308	Steadman Hill Consulting, Inc.	1/8/21	93162	5,340.00	Consulting
V1812	Tarrant Gillies Richardson & Shems	1/8/21	93163	1,125.00	Legal
V1678	Tera Consulting Inc.	1/8/21	93164	313.15	
V273	Transit Holding, Inc.	1/8/21	93165	296.98	
V1030	UniFirst Corporation	1/8/21	93166	835.98	
V410	Vermont Gas Systems, Inc.	1/8/21	93167	4,603.62	3 Gas Bills
V361	Vermont, State of - Agency of Natural Resources	1/8/21	93168	424.00	
V1683	VHV Company	1/8/21	93169	1,567.00	Heating Maintenance Invoice
V336	W.B Mason Co., Inc.	1/8/21	93170	122.96	
V338	Westaff	1/8/21	93171	373.90	
V251	Wex Fleet Universal	1/8/21	93172	22,138.01	Fuel
V454	World Publications	1/8/21	93173	32.90	

Vendor ID	Vendor Name	Document Date	Document Number	Document Amount	
V1872	Annette Thurston	1/6/21	93175	265.05	Manual Paycheck
V1871	Rachel Kemple	1/8/21	93174	265.05	Manual Paycheck
V1467	Charles Schwab	1/12/21	V1467 2021 0112ER	101,781.93	Quarterly Match
V1025	Alter, Charles	1/15/21	93176	52.9	
V1099	Barnett, Wendy	1/15/21	93177	805	Volunteer
V1785	Davis Alan	1/15/21	93178	257.6	Volunteer
V203	Ladd, Joyce	1/15/21	93179	98.93	
V1297	Lund, Theresa	1/15/21	93180	76.16	
V181	Owen, Helen	1/15/21	93181	983.2	Volunteer
V1733	Slack, Robert	1/15/21	93182	19.56	
V962	Williams, Kenneth	1/15/21	93183	42.5	
V279	ABC Bus Companies-Muncie	1/15/21	93184	2,088.88	2 Part Invoices
V742	AHC Corp	1/15/21	93185	254.14	
V415	Amazon	1/15/21	93186	1,900.40	9 IT and Office Supply Invoices
V1481	Amerigas	1/15/21	93187	466.23	
V590	Barrett Trucking Co., Inc.	1/15/21	93188	203	
V229	Camerota Truck Parts	1/15/21	93189	4,479.84	Transmission
V1873	CCR Sales & Service LLC	1/15/21	93190	47,102.32	Tractor
V1487	Chamberlin, Justin	1/15/21	93191	231	DCAP Reimbursement
V220	Class C Solutions Group	1/15/21	93192	1,989.89	Part Invoice
V239	Cummins Northeast LLC	1/15/21	93193	1,061.97	2 Part Invoices
V321	Empire Janitorial Supply Company	1/15/21	93194	39.49	
V250	Fisher Auto Parts	1/15/21	93195	363.8	
V1347	Foley Distributing Corp.	1/15/21	93196	1,503.10	6 Maintenance Supply Invoices
V394	Formula Ford Inc.	1/15/21	93197	28.91	
V1814	Fred's Plumbing & Heating Inc.	1/15/21	93198	662.72	
V257	Gillig Corp.	1/15/21	93199	520.5	
V1129	Global Montello Group Corp	1/15/21	93200	9,855.69	Fuel
V259	Grainger	1/15/21	93201	81.99	
V715	Green Mountain Electric Supply	1/15/21	93202	70.54	
V260	Green Mountain Kenworth, Inc.	1/15/21	93203	2,945.15	5 Part Invoices
V263	Heritage Ford	1/15/21	93204	2,486.84	Part Invoice
V1658	J. David White Associates, Inc.	1/15/21	93205	1,700.00	Part Invoice
V328	Kirk's Automotive Inc.	1/15/21	93206	109.45	
V270	Lowe's	1/15/21	93207	728.41	
V1068	Midwest Bus Corporation	1/15/21	93208	1,329.00	2 Part Invoices
V278	Mohawk Mfg. & Supply Co.	1/15/21	93209	524.8	
V1709	Monaghan Safar Ducham PLLC	1/15/21	93210	1,102.50	Legal
V283	Neopart LLC	1/15/21	93211	2,073.78	4 Part Invoices
V950	Northern ToyotaLift	1/15/21	93212	430.84	
V505	Radio Vermont	1/15/21	93213	175	
V296	Rouse Tire Sales	1/15/21	93214	3,020.48	3 Tire Invoices
V299	SB Collins, Inc.	1/15/21	93215	2,787.32	Fuel
V1166	Sinanovic, Almir	1/15/21	93216	99.98	
V1812	Tarrant Gillies Richardson & Shems	1/15/21	93217	937.5	
V734	Thermo King Northeast/Dattco	1/15/21	93218	378.65	
V273	Transit Holding, Inc.	1/15/21	93219	443.42	
V1030	UniFirst Corporation	1/15/21	93220	262.45	
V1683	VHV Company	1/15/21	93221	266.55	
V1614	Vt Transportation Brokerage & Logistics	1/15/21	93222	248.25	Volunteer
V336	W.B Mason Co., Inc.	1/15/21	93223	59.97	
V707	Westward Equipment Service	1/15/21	93224	405	
V1348	Wind River Environmental LLC	1/15/21	93225	5,500.00	Sewer Repair In Berlin
V433	Workplace Solutions, Inc.	1/15/21	93226	1,450.00	EAP
V656	Zhu, Michael	1/15/21	93227	60.2	
V1775	Bertram Marjorie	1/15/21	EFT000000015685	109.28	Volunteer
V55	Boudreau, James	1/15/21	EFT000000015686	851.04	Volunteer
V1007	Bova, Wendy	1/15/21	EFT000000015687	42.56	
V1150	Bruley SR, Mark	1/15/21	EFT000000015688	1,076.62	Volunteer
V1707	Chase, Betty	1/15/21	EFT000000015689	570.4	Volunteer
V1676	Croteau, William	1/15/21	EFT000000015690	405.95	Volunteer
V67	Jewett, Sheryl	1/15/21	EFT000000015691	149.53	Volunteer
V70	LeClair, Raymond	1/15/21	EFT000000015692	451.21	Volunteer
V75	Martin, Ronald	1/15/21	EFT000000015693	274.87	Volunteer
V86	Pike, Gail	1/15/21	EFT000000015694	724.03	Volunteer
V771	Sammons, Chandra	1/15/21	EFT000000015695	415.15	Volunteer
V89	Sayers, Gail	1/15/21	EFT000000015696	565.8	

V1655	Sciria, Andrew	1/15/21	EFT000000015697	302.45	Volunteer
V93	Timm, Marta	1/15/21	EFT000000015698	676.28	Volunteer
V522	Turcotte, S Jeanette	1/15/21	EFT000000015699	158.72	Volunteer
V1725	Utton, Debra	1/15/21	EFT000000015700	360.1	Volunteer
V1623	Wells, Roy	1/15/21	EFT000000015701	201.27	Volunteer
V14	Bruce, Judith	1/15/21	EFT000000015702	49.05	
V1182	Charissakis, John	1/15/21	EFT000000015703	1,814.89	FSA Reimbursement
V25	Frechette, Normand	1/15/21	EFT000000015704	709.99	FSA Reimbursement
V35	McDonald, Pam	1/15/21	EFT000000015705	20.21	
V38	Moore, Jon	1/15/21	EFT000000015706	192.31	DCAP Reimbursement
V137	Plante, Karen	1/15/21	EFT000000015707	46.27	
V141	Riley, Shawn	1/15/21	EFT000000015708	60.53	
V1626	Whiting, Jeremy	1/15/21	EFT000000015709	192.31	DCAP Reimbursement
V303	SSTA	1/15/21	EFT000000015710	88,777.03	

Vendor ID	Vendor Name	Document Date	Document Number	Document Amount	
V316	Able Paint, Glass & Flooring Co.	1/22/21	93228	578	
V228	C.I.D.E.R., Inc.	1/22/21	93229	11,552.06	E & D and Medicaid
V1876	Central Vermont Medical Center Inc	1/22/21	93230	1,765.00	DOT physicals
V220	Class C Solutions Group	1/22/21	93231	1,367.91	2 Part Invoices
V1357	CleanPro, Inc	1/22/21	93232	899.46	
V374	Clear Choice Auto Glass, A	1/22/21	93233	390	
V239	Cummins Northeast LLC	1/22/21	93234	2,516.79	Part
V250	Fisher Auto Parts	1/22/21	93235	164.99	
V394	Formula Ford Inc.	1/22/21	93236	2,404.39	Part
V257	Gillig Corp.	1/22/21	93237	3,080.36	4 Part Invoices
V259	Grainger	1/22/21	93238	106.8	
V261	Green Mountain Power	1/22/21	93239	1,547.58	4 Electric Bills
V263	Heritage Ford	1/22/21	93240	377.38	
V328	Kirk's Automotive Inc.	1/22/21	93241	24.75	
V1509	Lawson Products, Inc	1/22/21	93242	187.66	
V276	Metalworks	1/22/21	93243	324.82	
V278	Mohawk Mfg. & Supply Co.	1/22/21	93244	842.11	
V1764	Monahan & Loughlin LLC	1/22/21	93245	16,200.00	Roof
V223	O'Reilly Auto Enterprises, LLC	1/22/21	93246	70.14	
V534	Omega Electric	1/22/21	93247	904.88	
V1874	PAYMAC, INC	1/22/21	93248	578.09	
V545	Pitney Bowes - Leasing	1/22/21	93249	254.85	
V291	Prevost Parts	1/22/21	93250	13	
V299	SB Collins, Inc.	1/22/21	93251	10,345.34	Fuel
V686	Shearer Chevrolet	1/22/21	93252	191.6	
V451	Stowe, Town of Electric Department	1/22/21	93253	285.52	
V1875	Sunwealth Project Pool 14 LLC	1/22/21	93254	500.38	
V1678	Tera Consulting Inc.	1/22/21	93255	125.26	
V313	Travelers	1/22/21	93256	350,555.50	Insurance
V1030	UniFirst Corporation	1/22/21	93257	1,267.64	3 Uniform Invoices
V338	Westaff	1/22/21	93258	1,028.23	Temporary Help

Vendor ID	Vendor Name	Document Date	Document Number	Document Amount	
V265	ICMA	1/8/21	2021 0108 V265	1,184.13	Retirement
V1467	Charles Schwab	1/8/21	2021 0108V1467	19,666.43	Retirement and Loans
V1467	Charles Schwab	1/22/21	2021 0122 v1467	19,225.18	Retirement and Loans
V265	ICMA	1/22/21	20210122 v265	1,197.54	Retirement
V1780	Allen Elizabeth	1/29/21	93259	81.65	
V1423	Alling, Andrew	1/29/21	93260	14.56	
V1785	Davis Alan	1/29/21	93261	400.96	Volunteer
V1868	King Brenda	1/29/21	93262	4.48	
V203	Ladd, Joyce	1/29/21	93263	39.76	
V1758	Leach Robin	1/29/21	93264	212	Volunteer
V181	Owen, Helen	1/29/21	93265	1,272.88	Volunteer
V1843	Peterson Deborah	1/29/21	93266	302.45	Volunteer
V1733	Slack, Robert	1/29/21	93267	30.24	
V1865	Young Brittany	1/29/21	93268	66.52	
V279	ABC Bus Companies -Muncie	1/29/21	93269	2,114.56	4 Part Invoices
V742	AHC Corp	1/29/21	93270	1,151.50	Lift Repair
V590	Barrett Trucking Co., Inc.	1/29/21	93271	854.92	
V1877	Basel Naresh	1/29/21	93272	100	Shoe Reimbursement
V284	Brenntag Lubricants Northeast	1/29/21	93273	4,955.42	4 Part Invoices
V425	BSC Industries, Inc.	1/29/21	93274	99.54	
V225	Burlington Electric Department	1/29/21	93275	5,699.35	6 Electric Bills
V226	Burlington Public Works-Water	1/29/21	93276	198.23	
V1813	CBM US INC	1/29/21	93277	83.96	
V851	Champlain Medical	1/29/21	93278	617.59	
V220	Class C Solutions Group	1/29/21	93279	1,759.56	4 Part Invoices
V374	Clear Choice Auto Glass, A	1/29/21	93280	780	
V239	Cummins Northeast LLC	1/29/21	93281	2,101.33	4 Part Invoices
V417	Dion Security, Inc.	1/29/21	93282	8.96	
V321	Empire Janitorial Supply Company	1/29/21	93283	30.11	
V250	Fisher Auto Parts	1/29/21	93284	1,219.66	12 Part Invoices
V1814	Fred's Plumbing & Heating Inc.	1/29/21	93285	440.89	
V256	Genfare	1/29/21	93286	1,587.00	2 Part Invoices
V257	Gillig Corp.	1/29/21	93287	936.22	
V1129	Global Montello Group Corp	1/29/21	93288	10,218.69	Fuel
V259	Grainger	1/29/21	93289	162.26	
V260	Green Mountain Kenworth, Inc.	1/29/21	93290	2,502.34	6 Part Invoices
V263	Heritage Ford	1/29/21	93291	57.08	
V1204	Interstate Batteries	1/29/21	93292	1,166.55	Battery Stock
V1859	Jeremy J Becker	1/29/21	93293	630	Plowing
V328	Kirk's Automotive Inc.	1/29/21	93294	2,554.21	3 Part Invoices
V702	Lincoln National Life Insurance Company, The	1/29/21	93295	12,171.64	Insurance
V340	Mayville, Michael	1/29/21	93296	100	Shoe Reimbursement
V276	Metalworks	1/29/21	93297	71.03	
V133	Mezetovic, Nusret	1/29/21	93298	100	Shoe Reimbursement
V1068	Midwest Bus Corporation	1/29/21	93299	505	
V278	Mohawk Mfg. & Supply Co.	1/29/21	93300	530.19	
V792	Myers Container Service Corp.	1/29/21	93301	237.58	
V1835	Nathan Valyou	1/29/21	93302	499.99	
V283	Neopart LLC	1/29/21	93303	713.43	
V325	Northern Tool & Equipment Catalog Company, Inc.	1/29/21	93304	795.99	
V223	O'Reilly Auto Enterprises, LLC	1/29/21	93305	10.99	
V534	Omega Electric	1/29/21	93306	222	
V1878	Otis Elevator Company	1/29/21	93307	496.56	
V289	People's United Businesscard Services	1/29/21	93308	12,083.42	4 Credit Cards Holiday Gifts, Meals, and Parts
V291	Prevost Parts	1/29/21	93309	120.48	
V589	Ronald McDonald House-All	1/29/21	93310	420	
V296	Rouse Tire Sales	1/29/21	93311	3,802.72	2 Tire Invoices
V297	Safety-Kleen Systems, Inc.	1/29/21	93312	204.52	
V302	Sports & Fitness Edge Inc.	1/29/21	93313	458	
V1560	State Industrial Products Corporation	1/29/21	93314	441.38	
V734	Thermo King Northeast/Dattco	1/29/21	93315	388.61	
V273	Transit Holding, Inc.	1/29/21	93316	2,329.09	7 Part Invoices
V1030	UniFirst Corporation	1/29/21	93317	262.45	
V410	Vermont Gas Systems, Inc.	1/29/21	93318	3,961.98	5 Gas Bills
V1683	VHV Company	1/29/21	93319	1,322.53	3 Plumbing Repair Invoices
V336	W.B Mason Co., Inc.	1/29/21	93320	185.04	
V338	Westaff	1/29/21	93321	559.3	
V1348	Wind River Environmental LLC	1/29/21	93322	675.75	
V656	Zhu, Michael	1/29/21	93323	100	Shoe Reimbursement
V1723	Abare, Ronald	1/29/21	EFT000000015711	290.64	Volunteer
V1775	Bertram Marjorie	1/29/21	EFT000000015712	184.8	Volunteer
V55	Boudreau, James	1/29/21	EFT000000015713	994.56	Volunteer
V1007	Bova, Wendy	1/29/21	EFT000000015714	81.76	
V1150	Bruley SR, Mark	1/29/21	EFT000000015715	1,298.64	Volunteer

V1707	Chase, Betty	1/29/21	EFT000000015716	951.44	Volunteer
V1676	Croteau, William	1/29/21	EFT000000015717	44.8	
V1121	Fitzgerald, Terry	1/29/21	EFT000000015718	85.5	
V1820	Franklin County Transportation	1/29/21	EFT000000015719	945	
V67	Jewett, Sheryl	1/29/21	EFT000000015720	319.2	Volunteer
V70	LeClair, Raymond	1/29/21	EFT000000015721	796.32	Volunteer
V75	Martin, Ronald	1/29/21	EFT000000015722	626.64	Volunteer
V86	Pike, Gail	1/29/21	EFT000000015723	1,249.92	Volunteer
V771	Sammons, Chandra	1/29/21	EFT000000015724	689.92	Volunteer
V89	Sayers, Gail	1/29/21	EFT000000015725	686	Volunteer
V1655	Sciria, Andrew	1/29/21	EFT000000015726	503.44	Volunteer
V93	Timm, Marta	1/29/21	EFT000000015727	827.68	Volunteer
V522	Turcotte, S Jeanette	1/29/21	EFT000000015728	140	Volunteer
V1725	Utton, Debra	1/29/21	EFT000000015729	346.08	Volunteer
V1623	Wells, Roy	1/29/21	EFT000000015730	449.12	Volunteer
V14	Bruce, Judith	1/29/21	EFT000000015731	492.01	FSA Reimbursement
V1182	Charissakis, John	1/29/21	EFT000000015732	75	
V1185	Gibson, Andrew	1/29/21	EFT000000015733	500	FSA Reimbursement
V583	Griffith, Tom	1/29/21	EFT000000015734	690.9	FSA Reimbursement
V29	Hirsch, Alain	1/29/21	EFT000000015735	65.77	
V38	Moore, Jon	1/29/21	EFT000000015736	247.06	DCAP and FSA reimbursement
V1626	Whiting, Jeremy	1/29/21	EFT000000015737	192.31	DCAP Reimbursement
V303	SSTA	1/29/21	EFT000000015738	27,895.91	E and D

To: Finance Committee

From: Nick Foss, Director of Finance
Kim Wall, Grants Manager
Debbie Coppola, Senior Accountant
Matt Kimball, Capital Projects Manager

Date: February 8, 2021

RE: Finance/Grants/Capital Projects

Monthly Review:

The FY22 Operating Budget was adopted last month by the Board of Commissioner's (BOC) providing, at least for a brief time that is, a break from the budget-building process in Finance & Grants (F&G). I would like to thank my entire staff for all their contributions in bringing this budget to completion.

Shortly after the budget was adopted, I communicated assessment letters to all urban member towns and cities. Total assessments increased by roughly 1.3%, or \$41,949 year-over-year, with a wide variation among members as can be seen below.

TOTAL ASSESSMENTS	Total	Burlington	So. Burl.	Essex	Winooski	Shelburne	Williston	Milton	Hinesburg	Colchester
FY22 Total Assessments	\$ 3,189,253	\$ 1,662,093	\$ 528,471	\$ 290,392	\$ 203,404	\$ 100,922	\$ 230,557	\$ 35,037	\$ 46,748	\$ 91,628
FY21 Total Assessments	\$ 3,147,304	\$ 1,683,010	\$ 499,262	\$ 276,090	\$ 189,406	\$ 106,567	\$ 222,973	\$ 33,737	\$ 45,012	\$ 91,248
FY22/FY21 Change \$	\$ 41,949	\$ (20,917)	\$ 29,209	\$ 14,303	\$ 13,998	\$ (5,646)	\$ 7,585	\$ 1,301	\$ 1,736	\$ 380
FY22/FY21 Change %	1.33%	-1.24%	5.85%	5.18%	7.39%	-5.30%	3.40%	3.86%	3.86%	0.42%

I would like to point out that the principal driver of variances among urban members remains the ADA/Paratransit assessment. As a reminder, this assessment differs in behavior from the fixed route, as it is driven by actual service levels delivered during the most recently completed fiscal year. For reference I have included the Charter language below which lays out the calculation methodology.

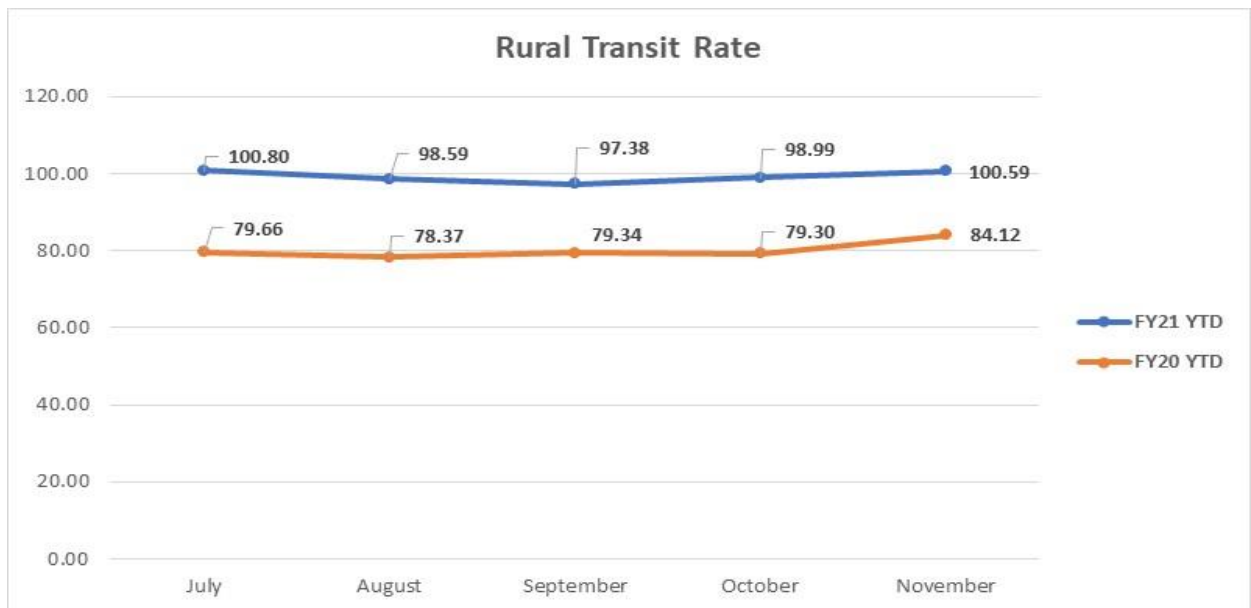
(c) Budgeted ADA complementary paratransit service expenses will be assessed to each municipality receiving such services according to the percentage of ridership of the total originating from each municipality, based upon paratransit ridership in the most recently completed year. Member municipalities will be assessed 50% of the net cost of service for the budgeted fiscal year for the total number of ADA rides originating in that municipality expressed as a percentage from the total number of rides from the most recently completed year. Non-member municipalities will be invoiced 100% of the net cost of service for the budgeted fiscal year for the total number of ADA rides originating in that municipality expressed as a percentage from the total number of rides from the most recently completed year.

As mentioned during the VTRANS update at the BOC meeting last month, GMT is participating in the 5311 Public Transit Management Review. This review occurs every 3 years, and although a large administrative lift for the entire Authority, it serves as a report card for GMT. This will be my first external review from a funding partner, so I look forward to the feedback and insights gained from the experience.

This month an updated Purchasing Policy is being brought before the Finance Committee (FC) for recommendation to the BOC for approval. This policy adjustment, as the memo provided in the packet lays out, is necessary in large part to bring our purchasing thresholds in line with the FTA. This change is necessary not only to be in lockstep with the FTA, but to make our procurement processes as efficient as possible. I have communicated this policy threshold adjustment to VTRANS, which they approved. VTRANS also noted their belief that several of our transit peers have already followed suit with these threshold changes.

I wanted to provide a quick update on where we stand on the rural transit rate, because it affects not only our 5311 billing, but also plays a large part in how we view the financial health of our Medicaid, E&D, and purchase of service segments. As you can see in the exhibit below, the transit rate YTD has increased year-over-year by roughly 16.4%. This increase is the result of GMT's rural service hours reducing (23%) at a greater rate than our actual expenses (11.7%). These results clearly reflect GMT's asset heavy business model with a high proportion of fixed to variable costs.

Please note that the chart below reflects the current operating cost of each rural vehicle hour provided year-to-date.



This month both the FC and BOC will receive a presentation on the FY20 Audit from our external auditors. I have included a copy of the audit in the committee materials, as well as copies of both GMT's Management Letter and SAS 114 Letter. If any Board or Committee members would like a hard copy after the audit is approved, please let me know and I will be happy to provide one.

Finally, I would like to end by discussing GMT's current budget timeline, and the possible need to alter it. During this year's process it became evident that urban members would benefit from receiving their exact assessment amounts earlier in the process. As a result, I would like to recommend the possibility of separating the assessment approval process from the budget approval process. That is, if necessary, as the optimal situation would be to simply complete all future budgets earlier in the year. However, one roadblock of moving the budget process up is the availability of financial data. Therefore, if moving the budget approval process up is not plausible, as I mentioned above approving the assessments separately may be the recommended path. This is something I plan to look into further in the coming month, and will bring my recommendation to the FC for comment.

Financial Summary:

Attached are the November financials for your review along with the December expenses. As we review the expenses through December 31, 2020, we use a benchmark to determine how well we followed our budget. We calculate the benchmark as the percentage of the budget that would be expected to be earned/spent if all revenues and expenses were spent/earned equally over twelve months. Therefore, we would expect to see budgets at 41.7% for November and 50% for December.

The November financials currently show a **total deficit** of roughly **\$52.1K**. With a roughly **\$4.7K surplus** on the **urban** side and roughly **\$56.8K deficit (Adj. figure = \$165.8K surplus)** on the **rural** side. Please note that I have provided an adjusted figure on the rural side to back out the non-cash charge resulting primarily from the transfer of equipment to RCT. I believe including this adjusted figure is warranted and helpful in understanding what our operating results would have been less this one-time charge. Please also note that adjusted figures are something that both public and private management teams provide regularly to investors/shareholders to better understand a company's normal operating results.

Please find the following explanations for specific areas of interest:

Revenues were reviewed based on the activity through November 30th...

- **Federal Urban Formula Grant** - This is impacted by the overall urban spending. Total expenses are trending lower year-over-year and operating revenue is currently above benchmark, both of which reduce our 5307 billing. We also expect this line item to be lower because of the utilization of our Preventative Maintenance (PM) grant funding, which will run out before the end of the year. Once our PM funding is exhausted all maintenance expenses will be billed against our 5307 grant funds. Therefore, 5307 trends lower during the start of a new fiscal year and then sharply increases once the PM grant runs out.
- **Local Operating Assistance** – Revenue is at benchmark on the urban side and under benchmark on the rural side. The variance on the rural side is the result of contributions for seasonal service arriving later in the year, or received amounts differing from the budget. In addition, F&G has been notified that the Stowe Area Association is unable to pay their full contribution this year which will be an additional impact how close this line item tracks the budget.
- **Federal Rural Operating Grant** – Revenue is slightly above benchmark. Normally we would expect this line to be below benchmark before the start of seasonal service. This is trending higher due to the CARES funding provided by VTrans. This funding is 100% federal funding with no match requirement so we are earning the federal revenue at a higher rate and the State revenue at a lower rate.
- **State Regular Subsidy Operating Grant** – Revenue is at benchmark on the urban side. The rural side is coming up under benchmark because of the 5311 CARES Funds being provided by VTRANS. As explained above, these funds are at 100% federal and require no match.
- **E&D Grants and Local Match** – E&D revenue is below benchmark due to COVID related service reductions.
- **Other State Grants** – The rural side of this revenue is above benchmark. It is primarily driven by mobility management. We received an additional \$6,759 of funding in the midyear amendment that is not reflected in the budget so we would expect this line item to be above benchmark.
- **Other Federal Grants** – The Preventative Maintenance (PM) grant is the primary reason the urban revenue is trending high. The PM grant will run out before the end of the year, so we do not expect it to be on benchmark. The grant reduction also means this will be spent down faster than normal. CMAQ is also running slightly higher than expected, however this is hard to predict due to COVID service changes. In addition, it is expected that CMAQ will run higher than normal due to fare free service.

The rural side is trending low due to lower preventive maintenance revenue. We expect this to increase with the start of seasonal service.

- **Interest Earnings** – The interest rate paid on GMT's sweep account is a direct result of the Federal Funds Target rate, which is set by the Federal Reserve. As a reminder, the Fed Funds rate is the rate banks buy and sell funds to and from the Federal Reserve. Over the last year, and as a result of the economic effects of the pandemic, the Fed Funds rate has gone from 1.75% at the beginning of 2020 to the current rate of .25% which was effective in the middle of March. GMT's rate has therefore gone from .80% as of January of last year to the current rate of .15%, which is the standard rate for the investment sweep account GMT has.
- **Miscellaneous Revenue** – This line item is over benchmark on the urban side due to timing of a large payment from Encore Renewables. Encore leased GMT's roof at its Burlington location for a solar array. The contract terms included a one-time payment of \$55.5K, as well as \$1K/yr. for the remainder of the contract.
- **Sale of Equipment** – The rural loss of \$223K is primarily due to the transfer of busses and shelters to RCT. The transfer consisted of 4 busses and 3 shelters. RCT took over several rural service routes in July. The urban side is above benchmark due to the sale of cutaways that were replaced with new vehicles delivered in October and November.
- **Medicaid Purchase of Service** – This line item is of the most consequence to the rural operating revenue segment. It currently is almost at benchmark, which I am happy to see. However, the revenue has been trending downward because of lower ridership and fixed route remaining fare free. As a reminder, fare free service impacts our PMPW counts because if fares are not being charged, GMT cannot request PMPW reimbursement for a rider being scheduled on the fixed route.
- **Purchase of Service** – This line item is currently over benchmark on the urban side and under benchmark on the rural side. This variance on the urban side is due to timing of payments, whereas on the rural side it is due to the discontinuation of service due to COVID-19.

Expenses were reviewed based on the activity through December 31st...

- **Wages** – Overall wages came in roughly on budget on the urban side and under budget on the rural side. Rural driver wages remain under budget, mainly due to the suspension of some seasonal routes and the transfer of service to RCT.

- **Unemployment** – Is under budget on both systems due to credits we have received from the state.
- **Pension plan expense** on the rural side is over benchmark. This is a result of hazard pay pushing overall wages higher.
- **Other employee benefits** are over benchmark due to timing of invoices from Workplace Solutions.
- **Recruiting Expenses** are over benchmark on the rural side due to the start of seasonal hiring for the advent of seasonal service.
- **Dues and Subscriptions** are over benchmark for both systems. The urban side is due to timing of an invoice from the Howard Center for the Outreach program. The rural side is due to a change in allocation for the VPTA dues. Historically the dues have been split between urban and rural equally, however the costs are now being fully allocated to the rural side. This change was made because of the new Medicaid reimbursement methodology, which reimburses for all expenses related to the Medicaid program.
- **Communications** – Is under benchmark due to timing of invoices. We are missing the December Invoices.
- **Computer Services** is over benchmark due to timing of invoices.
- **Audit fees** are over benchmark due to timing of invoices.
- **Safety Expense** is over benchmark due to a driver safety lunch in July.
- **Other Planning** Is over benchmark on the rural side due to the timing of Steadman Hill Consulting invoices. This included NTD processing, Microtransit prelaunch and fare free analysis.
- **Passenger Facility expenses** are over benchmark due to payment of past due invoices to the Town of Jeffersonville for parking access.
- **Cleaning** is over benchmark on the urban side due to the hiring of temporary labor during the summer. This program ended in August.
- **Maintenance tools** is high due to timing of invoices.
- **Misc. maintenance expenses** are high due to vehicle registrations.

The following is an update of the ongoing capital projects staff continue to work on:

☆ **Passenger Shelters:**

- Coordinating site assessments and preparation of bid documents for shelter installations that would take place in the Spring. Obtaining quotes for the installation of glass windows in the rural shelter currently in storage at GMT's facility.

☆ **Montpelier Transit Center:**

- Scheduling staff training with Norris for operation and troubleshooting of the security system. Coordinating with the City of Montpelier on the completion of punch list items for the General Contractor, including the main door ADA Opener, door sweeps at exterior doors, Vacant/Occupied indicators at bathroom doors, and "One-Way" signage for the travel lanes inside the center.

☆ **15 Industrial Pkwy Roof Replacement:**

- Final payment submitted and project has been closed out.

☆ **Electric Small Bus Procurement**

- The evaluation group determined that more information was needed from both Proposers and issued requests for clarifications to both vendors. Awaiting responses to these requests in order to continue evaluation of the Proposals received.
- Continuing to evaluate the feasibility of the three sites at the Berlin facility based on estimated construction costs and operational benefits connected with each location. Working with Advance Transit on the development of a statewide procurement for charging equipment. The goal is to have chargers installed at the Berlin facility by the end of the fiscal year.

☆ **DTC Air Conditioning Improvements**

- Designs have been finalized to add an air conditioning head unit to the ticket booth. This installation will be pushed out to the Spring and staff will prepare a bid package for this project over the winter.

☆ **Washington County Facility Site Selection Study**

- The consulting team has prepared a technical memorandum detailing the full list of potential locations with an initial review of development capabilities. The memo has identified a group of sites that are candidates for further evaluation. Continuing to work with consulting team to develop evaluation criteria for the locations as well as methods for analyzing changes to deadhead time and cost. Will perform site visits at the locations on the list in February.

☆ **31 Queen City Park Rd Facility Renovations**

- Preparing scope of work for a new design task order to advance renovation designs for other areas of the facility such as overall building envelope improvements, site drainage issues, and building ventilation.

Green Mountain Transit Authority
Budget v. Actual Report
For the Five Months Ending Monday, November 30, 2020

	Current Fiscal Year To Date			FY21 BUDGET ADJ BUDGET (Approved Dec 2018)			Budget Variance						
	Urban	Rural	Combined	Urban	Rural	Combined	Urban	Rural	Combined				
REVENUES													
FEDERAL, STATE AND LOCAL REVENUE													
Municipal Member Assessments	1,023,294.65		\$1,023,294.65	2,476,163.05		2,476,163.05	41.33%	0.00%	41.33%	1,004,842.97		1,004,842.97	
Municipal Paratransit Assessments	286,987.95		286,987.95	668,515.80		668,515.80	42.93%	0.00%	42.93%	280,113.58		280,113.58	
Local Operating Assistance	22,413.10	128,049.34	150,462.44	53,791.00	443,623.00	497,414.00	41.67%	28.86%	30.25%	39,331.85		39,331.85	128,415.54
Federal Urban Formula Grant	2,161,473.25		2,161,473.25	6,919,177.99		6,919,177.99	31.24%	0.00%	31.24%	1,319,560.00		1,319,560.00	
Federal Rural Operating Grant		845,128.27	845,128.27	1,893,100.00		1,893,100.00	0.00%	44.64%	44.64%				433,722.44
State Regular Subsidy Operating Grant	722,560.00	64,493.78	787,053.78	1,734,144.00	787,500.00	2,521,644.00	41.67%	8.19%	31.21%	942,580.00		942,580.00	283,541.83
E&D Grants and Local Match		397,924.87	397,924.87	1,351,949.91		1,351,949.91	0.00%	29.43%	29.43%				565,969.66
Other State Grants	157,191.11	30,844.17	188,035.28	364,867.00	63,845.00	428,712.00	43.08%	48.31%	43.86%	41,276.75		41,276.75	12,841.39
Other Federal Grants	1,419,421.40	310,087.18	1,729,508.58	3,020,422.29	863,805.00	3,884,227.29	46.99%	35.90%	44.53%	1,390,098.90		1,390,098.90	356,894.26
Fund Balance Reserves							0.00%	0.00%	0.00%				
Capital Reserve Revenue							0.00%	0.00%	0.00%				
Total Federal, State and Local Revenues	5,793,341.46	1,776,527.61	7,569,869.07	15,237,081.13	5,403,822.91	20,640,904.04	38.02%	32.88%	36.67%	5,017,804.05		1,781,385.12	
OPERATING REVENUE													
Passenger Revenue	235.00		235.00				0.00%	0.00%	0.00%	957,984.11		957,984.11	57,705.91
Paratransit Passenger Fares							0.00%	0.00%	0.00%	41,458.75		41,458.75	
Advertising Revenue	92,913.85	26,764.30	119,678.15	150,000.00	30,000.00	180,000.00	61.94%	89.21%	66.49%	76,386.50		76,386.50	20,500.00
Interest Earnings	163.45	2,424.32	2,587.77	700.00	9,000.00	9,700.00	23.35%	26.94%	26.68%	308.90		308.90	8,520.16
Miscellaneous Revenue	54,800.50		54,800.50	56,750.00		56,750.00	96.56%	0.00%	96.56%	4,244.81		4,244.81	48.02
Sales Of Equipment	5,722.00	(222,557.12)	(216,835.12)	1,000.00	2,000.00	3,000.00	572.20%	-111.27%	-722.84%	3,947.00		3,947.00	3,507.00
Medicaid Purchase Of Svc		702,528.85	702,528.85	1,690,974.84		1,690,974.84	0.00%	41.55%	41.55%				853,502.27
Purchase of Service	22,102.28	22,259.00	44,361.28	43,012.00	71,253.00	114,265.00	51.39%	31.24%	38.82%	19,652.80		19,652.80	38,149.87
Warranty Revenue							0.00%	0.00%	0.00%				
Operating Revenue	175,937.08	531,419.35	707,356.43	251,462.00	1,803,227.84	2,054,689.84	69.97%	29.47%	34.43%	1,103,982.87		981,933.23	
Total Revenue	5,969,278.54	2,307,946.96	8,277,225.50	15,488,543.13	7,207,050.75	22,695,593.88	38.54%	32.02%	36.47%	6,121,786.92		2,763,318.35	
EXPENSES													
SALARIES AND WAGES													
Other Wages	608,342.54	376,128.00	984,470.54	1,431,868.45	955,954.83	2,387,823.28	42.49%	39.35%	41.23%	607,983.53		607,983.53	390,306.68
Driver/Operator Wages	1,806,908.94	694,662.63	2,501,571.57	4,253,032.57	2,088,547.90	6,341,580.47	42.49%	33.26%	39.45%	1,970,668.40		1,970,668.40	723,139.13
Vehicle Repair Wages	403,009.21	76,194.70	479,203.91	1,017,556.47	175,058.84	1,192,615.31	39.61%	43.53%	40.18%	390,185.20		390,185.20	70,364.60
Salaries and Wages	2,818,260.69	1,146,985.33	3,965,246.02	6,702,457.49	3,219,561.57	9,922,019.06	42.05%	35.63%	39.96%	2,968,837.13		1,183,810.41	
PERSONNEL TAXES AND BENEFITS													
Payroll Taxes (FICA/MC)	210,132.96	85,292.24	295,425.20	512,738.00	246,296.00	759,034.00	40.98%	34.63%	38.92%	230,402.93		230,402.93	88,944.80
Unemployment Tax Exp	4,269.86	175.26	4,445.12	25,000.00	22,000.00	47,000.00	17.08%	0.80%	9.46%	(142.25)		(142.25)	3,640.36
Medical Insurance/HRA	770,001.10	215,041.85	985,042.95	1,889,098.68	542,891.49	2,431,990.17	40.76%	39.61%	40.50%	776,344.83		776,344.83	215,522.81
Pension Plan Expenses	122,481.53	39,254.40	161,735.93	294,908.00	80,489.00	375,397.00	41.53%	48.77%	43.08%	120,481.42		120,481.42	24,177.26
Employee Development	428.79	482.18	910.97	13,000.00	12,000.00	25,000.00	3.30%	4.02%	3.64%	5,773.58		5,773.58	3,163.21
Other Employee Benefits	56,383.55	22,884.36	79,267.91	116,371.66	49,724.86	166,096.52	48.45%	46.02%	47.72%	57,265.59		57,265.59	22,792.17
Personnel Taxes and Benefits	1,163,697.79	363,130.29	1,526,828.08	2,851,116.34	953,401.35	3,804,517.69	40.82%	38.09%	40.13%	1,150,126.10		358,240.61	
GENERAL AND ADMIN EXPENSES													
Admin Supplies and Expenses	14,913.87	6,414.74	21,328.61	44,703.00	21,899.00	66,602.00	33.36%	29.29%	32.02%	17,893.71		17,893.71	6,249.18
Recruiting Expenses	4,158.19	6,003.09	10,161.28	12,400.00	7,000.00	19,400.00	33.53%	85.76%	52.38%	3,979.00		3,979.00	2,765.48
Dues and Subscriptions	5,858.00	7,747.50	13,605.50	10,305.30	4,992.00	15,297.30	56.84%	155.20%	88.94%	4,050.00		4,050.00	3,252.00
Travel and Meetings				2,500.00	1,256.00	3,756.00	0.00%	0.00%	0.00%	309.44		309.44	1,374.70
Board Development							0.00%	0.00%	0.00%				
Communications	12,482.87	10,881.00	23,363.87	38,464.00	36,463.00	74,927.00	32.45%	29.84%	31.18%	15,221.04		15,221.04	11,092.09

Green Mountain Transit Authority
Budget v. Actual Report
For the Five Months Ending Monday, November 30, 2020

	Current Fiscal Year To Date			FY21 BUDGET ADJ BUDGET (Approved Dec 2018)			Budget Variance			Rural	Urban	Combined	Rural	Urban	PYTD 2020
	Rural	Combined	Urban	Rural	Combined	Urban	Rural	Urban	Combined						
OTHER EXPENSES															
Allowance for Doubtful Accounts															
Debt Service/Capital Reserve	6,953.42	6,953.42	8,214.00	8,214.00	8,214.00	8,214.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	46,442.51	
Bond Interest	82.17	82.17					0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Capital Match	416,666.67	471,454.17	1,000,000.00	1,131,490.00	1,131,490.00	1,131,490.00	41.67%	41.67%	41.67%	41.67%	41.67%	41.67%	41.67%	32,333.33	
Other Expenses	423,702.26	54,787.50	1,008,214.00	1,131,490.00	1,131,490.00	1,131,490.00	42.03%	41.67%	41.67%	41.67%	41.98%	41.98%	41.98%	90,900.84	32,333.33
TOTAL EXPENSES	6,018,952.93	2,398,952.94	8,417,905.87	15,479,163.10	7,216,431.34	22,695,594.44	38.88%	33.24%	37.09%	37.09%	37.09%	37.09%	37.09%	6,169,518.88	2,716,031.37
Current Year Deferred Costs	88,597.69	88,597.69					0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	40,853.12	
OH Admin Allocation	67,274.83	(67,274.83)	196,077.00	(196,077.00)			34.31%	34.31%	0.00%	0.00%	0.00%	0.00%	0.00%	91,388.15	(91,388.15)
Urban Shop Allocation	28,249.07	(28,249.07)	84,913.00	(84,913.00)			33.27%	33.27%	0.00%	0.00%	0.00%	0.00%	0.00%	44,178.30	(44,178.30)
Rural Link Cost Allocation	(129,775.98)	129,775.98	(290,370.00)	290,370.00			44.69%	44.69%	0.00%	0.00%	0.00%	0.00%	0.00%	(120,620.84)	120,620.84
ALLOCATIONS BETWEEN PROGRAMS	(34,252.08)	34,252.08	(9,380.00)	9,380.00			365.16%	365.16%	0.00%	0.00%	0.00%	0.00%	0.00%	14,945.61	(14,945.61)
Balance Of Operating Budget	4,671.22	(56,753.90)	(52,082.68)	0.00	0.00	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	8,066.77	32,341.37
Capital Revenue															
Federal Revenue	788,264.55	647,964.97	1,436,229.52				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	881,748.08	1,170,447.32
State Revenue	98,559.77	50,659.11	149,218.88				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	79,393.04	42,309.01
Paratransit Lease Revenue	72,548.87	72,548.87					0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	214,166.00	
Local Match Revenue	416,666.67	54,787.50	471,454.17				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	44,458.33	32,333.33
Total Capital Revenue	1,376,039.86	753,411.58	2,129,451.44	0.00	0.00	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1,219,765.45	1,245,089.66
Capital Expenses															
Vehicles	674,220.49	751,860.43	1,426,080.92				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	424,698.00	1,260,020.00
Maintenance Parts and Equipment	271,143.35	4,499.94	275,643.29				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	243,115.08	6,510.46
Passenger Amenities	6,849.50	1,298.75	8,148.25				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2,316.25	
Facility Repairs and Improvements	33,844.15	18,589.92	52,434.07				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	264,293.06	74,709.14
Total Capital Expenses	986,057.49	776,249.04	1,762,306.53	0.00	0.00	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	934,422.39	1,341,239.60
Balance of Capital Budget	389,982.37	(22,837.46)	367,144.91	0.00	0.00	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	285,343.06	(96,149.94)
Transfer of Purchases to Fixed Assets	672,662.95	690,723.66	1,363,386.61				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	649,068.07	1,318,450.90
Deferred Costs	(1,244,700.99)	(280,131.60)	(1,524,832.59)				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	(1,219,389.96)	(337,236.13)
Depreciation Expense	(572,038.04)	410,592.06	(161,445.98)	0.00	0.00	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	(570,321.89)	981,214.77
Current Change in Net Assets	(177,384.45)	331,000.70	153,616.25	0.00	0.00	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	(276,912.06)	917,406.20

Green Mountain Transit Authority
Budget v. Actual Report
For the Six Months Ending Thursday, December 31, 2020

	Current Fiscal Year To Date			FY21 BUDGET ADJ BUDGET (Approved Dec 2018)			Budget Variance			PYTD 2020	
	Urban	Rural	Combined	Urban	Rural	Combined	Urban	Rural	Combined	Urban	Rural
REVENUES											
FEDERAL, STATE AND LOCAL REVENUE											
Municipal Member Assessments	1,227,953.58		\$1,227,953.58	2,476,163.05		\$2,476,163.05	49.59%	0.00%	49.59%	1,204,855.23	
Municipal Paratransit Assessments	344,385.54		344,385.54	668,515.80		668,515.80	51.51%	0.00%	51.51%	337,092.63	
Local Operating Assistance	26,895.72	179,104.95	206,000.67	53,791.00	443,623.00	497,414.00	50.00%	40.37%	41.41%	47,198.22	181,515.38
Federal Urban Formula Grant	2,164,473.25		2,164,473.25	6,919,177.99		6,919,177.99	31.24%	0.00%	31.24%	1,389,486.51	
Federal Rural Operating Grant		845,128.27	845,128.27	1,893,100.00		1,893,100.00	0.00%	44.64%	44.64%		611,529.43
State Regular Subsidy Operating Grant	867,072.00	64,493.78	931,565.78	1,734,144.00	787,500.00	2,521,644.00	50.00%	8.19%	36.94%	1,131,096.00	407,177.22
E&D Grants and Local Match		398,143.62	398,143.62	1,351,949.91		1,351,949.91	0.00%	29.45%	29.45%		679,974.63
Other State Grants	157,191.11	30,844.17	188,035.28	364,867.00	63,845.00	428,712.00	43.08%	48.31%	43.86%	50,106.83	19,981.83
Other Federal Grants	1,419,421.40	310,087.18	1,729,508.58	3,020,422.29	863,805.00	3,884,227.29	46.99%	35.90%	44.53%	1,799,444.60	478,070.08
Fund Balance Reserves							0.00%	0.00%	0.00%		
Capital Reserve Revenue							0.00%	0.00%	0.00%		
Total Federal, State and Local Revenues	6,204,392.60	1,827,801.97	8,032,194.57	15,237,081.13	5,403,822.91	20,640,904.04	40.72%	33.82%	38.91%	5,959,280.02	2,378,248.57

OPERATING REVENUE											
Passenger Revenue	235.00		235.00				0.00%	0.00%	0.00%	1,126,076.18	68,298.15
Paratransit Passenger Fares							0.00%	0.00%	0.00%	50,321.25	
Advertising Revenue	114,774.58	39,656.45	154,431.03	150,000.00	30,000.00	180,000.00	76.52%	132.19%	85.80%	90,386.50	22,500.00
Interest Earnings	196.57	2,762.44	2,959.01	700.00	9,000.00	9,700.00	28.08%	30.69%	30.51%	373.12	10,070.16
Miscellaneous Revenue	54,800.50		54,800.50	56,750.00		56,750.00	0.00%	0.00%	96.56%	5,295.88	52.02
Sales Of Equipment	12,960.00	(222,457.12)	(209,497.12)	1,000.00	2,000.00	3,000.00	12.96%	-111.22%	-6983.24%	3,947.00	3,507.00
Medicaid Purchase Of Svc		870,234.85	870,234.85	1,690,974.84		1,690,974.84	0.00%	51.46%	51.46%	1,050,666.08	
Purchase of Service	24,987.88	26,964.75	51,952.63	43,012.00	71,253.00	114,265.00	58.10%	37.84%	45.47%	22,349.56	45,884.62
Warranty Revenue							0.00%	0.00%	0.00%		
Operating Revenue	207,954.53	717,161.37	925,115.90	251,462.00	1,803,227.84	2,054,689.84	82.70%	39.77%	45.02%	1,298,749.49	1,200,978.03

Total Revenue	6,412,347.13	2,544,963.34	8,957,310.47	15,488,543.13	7,207,050.75	22,695,593.88	41.40%	35.31%	39.47%	7,258,029.51	3,579,226.60
EXPENSES											
SALARIES AND WAGES											
Other Wages	715,488.90	447,900.51	1,163,389.41	1,431,868.45	955,954.83	2,387,823.28	49.97%	46.85%	48.72%	751,300.30	461,856.47
Driver/Operator Wages	2,116,577.70	814,561.11	2,931,138.81	4,253,032.57	2,088,547.90	6,341,580.47	49.77%	39.00%	46.22%	2,320,168.51	879,358.92
Vehicle Repair Wages	470,950.33	85,499.22	556,449.55	1,017,556.47	175,058.84	1,192,615.31	46.28%	48.84%	46.66%	452,774.31	82,792.52
Salaries and Wages	3,303,016.93	1,347,960.84	4,650,977.77	6,702,457.49	3,219,561.57	9,922,019.06	49.28%	41.87%	46.68%	3,524,243.12	1,424,007.91

PERSONNEL TAXES AND BENEFITS											
Payroll Taxes (FICA/MC)	252,475.15	104,080.69	356,555.84	512,738.00	246,296.00	759,034.00	49.24%	42.26%	46.97%	275,174.85	108,264.45
Unemployment Tax Exp	6,925.02	2,492.58	9,417.60	25,000.00	22,000.00	47,000.00	27.70%	11.33%	20.04%	(142.25)	5,360.58
Medical Insurance/HRA	937,520.45	260,377.34	1,197,897.79	1,889,098.68	542,891.49	2,431,990.17	49.63%	47.96%	49.26%	930,803.33	260,031.11
Pension Plan Expenses	147,734.49	47,779.94	195,514.43	294,908.00	80,489.00	375,397.00	50.10%	59.36%	52.08%	157,749.95	33,128.47
Employee Development	428.79	482.18	910.97	13,000.00	12,000.00	25,000.00	3.30%	4.02%	3.64%	7,033.58	3,373.21
Other Employee Benefits	67,183.74	26,887.58	94,071.32	116,371.66	49,724.86	166,096.52	57.73%	54.07%	56.64%	68,106.51	27,654.30
Personnel Taxes and Benefits	1,412,267.64	442,100.31	1,854,367.95	2,851,116.34	953,401.35	3,804,517.69	49.53%	46.37%	48.74%	1,438,725.97	437,812.12

GENERAL AND ADMIN EXPENSES											
Admin Supplies and Expenses	16,651.80	7,626.66	24,278.46	44,703.00	21,899.00	66,602.00	37.25%	34.83%	36.45%	21,666.47	6,982.10
Recruiting Expenses	4,158.19	6,285.93	10,444.12	12,400.00	7,000.00	19,400.00	33.53%	89.80%	53.84%	4,271.50	3,057.98
Dues and Subscriptions	5,858.00	7,747.50	13,605.50	10,305.30	4,992.00	15,297.30	56.84%	155.20%	88.94%	4,050.00	3,252.00
Travel and Meetings				2,500.00	1,256.00	3,756.00	0.00%	0.00%	0.00%	309.44	2,188.60
Board Development							0.00%	0.00%	0.00%		
Communications	14,304.66	11,211.62	25,516.28	38,464.00	36,463.00	74,927.00	37.19%	30.75%	34.05%	18,182.99	13,294.36

Green Mountain Transit Authority
Budget v. Actual Report
For the Six Months Ending Thursday, December 31, 2020

	Current Fiscal Year To Date			FY21 BUDGET ADJ BUDGET (Approved Dec 2018)			Budget Variance			PYTD 2020		
	Urban	Rural	Combined	Urban	Rural	Combined	Urban	Rural	Combined	Urban	Rural	Combined
OTHER EXPENSES												
Allowance for Doubtful Accounts	6,953.42		6,953.42	8,214.00		8,214.00	0.00%	0.00%	0.00%	46,442.51		46,442.51
Debt Service/Capital Reserve	82.17		82.17				84.65%	0.00%	84.65%			
Bond Interest							0.00%	0.00%	0.00%			
Capital Match	500,000.00	65,745.00	565,745.00	1,000,000.00	131,490.00	1,131,490.00	50.00%	50.00%	50.00%	53,350.00		38,800.00
Other Expenses	507,035.59	65,745.00	572,780.59	1,008,214.00	131,490.00	1,139,704.00	50.29%	50.00%	50.26%	99,792.51		38,800.00
TOTAL EXPENSES	7,165,677.28	2,887,288.05	10,052,965.33	15,479,163.10	7,216,431.34	22,695,594.44	46.29%	40.01%	44.29%	7,338,138.17		3,278,178.13
Current Year Deferred Costs	87,911.52		87,911.52				0.00%	0.00%	0.00%	72,355.30		
OH Admin Allocation	88,731.92	(88,731.92)		196,077.00	(196,077.00)		45.25%	45.25%	0.00%	113,147.24		(113,147.24)
Urban Shop Allocation	32,464.11	(32,464.11)		84,913.00	(84,913.00)		38.23%	38.23%	0.00%	51,339.21		(51,339.21)
Rural Link Cost Allocation	(157,738.30)	157,738.30		(290,370.00)	290,370.00		54.32%	54.32%	0.00%	(144,294.10)		144,294.10
ALLOCATIONS BETWEEN PROGRAMS	(36,542.27)	36,542.27		(9,380.00)	9,380.00		389.58%	389.58%	0.00%	20,192.35		(20,192.35)
Balance Of Operating Budget	(701,960.90)	(305,782.44)	(1,007,743.34)	0.00	0.00	0.00	0.00%	0.00%	0.00%	12,438.99		280,856.12
Capital Revenue												
Federal Revenue	788,264.02	647,964.95	1,436,228.97				0.00%	0.00%	0.00%	1,073,362.72		1,181,131.82
State Revenue	98,559.77	50,659.11	149,218.88				0.00%	0.00%	0.00%	104,521.92		43,644.57
Paratransit Lease Revenue	72,548.87		72,548.87				0.00%	0.00%	0.00%	214,166.00		
Local Match Revenue	500,000.00	65,745.00	565,745.00				0.00%	0.00%	0.00%	53,350.00		38,800.00
Total Capital Revenue	1,459,372.66	764,369.06	2,223,741.72	0.00	0.00	0.00	0.00%	0.00%	0.00%	1,445,400.64		1,263,576.39
Capital Expenses												
Vehicles	721,322.81	751,860.43	1,473,183.24				0.00%	0.00%	0.00%	427,098.00		1,260,020.00
Maintenance Parts and Equipment	308,914.14	14,504.13	323,418.27				0.00%	0.00%	0.00%	274,292.88		6,510.46
Passenger Amenities	6,849.50	1,298.75	8,148.25				0.00%	0.00%	0.00%	2,316.25		
Facility Repairs and Improvements	41,092.68	24,089.92	65,182.60				0.00%	0.00%	0.00%	532,288.80		88,064.76
Total Capital Expenses	1,078,179.13	791,753.23	1,869,932.36	0.00	0.00	0.00	0.00%	0.00%	0.00%	1,235,995.93		1,354,595.22
Balance of Capital Budget	381,193.53	(27,384.17)	353,809.36	0.00	0.00	0.00	0.00%	0.00%	0.00%	209,404.71		(91,018.83)
Transfer of Purchases to Fixed Assets												
Deferred Costs	678,797.95	690,723.66	1,369,521.61				0.00%	0.00%	0.00%	940,416.87		1,329,517.27
Depreciation Expense	(1,494,962.78)	(341,091.52)	(1,836,054.30)				0.00%	0.00%	0.00%	(1,461,997.53)		(408,769.69)
Subtotal	(816,164.83)	349,632.14	(466,532.69)	0.00	0.00	0.00	0.00%	0.00%	0.00%	(521,580.66)		920,747.58
Current Change in Net Assets	(1,136,932.20)	16,465.53	(1,120,466.67)	0.00	0.00	0.00	0.00%	0.00%	0.00%	(299,736.96)		1,110,584.87



Month:		<i>December 2020</i>	
Urban Data	Data	Notes	
Miles Operated:	132,166	Revenue Vehicles	
Major Road Calls:	4	Failure prevented a vehicle from completing or starting a scheduled revenue trip	
Major Road Calls/100,000 Miles:	3.03		
Minor Road Calls:	1	Vehicle physically able to continue in revenue service without creating a safety concern (i.e. fare box, HVAC)	
Total Road Calls/100,000 Miles:	3.79		
"C" PM's Completed:	24	"C" PM is a major inspection consisting of a PM checklist, brake inspection, chassis grease and engine oil change, preformed every 6,000 miles	
"C" PM On-time %	92%	Within 10% of the scheduled mileage per the FTA	
Active Fleet Avg. Age	8.82 years	Transit buses have a 12 year life expectancy	
Rural Data		Notes	
Miles Operated:	69,699	Revenue Vehicles	
Major Road Calls:	1	Failure prevented a vehicle from completing or starting a scheduled revenue trip	
Major Road Calls/100,000 Miles:	1.44		
Minor Road Calls:	0	Vehicle physically able to continue in revenue service without creating a safety concern (i.e. fare box, HVAC)	
Total Road Calls/100,000 Miles:	1.44		
"C" PM's Completed:	17	"C" PM is a major inspection consisting of a PM checklist, brake inspection, chassis grease and engine oil change, preformed every 6,000 miles	
"C" PM On-time %	100%	Within 10% of the scheduled mileage per the FTA	
Cut-away Active Fleet Avg. Age	2.82 years	Cut-away buses have a 5 year life expectancy	



To: GMT Board of Commissioners
From: Jamie Smith, Director of Marketing and Planning
Date: February 11, 2021
Re: Marketing and Planning Update

- The Planning Department has put a significant number of hours into MyRide by GMT maintenance. The handful of issues from the launch have mostly been fixed, Via is still working to update an issue with driver breaks in the system.

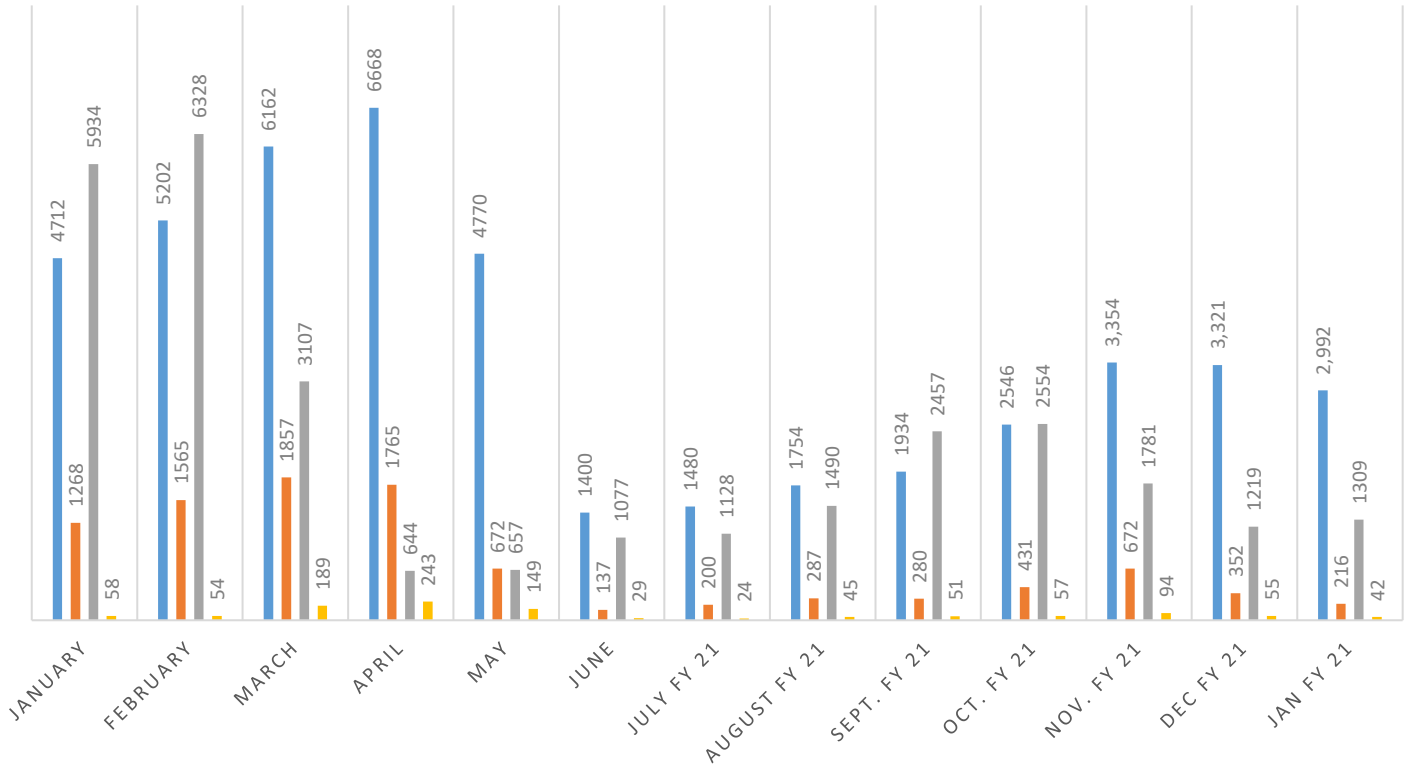
Overall, the adoption of current riders has been successful. There are a handful of passengers from both Lane Shops and Pioneer Apartments that have had some issues, and they are receiving some more personal assistance from the folks at Sustainable Montpelier Coalition.

The Advisory Committee will meet again this week to discuss the first month of service metrics, and what is phase 2 of the rollout going to look like.

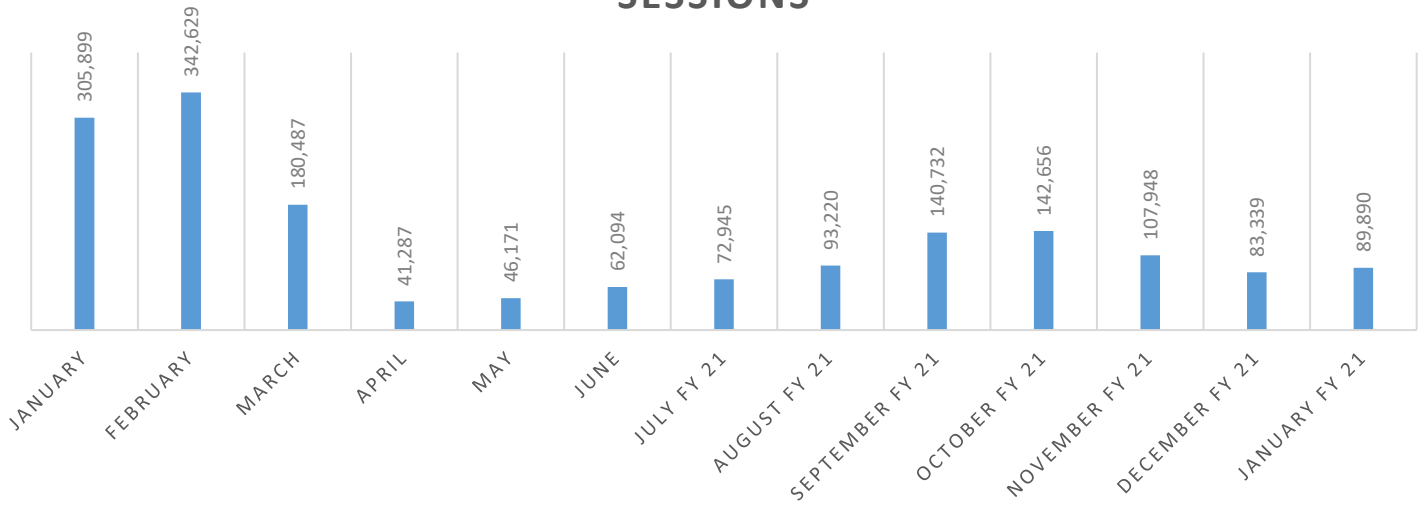
- The Planning Department met with the CCRPC UPWP Committee to discuss our planning ideas for the next FY.
- A new urban BMG was issued, effective February 8.
- All of the urban buses have been outfitted with new tablets and we are ready to launch the urban tablet program. The Planning Department and Training Department have been working with Operations on a schedule for driver training on the new system.
- Planning, Operations, and Training are working on a pilot for a new Swiftly module that would allow staff to make real-time detour changes that would automatically filter down to the passenger facing app. More to come as that pilot project launches.

GMT TRANSIT APP STATISTICS

■ Monthly Active Users
 ■ Downloads
 ■ GO trips
 ■ New Alert Subscribers



SESSIONS



Definitions

Monthly Active Users: How many individual riders use Transit.

Downloads: How many times Transit is downloaded.

Sessions: How many times riders open Transit.

GO Trips: Number of riders who utilize the GO function within the App.

Alert Subscriptions: Number of new riders who have set alert notifications for a particular route.

Views: Times a line is displayed in the list of nearby options.

Clicks: Taps on a line



To: GMT Board of Commissioners

From: Trish Redalieu, Director of Human Resources

Date: February 16, 2021

RE: IT Support, Administrative Support, Training, and HR

Michael Jermyn recently joined GMT as a seasonal Bus Driver. He is working in both Stowe and Sugarbush. HR continues to recruit for part-time CDL and non-CDL drivers in Berlin and St. Albans, CSRs for both the DTC and MTC, and our efforts continue in seasonal driver recruitment.

In January HR kicked off GMT's Tobacco Cessation promotion. The first video focused on quitting as a New Year's Resolution, followed by the heart healthy benefits of quitting smoking for February. Both highlight resources available at 802Quits.org and the Centers for Disease Control and Prevention, provided by Amy Brewer (alternate BOC – Williston).

GMT also disseminated additional information providing resources related to managing stress during the pandemic, coping techniques to manage Seasonal Affective Disorder, along with resources for those who may be suffering from depression.

GMT has engaged a Broker of Record, A.J. Gallagher, to solicit quotes for some of GMT's ancillary lines of insurance: short-term and long-term disability and life insurance. GMT is also researching the possibility of offering additional voluntary insurance options that include critical care, accident insurance, and additional life insurance beyond what GMT provides.

HR has begun the process of updating job descriptions for the organization. Beginning with the Operations Supervisor position, incumbents will be asked to fill out a job analysis form from which the job description will be updated.

The Training Department is in the midst of planning additional training for the Proterra buses. The training will also include a primer for the urban Swiftly tablet use. The tablets went live this month.

Urban Ridership by Month

#	Route Name	Number of Service Days												FY19 YTD	FY20 YTD	FY21 YTD	Difference (FY21-FY20)		Difference (FY21-FY19)	
		Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun				riders	%	riders	%
1	Williston-Va-Mart	19,286	21,147	29,150	31,641	24,653	19,492	18,688							267,982	-103,925	164,057	-38,788%	-105,246	-39.08%
7	North Avenue	11,383	11,692	15,174	14,756	11,914	11,246	10,746							169,376	-82,465	86,911	-48.69%	-87,686	-39.89%
1 & 7	RED LINE	30,669	32,839	44,323	46,396	36,568	30,738	29,434							437,358	-186,390	250,968	-42.62%	-171,124	-40.54%
2	Essex Junction	18,300	19,632	22,915	24,281	19,582	16,219	15,297							260,293	-124,067	136,226	-47.66%	-135,100	-49.79%
6	Shelburne Rd.	14,548	15,036	16,261	17,437	14,659	16,124	14,317							153,807	-45,426	108,381	-29.53%	-30,829	-22.15%
2 & 6	BLUE LINE	32,848	34,668	39,176	41,718	34,241	32,343	29,614							414,100	-169,493	244,607	-40.93%	-165,929	-40.42%
10	ORANGE LINE	1,410	1,452	2,243	2,217	1,680	1,642	1,363							14,037	-2,030	12,007	-14.46%	988	8.96%
5	Pine Street	4,210	4,295	4,779	4,598	4,073	3,914	3,849							53,369	-23,651	29,718	-44.32%	-34,837	-53.96%
9	Riverside/Winooski	8,710	9,139	9,281	9,775	8,330	8,714	8,070							83,885	-21,867	62,018	-26.07%	-7,702	-11.05%
5 & 9	GREEN LINE	12,920	13,434	14,061	14,373	12,402	12,628	11,919							137,254	-45,518	91,736	-33.16%	-42,558	-31.68%
4	SILVER LOOP														14,848	-14,848	0	-100.00%	-16,588	-100.00%
8	GOLD LOOP	1,965	2,129	2,697	2,762	2,244	2,057	1,848							29,101	-13,399	15,702	-46.04%	-21,269	-57.53%
11	College Street Shuttle	3,401	3,561	4,389	3,981	3,065	2,162	2,211							69,066	-46,296	22,770	-67.03%	-51,463	-69.33%
12	UNfall/Airport	825	1,226	1,869	2,046	1,120	888	827							25,265	-16,465	8,801	-65.17%	-38,814	-81.52%
11 & 12	PURPLE LINE	4,226	4,787	6,258	6,027	4,185	3,650	3,038							94,331	-62,760	31,571	-66.53%	-90,277	-74.09%
3	Lakeside Commuter	6	4	14	29	7	20	8							197	-109	88	-55.18%	-912	-91.18%
16	Hamaford's	62	132	190	160	168	194	142							1,361	-313	1,048	-23.00%	-398	-27.52%
19	Price Chopper #1	314	230	206	220	180	164	92							2,022	-616	1,406	-30.46%	-179	-11.29%
20	Price Chopper #2	144	190	298	196	94	168	110							1,119	81	1,200	7.24%	-249	-17.18%
21	School Trippers			1,604	2,713	2,691	2,132	2,696							84,820	-72,984	11,836	-86.05%	-88,746	-88.23%
18	Sunday Service													0	0	0	#DIV/0!	3,547	-100.00%	
26	Other													0	3,281	0	0	-100.00%	-4,603	-100.00%
56	Milton Commuter	769	866	883	1,039	743	820	815							9,788	-3,853	5,935	-39.36%	-4,287	-41.94%
76	Middlebury Link	159	145	272	201	222	157	169							6,620	-5,295	1,325	-79.98%	-7,631	-85.20%
86	Montpelier Link	1,277	1,239	1,644	1,894	1,579	1,245	1,260							69,527	-59,389	10,138	-85.42%	-62,120	-85.97%
96	St. Albans Link	285	362	493	528	518	356	387							10,149	-7,240	2,909	-71.33%	-7,857	-72.98%
46	116 Commuter													0	2,121	0	0	-100.00%	-2,638	-100.00%
36	Jeffersonville Commuter	282	336	330	293	300	264	289							7,081	-4,987	2,094	-70.43%	-3,944	-65.32%
97	Barre LINK													3,329	-3,329	0	-100.00%	0	NA	
SUBTOTAL		87,336	92,813	114,693	120,767	97,820	87,959	83,184							1,342,444	-657,873	684,572	-49.01%	-693,850	-50.34%
ADA Paratransit		2,293	2,247	2,470	2,694	2,228	2,414								7,625	6,721	14,346	88.14%	1,118	344.42%
TOTAL		89,629	95,060	117,163	123,461	100,048	90,373	83,184							1,350,069	-651,152	698,918	-48.23%	-679,504	-49.30%

Legend	
No Service	Discontinued where noted.
Suspended	

FY21 GMT Rural Ridership by Month

Number of Service Days		FY21 YTD							FY20 YTD							FY19 YTD																
		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	97	
Saturday																																
Sunday																																
Weekday		23	21	21	21	22	20	22	20	22	20	20	20	20	20	20	20	20	20	20	22	22	23	22	22	22	22	22	22	22	22	
School Days		0	0	0	0	16	18	18	18	15	20																					

#	Route Name	FY21 YTD												FY20 YTD												FY19 YTD						
		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	FY21 YTD	FY20 YTD	Riders	%	FY19 YTD	Riders	%												
80	City Route Mid-Day	1,585	1,522	1,440	1,485	1,234	1,249	1,128																								
81	Barre Hospital Hill	1,993	2,215	2,062	2,385	2,007	1,979	1,712																								
82	Montpelier Hospital Hill	1,188	1,267	1,346	1,297	1,342	1,396	48																								
83	Waterbury Commuter	173	142	174	163	137	143	121																								
84	US 2 Commuter	84	50	81	88	85	58	65																								
85	Hannaford Shopping Special	124	135	176	145	152	126	124																								
87	Northfield Shuttle	17	25	48	29	30	38	46																								
88	Capital Shuttle	0	0	0	0	0	0	0																								
89	City Commuter	1,885	1,960	2,094	2,159	1,747	1,722	1,471																								
90	Plainfield Shuttle	33	55	58	57	33	47	35																								
91	Hospital Hill Demand Response																															
92	Montpelier Circulator	445	393	485	513	440	514																									
93	Northfield Commuter	256	320	241	298	278	243	222																								
100	Route 100 Commuter	14																														
108	Mountain Road Shuttle	0	0	0	0	125	1,915	3,071																								
102	Morrisville Loop	15																														
103	Morrisville Shopping Shuttle	25																														
109	Tuesday Shopping Shuttle (FGI)	46	52	60	50	64	52	44																								
110	St.Albans DT Shuttle	1,487	1,316	1,613	1,725	1,509	1,571	1,323																								
115	Alburg-Georgia Commuter	402	354	338	352	325	319	319																								
116	Richford-St.Albans Commuter	137	210	297	248	193	176	196																								
120	Valley Floor	0	0	0	0	0	79	208																								
121	Valley Evening Service																															
122	Mount Ellen	0	0	0	0	0	323	1,973																								
124	Mountain Condos	0	0	0	0	0	375	1,063																								
125	Access Road	0	0	0	0	0	300	834																								
99	Special Services	0	0	0	0	0	0	0																								
	Microtransit - MyRide																															
	SUBTOTAL	9,909	10,016	10,513	10,994	9,701	12,625	15,309	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Route Name	FY21 YTD												FY20 YTD												FY19 YTD	
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	FY21 YTD	FY20 YTD	Riders	%	FY19 YTD	Riders	%							
Capital District	7,837	8,084	8,205	8,619	7,485	7,515	4,972	0	0	0	0	0	52,717	112,760	(60,043)	-53.2%	111,057	(58,340)	-52.5%							
Franklin/Grand Isle	2,072	1,932	2,308	2,375	2,091	2,118	1,882	0	0	0	0	0	14,778	25,365	(10,587)	-41.7%	21,845	(7,067)	-32.4%							
Seasonal Service	0	0	0	0	125	2,992	7,149	0	0	0	0	0	10,266	67,951	(57,685)	-84.9%	57,196	(46,930)	-82.1%							



To: GMT Board of Commissioners
From: Jon Moore, General Manager
Date: February 16, 2021
RE: General Manager Report

COVID-19 Response: GMT has updated its passenger and employee facemask policy per the Center for Disease Control and Prevention (CDC) federal Order effective February 2, 2021. While GMT's existing facemask policy met most of the federal Order, changes to the GMT policy include what types of face coverings are not acceptable and when Operators must wear a facemask while operating GMT vehicles that includes when they are out of service and/or there are no passengers on-board.

An employee memo has been issued with the policy updates and passenger information has been distributed via on-bus flyers, Transit Center electronic information screens, the GMT website and social media.

GMT has initial plans to partner with VTrans to conduct public opinion research to determine whether UVC and far-UVC lighting units in buses increases public confidence in transit. VTrans will purchase and provide UVC and far-UVC lighting units for installation in up to ten GMT urban buses. Dartmouth College will design and implement the research project, establish protocols for collecting and analyzing samples to determine the quantity and type of pathogens found.

Aside from the research study above GMT has added clean air filtration systems to the 14 revenue vehicles that we currently have on order and scheduled for delivery before the end of FY21. These units will promote health and safety and provide public confidence in GMT services to start rebuilding ridership once social distancing measures can be safely relaxed.

Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSA) Funds: As noted at the January Board meeting GMT has been apportioned \$2.48 million of CRRSA funds for our urban (5307) service area. Based on initial discussions with VTrans we are expecting to see a reduction of \$1.6 million in budgeted FY22 state operating funds. The end result of this is a projected shortage of local funds to match all of our federal grants as budgeted.

Staff is actively investigating the feasibility of using 5307 (urban federal funds) to apply to up to 50% of the ADA program costs as allowed instead of using 100% of local monies for the program as historically done. Using federal funds to pay for some of the ADA program will add additional compliance and oversight requirements but it will allow the most effective use of GMT's local funds.

Proterra Bus Summary and Claim of Damages: Please see a one year maintenance summary report for the two Proterra battery electric buses attached to this GM Report.

I sent Proterra a Claim of Damages Letter on February 11 based on GMT's utility costs being increased by over \$20,000 from unauthorized on-peak bus charging that would have been avoided if Proterra had met the contractual requirement for programmable charging stations.



GMT staff has been working with Proterra since before we took delivery of the buses last January to make sure that the contractual charging requirements were met. Even with a third party charging management system deployed (at Proterra's cost) in September 2020 GMT is still not satisfied that the contractual requirements have been met.

GMT is demanding full reimbursement for the additional \$20,013 in utility costs that we will have paid in FY21 in the Claim of Damages letter. Per the dispute resolution language in GMT's Special Contract Provisions Proterra has until February 21, 2021 to provide payment or appeal the determination of damages to GMT.

State Management Review: Staff has received the FY21 Rural Public Transit Management Capability, Financial Capacity and Compliance Review workbook from VTrans. The FTA requires VTrans to ensure that recipients of Section 5311 and other FTA assistance comply with federal requirements every three years. The review includes a desk review of requested materials, an on-site (or virtual) visit and a listing of findings, corrective actions and recommendations.

Staff looks forward to working cooperatively with VTrans during the review to identify opportunities for improvement and to help prepare for the Section 5307 FTA triennial review. Staff has been notified to expect a final review and Board presentation in May or June.

Paid Day of for Vaccinations: After presenting to the Leadership Committee GMT will be providing a paid day off to front line employees who receive a COVID-19 vaccination, per Vermont Department of Health guidelines, to promote employees getting vaccinated and to avoid safety risks associated with any potential reactions. Logistical details will be discussed with the Union. This has been supported by the Leadership Committee per the following motion made at the March 17, 2020 Board Meeting: *Commissioner Davis made a motion that the Board supports the changes proposed today Tuesday, March 17, 2020 by Jon Moore and further support any and all proposals that he and staff deem necessary to meet the current challenges presented to us by the COVID-19 pandemic. Commissioner Buermann seconded the motion. All were in favor and the motion passed as presented.*

COVID-19 Service Adjustments and Local Funding Impacts: As directed by the Board at the January Board meeting local funding considerations based on FY21 COVID-19 service adjustments has been assigned to the Finance Committee for review. Based on time constraints at the February Finance Committee meeting this discussion will be on the March Finance Committee agenda to develop a recommendation to the Board.

FY23 Budget Timeline: Based on feedback from our municipal funding partners staff will be planning an earlier FY23 budgetary timeline to provide assessment information to member municipalities by late fall to better meet their budgetary planning timelines.

Calendar Invites: I apologize for the string of recent committee calendar invite changes. After the February Strategy, Operations and Leadership Committee meetings staff will make sure there is only one official calendar invite for each standing committees that includes the



Zoom meeting information. This does not affect the Finance Committee as Nick has done a much better job than I have of managing the calendar invite for Finance.

General Manager Contact: Please contact me at any time with questions related to the GM report or any other general GMT questions. I am always happy to answer questions and provide facility tours to new Board members when safe to do so. I can be reached at 540-2527 or by email at jmoore@ridegmt.com.



To: GMT Board of Commissioners
From: Justin Town, Maintenance Supervisor
Date: February 16th, 2021
RE: Proterra 1 year Summary

Current Bus Mileage - 990: 12,617
991: 4,567

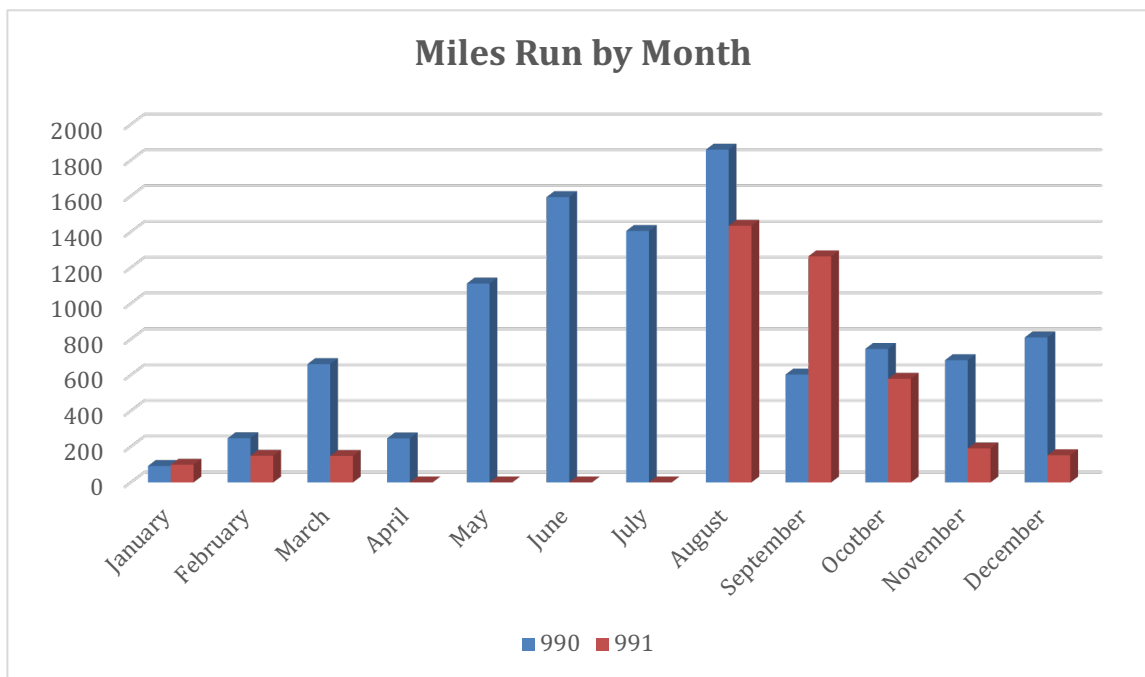
Most Miles Run on a single day: 990: 174
991: 196

Our Proterra service tech has been on-site **16 times** to repair/diagnose problems with both buses.

We received 2 days of maintenance training in January 2020. Five mechanics attended this. We have additional training hours available through the purchase of the buses and are hoping to schedule hands on training when safe to do so.

Keeping both buses in service for long periods of time has been a struggle from the beginning due to mechanical failures. Often times when our Proterra field service tech was on site to repair one of the buses, parts had to be ordered or he had to wait to hear back from engineering causing the bus to remain out of service. Below are some of the common problems we have had with the buses-

- Both buses have experienced rear door issues which affects the interlock causing the bus to not move. This has been the most common issue and has affected both buses causing extended periods of the bus being out of service.
- Both buses often need software updates which can only be done by Proterra in most instances
- Bus 990 had to have one of the battery packs replaced at 10,943 miles which is concerning
- Bus 990 had none of the interior lights working
- Bus 990 The bus would not shut off even in the off position
- Both buses have had HVAC issues with the auxiliary heater and Proterra OEM heating



GMT Policy

GMT Standing Committee on Justice, Equity, Diversity and Inclusion (JEDI)

Committee Membership: The JEDI Committee shall consist of the following members:

- Chair - Appointed by GMT Board Chair - must be a GMT Board Member
- GMT General Manager
- Two (2) additional GMT Board members or alternates - Recommended by the GMT Board Chair and Appointed by the JEDI Chair
- One (1) GMT Administrative Staff Representative who shall serve as Secretary - Appointed by the General Manager
- Two (2) GMT Employees - Recommended by the General Manager and Appointed by the JEDI Chair
- Three (3) GMT Employees - Recommended by the Union and Appointed by the JEDI Chair
- Four (4) or more non-voting Advisory Committee Members - Appointed by the JEDI Chair - Members of the public who must be GMT users.

When appointing Committee and Advisory Committee members the GMT Board Chair, General Manager, Union and JEDI Committee Chair shall strive to ensure diverse gender, ethnic, and racial composition as well as representation from both urban and rural districts.

Members, with the exception of the General Manager, are appointed for two (2) year terms, pending continued employment where applicable.

Members cannot be appointed to serve more than three (3) consecutive terms.

Committee Charge: The Justice, Equity, Diversity and Inclusion (JEDI) Committee is charged with guiding GMT's ongoing work to create an equitable and safe work environment for all our employees and provide a public transportation service that is safe and accessible for all people. To achieve this ongoing objective the JEDI Committee shall:

- Meet monthly to address JEDI issues at GMT and ensure ongoing growth and integration of JEDI focus within all aspects of the organization.

- Propose policies and best practices to advance equity and diversity.
- Identify and work with experts to advance the JEDI mission.
- Ensure all GMT staff, Board and Alternate Board members participate in annual anti-bias training.
- Ensure all GMT Drivers and public facing staff participate in annual de-escalation training.
- Hold at least one (1) committee meeting per year specifically focused on equity in public transportation.
- Oversee data collection and analysis on diversity and equity at GMT and review it annually to ensure continual progress is being made.
- Upon closure of any GMT JEDI related complaints or incidents, review the process and work with the GM and GMT Board to implement any directives and improve future outcomes. (This cannot include anything that would violate or supersede our labor contracts.)
- Identify, review and select applicants for the Advisory Committee.
- Identify community partners and create opportunities for collaboration on JEDI related activities.
- Hold one (1) public forum per year to gather public input on diversity, equity and inclusion of GMT riders.



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November 30, 2020

Green Mountain Transit Authority
101 Queen City Park Road
Burlington, VT 05401

MANAGEMENT LETTER

In planning and performing our audit of the financial statements of Green Mountain Transit Authority as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control. We did so to determine our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for expressing our opinion on the effectiveness of Green Mountain Transit Authority's internal control over financial reporting or compliance.

Management is responsible for the selection and use of appropriate accounting policies and procedures. The significant accounting policies and procedures practiced by Green Mountain Transit Authority are described in Note 1 of Notes to Financial Statements. In performing our test work and other auditing procedures, we noted no transactions of Green Mountain Transit Authority for the above-mentioned year end audited, for which there was a lack of authoritative guidance or consensus or deviation from best practice.

This report is intended solely for the information and use of the Board of Commissioners, management and others within the entity and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

These matters do not modify our opinion on the financial statements for the year ended June 30, 2020, where we expressed an unmodified opinion on our independent auditors' report dated February 3, 2021.

We would like to thank the staff at Green Mountain Transit Authority for their cooperation throughout this audit process.

If there are any questions regarding this letter, please do not hesitate to call.

Very Best,

RHR Smith & Company, CPAs



Proven Expertise & Integrity

November 30, 2020

Green Mountain Transit Authority
101 Queen City Park Road
Burlington, VT 05401

MANAGEMENT LETTER

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If there are any questions regarding this letter, please do not hesitate to call.

Very Best,

RHR Smith & Company, CPAs



Proven Expertise & Integrity

February 3, 2020

Board of Commissioners
Green Mountain Transit Authority
101 Queen City Park Road
Burlington, VT 05401

We have audited the financial statements of the business-type activities of the Green Mountain Transit Authority for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 23, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Green Mountain Transit Authority are described in Note 1 of Notes to Financial Statements. In performing our test work and other auditing procedures, we noted no transactions entered into by the Green Mountain Transit Authority during the year for which there is a lack of authoritative guidance, consensus or deviation from best practice. All significant transactions have been recognized in the financial statements in the proper period.

As described in Note 1 of Notes to Financial Statements, the Green Mountain Transit Authority changed accounting policies related to Governmental Accounting Standards Board (GASB Statement) No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance*" and GASB Statement No. 97, "*Certain Component Unit Criteria (paragraphs 4 & 5)*" in 2020. There was no impact in the financial statements based on the cumulative effect of these accounting changes.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the business-type activities of the Green Mountain Transit Authority's financial statements were:

- Depreciation expense which is based on the estimated useful lives of capital assets
- Accrued compensation
- Deferred revenues

Management's process for determining the above estimates is based on firm concepts and reasonable assumptions of both historical and future events. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements are reflected in the capital assets, other long-term obligations and fund balance footnotes.

The financial statement disclosures are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial and communicate them to the appropriate level of management. A schedule of any uncorrected misstatements has been presented to management with the management representation letter. We did not identify or propose any adjustments of misstatements as a result of audit procedures that were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 19, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Green Mountain Transit Authority’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Green Mountain Transit Authority’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We provided a separate letter to management of the Green Mountain Transit Authority dated November 30, 2020 in which we stated that there were no other matters noted during the course of the audit that were required to be reported to management.

Other Matters

We were engaged to report on the Schedules of Operating Revenues and Subsidies, Schedules of Expenses and schedule of expenditures of federal awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the Green Mountain Transit Authority and is not intended to be and should not be, used by anyone other than these specified parties.

Very Best,

RHR Smith & Company, CPAs

DRAFT

Federal Compliance Audit

Green Mountain Transit Authority

June 30, 2020



Proven Expertise & Integrity

GREEN MOUNTAIN TRANSIT AUTHORITY

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JUNE 30, 2020

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Green Mountain Transit Authority
Burlington, Vermont

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of the major fund of Green Mountain Transit Authority, as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the

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reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the major fund of Green Mountain Transit Authority as of June 30, 2020 and the respective changes in financial position and where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Green Mountain Transit Authority's basic financial statements. The Schedules of Operating Revenues and Subsidies and Schedules of Expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and is also not a required part of the basic financial statements.

The Schedules of Operating Revenues and Subsidies, Schedules of Expenses and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Operating Revenues and Subsidies, Schedule of Expenses and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2021, on our consideration of Green Mountain Transit Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in considering the Green Mountain Transit Authority's internal control over financial reporting and compliance.

Buxton, Maine
Vermont Registration No. 092.0000697
February 3, 2021

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020**

(UNAUDITED)

The following management's discussion and analysis of Green Mountain Transit Authority's financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the Authority's financial statements.

Financial Statement Overview

The Authority's basic financial statements include the following components: 1) proprietary fund financial statements and 2) notes to the financial statements. This report also includes other supplementary information including combining and other schedules.

Basic Financial Statements

The basic financial statements include financial information in the proprietary fund financial statements. These basic financial statements also include the notes to financial statements that explain in more detail certain information in the financial statements and also provide the user with the accounting policies used in the preparation of the financial statements.

The Statement of Net Position - this statement presents *all* of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference being reported as net position.

The Statement of Activities - this statement presents information that shows how the government's net position changed during the period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Statement of Cash Flows - this statement presents information on the effects changes in assets, deferred outflows of resources, liabilities, deferred inflows of resources and operations have on cash during the course of the fiscal year.

The above-mentioned financial statements have one column for the Authority's activities. The type of activity presented for the Authority is:

- *Business-type activities* - These activities are normally intended to recover all or a significant portion of their costs through user fees and/or charges to external users for goods and/or services.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Proprietary Fund Financial Statements. The Notes to Financial Statements can be found following the Statements of Cash Flows.

Other Supplementary Information

Other supplementary information follows the notes to the financial statements. These combining and other schedules provide information in regard to operating revenues and subsidies and expenses.

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Authority's business-type activities. The Authority's net position increased by \$1,639,474 from \$32,466,557 to \$34,106,031.

Table 1
Green Mountain Transit Authority
Net Position
June 30,

	2020	2019
Assets:		
Current Assets	\$ 6,172,385	\$ 6,648,834
Noncurrent Assets - Capital Assets	31,149,627	30,104,866
Total Assets	\$ 37,322,012	\$ 36,753,700
Liabilities:		
Current Liabilities	\$ 2,076,963	\$ 3,172,844
Noncurrent Liabilities	1,072,191	1,057,687
Total Liabilities	\$ 3,149,154	\$ 4,230,531
Deferred Inflows of Resources:		
Deferred Revenue	\$ 66,827	\$ 56,612
Total Deferred Inflows of Resources	\$ 66,827	\$ 56,612
Net Position:		
Net Investment in Capital Assets	\$ 30,938,726	\$ 29,855,736
Restricted	601,717	823,730
Unrestricted	2,565,588	1,787,091
Total Net Position	\$ 34,106,031	\$ 32,466,557

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - increased by \$778,497 from \$1,787,091 to a balance of \$2,565,588 at the end of this year.

Table 2
Green Mountain Transit Authority
Changes in Net Position
For the Years Ended June 30,

	2020	2019
Operating Revenues:		
Purchase of services	\$ 4,074,101	\$ 4,646,550
Intergovernmental	17,502,004	16,637,182
Other income	247,946	199,875
Total Operating Revenues	21,824,051	21,483,607
Operating Expenses:		
Transportation	20,843,103	21,096,703
Operating income (loss)	980,948	386,904
Nonoperating revenues (expenses)		
Contributions	4,530,421	3,203,655
Other nonoperating revenue	353,605	49,978
Nonoperating expense	(4,252,555)	(4,062,077)
Change in deferred cost pool	27,055	(152,068)
Total non-operating revenues (expenses)	658,526	(960,512)
Change in net position	1,639,474	(573,608)
Net Position - July 1	32,466,557	33,040,165
Net Position - June 30	\$ 34,106,031	\$ 32,466,557

Revenues and Expenses

The Authority's operating revenues increased over last year's amounts and operating expenses decreased compared to last year's amounts. Operating revenues increased by 1.58% and operating expenses decreased by 1.20%.

Capital Asset and Long-Term Debt Activity

Capital Assets

As of June 30, 2020, the net book value of capital assets recorded by the Authority increased by \$1,044,761 over the prior year. Capital additions of \$4,801,444 were recorded while net disposals of \$0 were removed from the books. Depreciation expense in the amount of \$3,756,683 was recorded.

All capital assets and capital improvements with an original cost of \$5,000 or more are capitalized and depreciated, if necessary, in accordance with Government Accounting Standards Board Statement No. 34. More information on capital assets is included in Note 3 of Notes to Financial Statements.

Table 3
Green Mountain Transit Authority
Capital Assets (Net of Depreciation)
June 30,

	<u>2020</u>	<u>2019</u>
Land	\$ 775,000	\$ 775,000
Construction in progress	1,175,405	196,186
Land easement - right of way	272,958	275,822
Buildings and improvements	14,448,370	14,959,645
Bus stops and shelters	715,324	834,984
Revenue vehicles	13,480,982	12,752,863
Non-revenue vehicles	96,840	85,149
Office equipment	12,836	16,577
Shop equipment	171,912	208,640
Total	<u>\$ 31,149,627</u>	<u>\$ 30,104,866</u>

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

The Authority has steadily maintained a sufficient unrestricted net position to sustain government operations for a period of approximately one month, while also maintaining significant reserve accounts for future capital and program needs. However, several factors including the following will have an impact on that balance:

- Fuel market volatility
- Expansion of services and service routes
- Purchases of additional buses
- Rising medical, workers' compensation and other insurance costs
- Declining State revenues and its effect on agency allocations
- Declining and/or level funded Federal grants

The outbreak of COVID-19 has been declared a pandemic and led to a national state of emergency in the United States. Refer to Note 1 of Notes to Financial Statements for more detailed information.

At present it is not possible, with any degree of certainty, to estimate the impact of COVID-19 on the revenues, expenditures, budget or overall financial position of the Authority. No assurance can be given regarding future events or impacts because these actions and events are unpredictable or unknowable at this time and are outside the control of the Authority.

Contacting the Authority's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Authority's Finance Department at 101 Queen City Park Road, Burlington, Vermont 05401.

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	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 1,730,196	\$ 1,098,224
Grants, assessments and other receivables, (net of allowance for uncollectibles)	3,785,998	4,929,457
Deferred cost pool (Note 11)	(392,276)	(419,331)
Inventories	653,038	721,817
Prepaid items	395,429	318,667
Total current assets	<u>6,172,385</u>	<u>6,648,834</u>
Noncurrent assets:		
Land, structures and equipment - net of accumulated depreciation and amortization (Note 3)	<u>31,149,627</u>	<u>30,104,866</u>
TOTAL ASSETS	<u>\$37,322,012</u>	<u>\$36,753,700</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 1,603,021	\$ 2,739,431
Accrued payroll expenses	256,256	230,646
Other accrued liabilities	130,788	119,970
Current portion of long-term obligations	86,898	82,797
Total current liabilities	<u>2,076,963</u>	<u>3,172,844</u>
Long-term liabilities:		
Noncurrent portion of long-term obligations:		
Note from direct borrowings payable (Note 4)	171,412	210,901
Accrued compensated absences (Note 5)	900,779	846,786
Total long-term liabilities	<u>1,072,191</u>	<u>1,057,687</u>
TOTAL LIABILITIES	<u>3,149,154</u>	<u>4,230,531</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	<u>66,827</u>	<u>56,612</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>66,827</u>	<u>56,612</u>
NET POSITION		
Net investment in capital assets	30,938,726	29,855,736
Restricted (Note 6)	601,717	823,730
Unrestricted (Note 7)	2,565,588	1,787,091
TOTAL NET POSITION	<u>34,106,031</u>	<u>32,466,557</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$37,322,012</u>	<u>\$36,753,700</u>

	2020		Total	2019
	Urban	Rural		
OPERATING REVENUES				
Purchase of services	\$ 1,814,494	\$ 2,259,607	\$ 4,074,101	\$ 4,646,550
Other income	208,191	39,755	247,946	199,875
Local subsidies	3,178,291	431,544	3,609,835	3,456,921
State subsidies	1,982,192	664,753	2,646,945	3,347,786
Federal subsidies	4,036,274	1,766,451	5,802,725	4,544,693
Other grants	3,220,676	2,221,823	5,442,499	5,287,782
TOTAL OPERATING REVENUES	14,440,118	7,383,933	21,824,051	21,483,607
OPERATING EXPENSES				
Transportation	14,318,782	6,524,321	20,843,103	21,096,703
OPERATING INCOME (LOSS)	121,336	859,612	980,948	386,904
NONOPERATING REVENUES (EXPENSES)				
SSTA lease payments	345,166	-	345,166	38,999
Interest income	700	15,953	16,653	20,413
Interest expense	(8,214)	-	(8,214)	(9,434)
Capital fund expense	(432,912)	(62,960)	(495,872)	(604,124)
Depreciation expense	(2,964,879)	(791,804)	(3,756,683)	(3,457,953)
TOTAL NONOPERATING REVENUES (EXPENSES)	(3,060,139)	(838,811)	(3,898,950)	(4,012,099)
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	(2,938,803)	20,801	(2,918,002)	(3,625,195)
CAPITAL CONTRIBUTIONS				
Capital contributions - grants	3,155,374	1,375,047	4,530,421	3,203,655
TOTAL CAPITAL CONTRIBUTIONS	3,155,374	1,375,047	4,530,421	3,203,655
CHANGE IN DEFERRED COST POOL	27,055	-	27,055	(152,068)
CHANGE IN NET POSITION	243,626	1,395,848	1,639,474	(573,608)
NET POSITION - JULY 1	30,258,854	2,207,703	32,466,557	33,040,165
NET POSITION - JUNE 30	\$30,502,480	\$ 3,603,551	\$34,106,031	\$ 32,466,557

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 7,942,097	\$ 8,311,323
Receipts from operating grants	15,035,628	10,688,556
Payments to vendors	(11,778,830)	(9,072,545)
Payments to employees	<u>(10,115,404)</u>	<u>(9,740,231)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>1,083,491</u>	<u>187,103</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>16,653</u>	<u>20,413</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>16,653</u>	<u>20,413</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(4,801,444)	(2,933,852)
Principal paid on capital debt	(38,229)	(37,009)
Interest paid on capital debt	(8,214)	(9,434)
Payments for capital fund expenses	(495,872)	(604,124)
Proceeds from SSTA lease payments	345,166	38,999
Proceeds from capital grants and contributions	<u>4,530,421</u>	<u>3,203,655</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(468,172)</u>	<u>(341,765)</u>
NET INCREASE (DECREASE) IN CASH	631,972	(134,249)
CASH AND CASH EQUIVALENTS - JULY 1	<u>1,098,224</u>	<u>1,232,473</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u><u>\$ 1,730,196</u></u>	<u><u>\$ 1,098,224</u></u>

	<u>2020</u>	<u>2019</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 980,948	\$ 386,904
Changes in operating assets and liabilities:		
(Increase) decrease in grants, assessments and other receivables	1,143,459	(2,491,705)
(Increase) decrease in inventories	68,779	(58,841)
(Increase) decrease in prepaid items	(76,762)	110,027
(Decrease) increase in accounts payable	(1,136,410)	2,120,263
(Decrease) increase in accrued payroll expenses	25,610	47,819
(Decrease) increase in deferred revenue	10,215	7,977
(Decrease) increase in other accrued liabilities	10,818	9,994
(Decrease) increase in accrued compensated absences	56,834	54,665
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 1,083,491</u>	<u>\$ 187,103</u>

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Green Mountain Transit Authority (the Authority) was created in 1973 under the name Chittenden County Transportation Authority (CCTA) as a municipal corporation by an Act of the General Assembly of the State of Vermont. CCTA was formed for the purpose of providing public transportation services in Chittenden County. Fixed route (bus) transportation is provided in the following Authority member communities: Burlington, Essex, Hinesburg, Milton, Shelburne, South Burlington, Williston and Winooski. Paratransit service for people with disabilities is provided in those communities where it is required and Colchester.

With the addition of Green Mountain Transit Agency (GMTA) on July 1, 2011, the Authority now also provides public transportation in Washington, Lamoille, Franklin and Grand Isle Counties in Vermont and the municipalities of Washington, Williamstown and Orange in Orange County, Vermont. GMTA provides a variety of transportation options including deviated fixed route bus service in Montpelier and Barre, Medicaid brokering for eligible recipients, commuter routes to Waterbury, Montpelier, Burlington, Morristown, Richford, Alburg, St. Albans City and St. Albans Town, volunteer drivers and Ticket-To-Ride program. In addition, GMTA participates with the Central Vermont Council on Aging, Barre Project Independence, Care Partners, Vermont Center for Independent Living, CIDER, Central Vermont Area Aging and the Franklin County Senior Center, in the Elderly and Disabled Program.

The name of the Authority was legally changed to Green Mountain Transit Authority in fiscal year 2019 to rebrand and fully encompass the combined activities of CCTA and GMTA. The Authority is governed by a Board of Commissioners consisting of one commissioner from each member community with the exception of Burlington who has two.

The Authority's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements. Although the Authority has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds, the Authority has chosen not to do so.

The Authority's combined financial statements include all accounts and all operations of the Authority. We have determined that the Authority has no component units as described in GASB Statement No. 14 and amended by GASB Statements No. 39 and No. 61.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COVID-19 Outbreak

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been declared a pandemic by the World Health Organization and led to a national state of emergency in the United States. The State of Vermont, along with other state and local governments, declared states of emergency and issued multiple public health emergency orders that severely restrict movement and limit businesses and activities to essential functions. These actions and effects of COVID-19 have disrupted economic activity at all levels and impacted the processes and procedures for almost all businesses, including municipal and quasi-municipal entities.

In response to the health crisis created by COVID-19 since early March, the Governor of Vermont issued multiple executive orders and declarations to protect the public health in an effort to reduce community spread of the virus and protect citizens. These measures have included, among others, closing or restricting access to certain business and activities, issuing a “stay at home” directive for most citizens, restricting nonessential travel and limiting movement of all persons in Vermont to those necessary to obtain or provide essential services or activities. See Executive Order 01-20 and its addendums. As of the date of this report, the state of emergency was extended to December 15, 2020 and may be further extended if circumstances warrant. While steps toward reopening the State have begun, the speed and scope of the reopening process will depend upon progress toward limiting the continued spread of the disease.

Impact on and Results of Operations

In accordance with Addendum 6 to Executive Order 01-20, issued by the Governor of Vermont on March 24, 2020 (also referred to as the “Stay Home, Stay Safe Order”) and Directive 5 to Executive Order 01-20, issued by the Governor of Vermont on March 26, 2020, the Authority’s facilities were temporarily closed to the public from March 23, 2020 to October 5, 2020. As a result of the COVID-19 pandemic the Board of Commissioners elected to offer fare free service beginning in March 2020. The Authority was required to reduce its staff temporarily/permanently.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impact on Finances

The Authority does not currently anticipate any additional FY 2020 expenditures due to COVID-19 that would not be covered by existing resources including authorized Coronavirus, Aid, Relief and Economic Security (“CARES”) Act funding and applicable State programs.

Expected Federal/State Support

The Authority may have to take action to meet certain requirements to receive any additional Federal or State funding for budgetary or economic relief related to the challenges presented by COVID-19. However, the Authority expects that if those actions are necessary, that the Authority would qualify and satisfy the various conditions required to receive applicable Federal or State funds.

Conclusion

The ongoing effects of COVID-19, including the financial impact to the Authority and its inhabitants, may change significantly as events and circumstances evolve locally, nationally and worldwide. At present it is not possible, with any degree of certainty, to estimate the impact of COVID-19 on the revenues, expenditures, budget or overall financial position of the Authority. No assurance can be given regarding future events or impacts because these actions and events are unpredictable or unknowable at this time and are outside the control of the Authority.

Implementation of New Accounting Standards

During the year ended June 30, 2020, the following statements of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 95 “Postponement of the Effective Dates of Certain Authoritative Guidance.” The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 and later. (The following pronouncements exclude Statements No. 83 and No. 88 which were implemented prior to this Statement).

The effective dates of certain provisions contained in the following pronouncements are postponed by one year: Statement No. 84, Fiduciary Activities; Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period; Statement No. 90, Majority Equity Interests; Statement No. 91, Conduit Debt Obligations; Statement No. 92, Omnibus 2020; Statement No. 93, Replacement of Interbank Offered Rates; Implementation Guide No. 2017-3, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting); Implementation Guide No. 2018-1, Implementation Guidance Update-2018; Implementation Guide No. 2019-1, Implementation Guidance Update-2019 and Implementation Guide No. 2019-2, Fiduciary Activities. The effective dates of the following pronouncements are postponed by 18 months: Statement No. 87, Leases and Implementation Guide No. 2019-3, Leases.

Statement No. 97 "Certain Component Unit Criteria (paragraphs 4 and 5)." The primary objectives of paragraphs 4 and 5 in this Statement are to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform. Management has determined the impact of this Statement is not material to the financial statements.

Proprietary Fund Financial Statements

In the government-wide Statement of Net Position, the business-type activities are (a) presented on a consolidated basis and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Authority's net position is reported in three parts - net investment in capital assets; restricted net position; and unrestricted net position. The Authority first utilizes restricted resources to finance qualifying activities.

The net costs (by function) are normally covered by general revenue (certain intergovernmental revenues and charges for services, etc.).

The proprietary fund focus is more on the sustainability of the Authority as an entity and the change in the Authority's net position resulting from the current year's activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus - Basic Financial Statements and Fund Financial Statements

The financial transactions of the Authority are reported in one fund in the financial statements. This fund is accounted for by providing self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues and expenditures/expenses. The following fund type is used by the Authority:

1. Proprietary Fund

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Operating revenues include charges for services, intergovernmental reimbursements and other miscellaneous fees which are a direct result of the proprietary activity. Nonoperating revenues are any revenues which are generated outside of the general proprietary activity, i.e. interest income. The following is a description of the proprietary fund of the Authority:

Major Fund

- a. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) established fees and charges based on a pricing policy designed to recover similar costs.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues or expenses of either the fund category or the governmental and enterprise combined) for the determination of major funds. The activity of the Authority is in one major fund and there are no nonmajor funds.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

1. Accrual

Business-type activities in the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Deposits and Investments

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

It is the Authority's policy to value investments at fair value. None of the Authority's investments are reported at amortized cost. The Authority's Treasurer is authorized by State Statutes to invest all excess funds in the following:

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposits and other evidences of deposits at banks, savings and loan associations and credit unions
- Repurchase agreements
- Money market mutual funds

Inventories

Inventories consist of expendable supplies held for consumption and are valued at cost which approximates market, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when used (consumption method). Inventory of the Authority consists of tickets, fuel, oil, materials and supplies.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. Accounts receivable netted with allowances for uncollectible accounts were \$912,376 for the year ended June 30, 2020. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2020. Grants receivable netted with allowances for uncollectible accounts were \$2,873,622 for the year ended June 30, 2020. The allowance for uncollectible accounts for grants receivable is estimated to be \$0 as of June 30, 2020.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more and a useful life longer than one year are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

The assets are valued at historical cost when available and estimated historical cost where actual invoices or budgetary data was unavailable. Donated fixed assets are valued at their estimated fair market value on the date received. All retirements have been recorded by eliminating the net carrying values.

Estimated useful lives are as follows:

Land easement - right of way	99 years
Buildings and improvements	10-50 years
Bus stops and shelters	5-20 years
Office equipment	5-10 years
Revenue vehicles	7-12 years
Shop equipment	7-20 years
Non-revenue vehicles	4-12 years
Computer equipment/software	3 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term Obligations

All long-term obligations to be repaid from business-type resources are reported as liabilities in proprietary fund statements. The long-term obligations consists of a note from direct borrowings payable and accrued compensated absences.

Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for those assets and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or restricted net position.

Program Revenues

Program revenues include all directly related income items applicable to a particular program (charges to customers or applicants for goods, services or privileges provided; operating or capital grants and contributions, including special assessments).

Operating/Nonoperating Proprietary Fund Revenues

Operating revenues consist mainly of direct revenue sources and/or charges for services applicable to that fund's ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will at times report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority currently has no deferred outflows of resources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred revenue qualifies for reporting in this category. This item is reported in both the statements of net position and proprietary funds balance sheet. All items in this category are deferred and recognized as an inflow of resources in the period that the amounts become available.

Encumbrance Accounting

Encumbrances are not liabilities and, therefore, are not recorded as expenditures until receipt of material or service. For budgetary purposes, operating budget appropriations lapse at fiscal year-end and capital budget appropriations remain available until appropriations are liquidated. The Authority does not utilize encumbrance accounting for its operations.

Use of Estimates

During the preparation of the Authority's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent items as of the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from these estimates.

NOTE 2 - DEPOSITS AND INVESTMENTS

State statutes require that all investments made by the Authority consider the safe and sound investment of principal and preservation of capital in the overall portfolio, maintenance of sufficient liquidity to meet day-to-day operations and other cash requirements and maximization of income, within established investment risk guidelines, with consistent cash flows throughout the budgetary cycle. These investment policies apply to all Authority funds.

Deposits:

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Authority will not be able to recover its deposits. The Authority does not have a policy covering custodial credit risk for deposits. However, the Authority maintains deposits in qualifying financial institutions that are a member of the FDIC or NCUSIF. At June 30, 2020, the Authority's cash balance of \$1,730,196 was comprised of deposits amounting to \$1,931,717. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Authority's cash balance. Of these bank deposits, \$250,000 was fully insured by federal depository insurance and

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

consequently was not exposed to custodial credit risk and \$1,681,012 was insured or collateralized with securities held by the financial institution in the Authority's name and consequently were not exposed to custodial credit risk.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 602,360
Repurchase agreements	<u>1,328,652</u>
	<u>\$1,931,012</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in possession of an outside party.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

At June 30, 2020, the Authority did not have any investments.

Credit risk - Statutes for the State of Vermont authorize the Authority to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Vermont, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. Generally, the Authority invests excess funds in cash management accounts and various insured certificates of deposit.

NOTE 3 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2020:

	Balance, 7/1/19	Additions	Deletions	Balance, 6/30/20
<u>Primary government:</u>				
Non-depreciated assets:				
Land	\$ 775,000	\$ -	\$ -	\$ 775,000
Construction in progress	196,186	979,219	-	1,175,405
	<u>971,186</u>	<u>979,219</u>	<u>-</u>	<u>1,950,405</u>
Depreciated assets:				
Land easement - right of way	283,600	-	-	283,600
Buildings and improvements	18,289,183	-	-	18,289,183
Bus stops and shelters	2,732,918	-	-	2,732,918
Revenue vehicles	36,758,615	3,773,351	(2,960,692)	37,571,274
Non-revenue vehicles	395,197	48,874	-	444,071
Office equipment	23,785	-	-	23,785
Computer equipment/software	330,238	-	-	330,238
Bus accessories	127,753	-	(79,843)	47,910
Shop equipment	544,689	-	-	544,689
	59,485,978	3,822,225	(3,040,535)	60,267,668
Less: accumulated depreciation	(30,352,298)	(3,756,683)	3,040,535	(31,068,446)
Net depreciated capital assets	<u>29,133,680</u>	<u>65,542</u>	<u>-</u>	<u>29,199,222</u>
Total net capital assets	<u>\$ 30,104,866</u>	<u>\$ 1,044,761</u>	<u>\$ -</u>	<u>\$ 31,149,627</u>

NOTE 4 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended June 30, 2020:

	Balance, 7/1/19	Additions	Deletions	Balance, 6/30/20	Current Portion
Note from direct borrowings payable	<u>\$ 249,130</u>	<u>\$ -</u>	<u>\$ (38,229)</u>	<u>\$ 210,901</u>	<u>\$ 39,489</u>

A summary of the outstanding note from direct borrowings payable is as follows:

The Authority entered into a capital lease payable with Municipal Leasing Consultants, LLC dated as of July 2, 2012 to acquire 10 replacement motor coaches. Under the agreement the Authority pays annual principal and interest payments of \$46,443 through July 2, 2024.

\$ 210,901

NOTE 4 - LONG-TERM DEBT (CONTINUED)

The following is a summary of the outstanding note from direct borrowings payable requirements for the fiscal years ending June 30:

Year Ending June 30:	Principal	Interest
2021	\$ 39,489	\$ 6,953
2022	40,791	5,651
2023	42,135	4,307
2024	43,525	2,917
2025	44,961	1,482
	<u>\$ 210,901</u>	<u>\$ 21,310</u>

All notes from direct borrowings payable are direct obligations of the Authority, for which its full faith and credit are pledged. The Authority is not obligated for any special assessment debt. All debt is payable from assessments levied on all member municipalities within the Authority.

NOTE 5 - OTHER LONG-TERM OBLIGATIONS

The following is a summary of changes in other long-term obligations for the year ended June 30, 2020:

	Balance, 7/1/19	Additions	Deletions	Balance, 6/30/20	Current Portion
Accrued compensated absences	<u>\$ 891,354</u>	<u>\$ 56,834</u>	<u>\$ -</u>	<u>\$ 948,188</u>	<u>\$ 47,409</u>

The Authority's policies regarding combined time off permit employees to accumulate earned but unused combined time off. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements.

NOTE 6 - RESTRICTED NET POSITION

The following net position has been restricted at June 30, for the following purposes:

	<u>2020</u>	<u>2019</u>
Restricted for obligated local match on capital purchases	\$ 433,823	\$ 329,708
Restricted by the Board for future capital match	167,894	494,022
	<u>\$ 601,717</u>	<u>\$ 823,730</u>

NOTE 7 - NET POSITION

The following table discloses the composition of net position at June 30, 2020, separated between Rural and Urban programs:

	<u>Urban</u>	<u>Rural</u>	<u>Total</u>
Net investment in capital assets	\$ 28,501,214	\$ 2,437,512	\$ 30,938,726
Restricted net position (Note 6)	359,284	242,433	601,717
Unrestricted net position	<u>1,641,982</u>	<u>923,606</u>	<u>2,565,588</u>
	<u>\$ 30,502,480</u>	<u>\$ 3,603,551</u>	<u>\$ 34,106,031</u>

The Authority has recognized management-imposed designations on unrestricted net position as of June 30, 2020, separated between Rural and Urban programs:

	<u>Urban</u>	<u>Rural</u>	<u>Total</u>
Unrestricted net position	\$ 1,641,982	\$ 923,606	\$ 2,565,588
Less: management designated net position:			
Inventories	615,179	37,859	653,038
Prepaid items	<u>351,759</u>	<u>43,670</u>	<u>395,429</u>
Total management designated net position	<u>966,938</u>	<u>81,529</u>	<u>1,048,467</u>
Unrestricted, undesignated net position	<u>\$ 675,044</u>	<u>\$ 842,077</u>	<u>\$ 1,517,121</u>

The Authority currently has approximately one month of operating expenses in unrestricted, undesignated net position.

NOTE 8 - RETIREMENT PLAN

The Authority contributes to a qualified 401(a) plan covering all eligible employees who have completed one year of service and have attained the age of 21. The plan is administered by Future Planning Associates, Inc. Employee contributions vest immediately and employer contributions are 100% vested after three years of service. Normal retirement age is 65, however, the pension plan also provides for early retirement at age 62 with completion of three years of service. The Authority's contribution will be equal to 3% or more of the eligible employees' gross wages for that year. Employee contributions during fiscal years ended June 30, 2020 and 2019, respectively, were \$432,390 and \$384,317. Pension expense for fiscal years ended June 30, 2020 and 2019, respectively, was \$389,704 and \$359,559. Total payroll covered under the plan is \$6,955,196.

NOTE 9 - CONTINGENCY

The Authority receives federal funds through grants and loans. Closeout of these grants may not happen until subsequent fiscal years. The Authority may be responsible for returning federal funds based upon the close out of these grants.

NOTE 10 - RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Authority maintains insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Authority. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The Authority is self-insured for unemployment coverage. The Authority must pay the Vermont Department of Labor for any paid claims. The Authority paid \$45,660 and \$33,885 for unemployment claims for the years ended June 30, 2020 and 2019, respectively.

NOTE 11 - DEFERRED COST POOL

For the fiscal years ended June 30, 2020 and 2019, the Authority used a Simplified Allocation Method with a fixed rate and a carryforward provision as prescribed under the Uniform Guidance. This methodology resulted in an under-allocation of general and administration costs at June 30, 2020 of \$27,055 and an over-allocation of general and administration costs at June 30, 2019 of \$152,068.

NOTE 12 - COMPARATIVE DATA/RECLASSIFICATIONS

Comparative data for the prior year has been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the Authority's financial position and operations. Also, certain amounts presented in the prior year's data have been reclassified to be consistent with the current year's presentation.

	Urban	Rural	Total	
			2020	2019
Operating Revenues:				
Passenger fares:				
Fixed route	\$ 1,696,535	\$ 97,624	\$ 1,794,159	\$ 2,305,259
Paratransit	80,150	-	80,150	100,135
Subtotal passenger fares	<u>1,776,685</u>	<u>97,624</u>	<u>1,874,309</u>	<u>2,405,394</u>
Purchase of services:				
Fixed route	<u>37,809</u>	<u>2,161,983</u>	<u>2,199,792</u>	<u>2,241,156</u>
Total other purchase of services	<u>1,814,494</u>	<u>2,259,607</u>	<u>4,074,101</u>	<u>4,646,550</u>
Other income:				
Advertising	173,780	35,970	209,750	188,823
Gain (loss) - sale of asset	3,947	3,707	7,654	505
Other income	30,464	78	30,542	10,547
Subtotal other income	<u>208,191</u>	<u>39,755</u>	<u>247,946</u>	<u>199,875</u>
Local subsidies:				
Fixed route operating	2,499,324	431,544	2,930,868	2,819,154
Paratransit operating	678,967	-	678,967	637,767
Subtotal local subsidies	<u>3,178,291</u>	<u>431,544</u>	<u>3,609,835</u>	<u>3,456,921</u>
State subsidies - State operating grant	<u>1,982,192</u>	<u>664,753</u>	<u>2,646,945</u>	<u>3,347,786</u>
Federal subsidies - Federal operating grant	<u>4,036,274</u>	<u>1,766,451</u>	<u>5,802,725</u>	<u>4,544,693</u>
Other grants:				
Planning revenue	291,467	18,272	309,739	370,289
Grants - JARC, CMAQ, other	2,929,209	2,203,551	5,132,760	4,917,493
Subtotal other grants	<u>3,220,676</u>	<u>2,221,823</u>	<u>5,442,499</u>	<u>5,287,782</u>
Total operating revenues	<u>14,440,118</u>	<u>7,383,933</u>	<u>21,824,051</u>	<u>21,483,607</u>

	Urban	Rural	Total	
			2020	2019
Nonoperating revenues:				
Local contributions:				
SSTA lease payments	345,166	-	345,166	38,999
Interest income	700	15,953	16,653	20,413
Total nonoperating revenue	345,866	15,953	361,819	59,412
Total revenues from operating grants and subsidies	<u>\$ 14,785,984</u>	<u>\$ 7,399,886</u>	<u>\$ 22,185,870</u>	<u>\$ 21,543,019</u>

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Urban											
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	COVID	Training	Capital Exp./ Depreciation	Urban Total
Operating Expenses:											
Labor:											
Operators' salaries and wages	\$ -	\$ 4,641,108	\$ 962,817	\$ -	\$ -	\$ -	\$ -	\$ 2,941	\$ 18,940	\$ -	\$ 5,625,806
Other salaries and wages	494,521	441,701	89,203	58,031	190,930	-	61,468	-	-	12,437	1,348,291
Benefit wages	26,429	89,825	16,016	3,364	2,500	5,262	-	-	-	-	143,396
Subtotal labor	520,950	5,172,634	1,068,036	61,395	193,430	5,262	61,468	2,941	18,940	12,437	7,117,493
Fringe benefits:											
Payroll taxes	41,126	393,220	81,722	4,587	14,214	-	4,728	-	1,443	936	541,976
Pension plan	30,839	221,721	37,443	4,240	11,048	-	4,431	-	717	233	310,672
Life insurance and short-term disability plan	12,131	70,607	17,104	1,971	2,245	62	621	-	-	-	104,741
Medical plan	122,060	1,317,838	275,476	9,470	37,556	-	19,223	-	4,837	1,943	1,788,403
Dental plan	6,833	86,678	16,524	603	2,260	-	1,101	-	312	112	114,423
Employer flex contribution	-	(554)	-	-	-	-	-	-	-	-	(554)
Vision reimbursement	408	2,748	-	-	-	-	-	-	-	-	3,156
Vision plan	886	9,480	1,814	65	336	-	125	-	33	18	12,757
Employee testing	180	5,931	1,865	-	-	-	-	-	-	-	7,976
Employee referral program	-	800	-	-	-	-	-	-	-	-	800
Unemployment insurance	8,200	15,537	873	-	-	-	-	-	-	-	24,610
Other employee benefits	10,463	3,212	-	-	-	-	-	-	-	-	13,675
Uniform and work clothing allowance	-	17,883	19,255	-	-	-	-	-	-	-	37,138
Employee development	2,747	1,700	3,796	-	-	-	-	-	-	-	8,243
Tool allowance	-	-	13,200	-	-	-	-	-	-	-	13,200
Subtotal fringe benefits	235,873	2,146,801	469,072	20,936	67,659	62	30,229	-	7,342	3,242	2,981,216
Services:											
Legal fees	90,821	-	278	-	-	-	-	-	-	-	91,099
Accounting and audit fees	26,500	-	-	-	-	-	-	-	-	-	26,500
Cleaning	-	-	11,272	-	-	-	-	-	-	-	11,272
Consultants	33,115	-	-	-	-	-	2,050	-	-	-	35,165
Subtotal services	150,436	-	11,550	-	-	-	2,050	-	-	-	164,036

	Rural											2019 Total			
	Transit Operations	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Mobility Management	Montpelier Transit Center	COVID	Training		Capital Exp./ Depreciation	Rural Total	2020 Total
Operating Expenses:															
Labor:															
Operators' salaries and wages	\$ 1,911,259	\$ 155,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,311	\$ -	\$ 2,081,567	\$ 7,707,373	\$ 7,130,314
Other salaries and wages	459,051	53,204	100,004	-	-	9,783	237,823	46,043	8,540	-	-	7,050	921,498	2,269,789	2,446,963
	58,231	3,858	2,591	-	-	17,833	5,576	-	19	-	-	-	88,108	231,504	275,432
Subtotal labor	2,428,541	213,059	102,595	-	-	27,616	243,399	46,043	8,559	-	14,311	7,050	3,091,173	10,208,666	9,852,709
Fringe benefits:															
Payroll taxes	182,082	15,742	7,444	-	-	789	19,511	3,455	577	-	1,089	530	231,219	773,195	745,215
Pension plan	65,035	5,213	786	-	590	-	4,504	2,011	-	-	39	154	78,332	389,004	359,559
Life insurance and short-term disability plan	31,930	3,013	2,032	-	-	5,376	1,717	-	-	-	-	-	44,068	148,809	145,894
Medical plan	347,901	57,731	20,472	-	-	2,758	42,602	11,322	-	-	353	1,145	484,284	2,272,687	2,245,117
Dental plan	21,412	3,876	1,124	-	-	235	4,549	935	-	-	20	66	32,217	146,640	136,583
Employer flex contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	(554)	(4,398)
Vision reimbursement	195	250	-	-	-	-	240	-	-	-	-	-	685	3,841	3,651
Vision plan	2,509	421	381	-	-	26	556	105	-	2	12	12	4,012	16,769	17,543
Employee testing	14,557	-	-	-	-	-	4,738	-	-	-	-	-	19,295	27,271	25,869
Employee referral program	-	-	-	-	-	-	-	-	-	-	-	-	-	800	400
Unemployment insurance	14,600	22	-	-	-	-	6,428	-	-	-	-	-	21,050	45,660	32,099
Other employee benefits	3,064	-	-	-	-	-	5	-	-	-	-	-	3,069	16,744	20,083
Uniform and work clothing allowance	7,336	3,097	-	-	-	-	-	-	-	-	-	-	10,433	47,571	55,195
Employee development	897	-	-	3,331	-	-	549	-	-	-	-	-	4,777	13,020	50,263
Tool allowance	-	3,259	-	-	-	-	-	-	-	-	-	-	3,259	16,459	13,750
Subtotal fringe benefits	691,518	92,624	32,239	3,331	590	9,184	85,399	17,828	577	-	1,503	1,907	936,700	3,917,916	3,846,823
Services:															
Legal fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,740
Accounting and audit fees	-	-	-	-	-	-	-	-	-	-	-	-	-	26,500	30,600
Cleaning	2,302	8,472	-	-	-	-	719	-	-	-	-	-	11,493	22,765	34,932
Consultants	-	-	-	-	-	-	-	-	-	-	-	-	-	35,165	22,169
Subtotal services	2,302	8,472	-	-	-	-	719	-	-	-	-	-	11,493	175,529	128,441

	Urban										Urban Total	
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	COVID	Training	Capital Exp./ Depreciation		
Materials and supplies:												
Fuels and lubricants	-	825,422	-	-	-	-	-	-	-	-	-	825,422
Tires and tubes	-	-	83,085	-	-	-	-	-	-	-	-	83,085
Other materials and supplies:												
Hardware	-	-	43,943	-	-	-	-	1,815	-	-	-	45,758
Facility maintenance	-	-	52,180	-	-	-	-	-	-	-	-	52,180
Small tools expense	-	-	7,175	-	-	-	-	-	-	-	-	7,175
Parts expense:												
Service vehicles	-	-	3,009	-	-	-	-	-	-	-	-	3,009
Revenue vehicles	-	-	588,401	-	-	-	-	-	-	-	-	588,401
Maintenance supplies	-	-	36,193	-	-	-	-	18,780	-	-	-	54,973
Radio maintenance	-	-	1,649	-	-	-	-	-	-	-	-	1,649
Repeater fees	-	20,298	-	-	-	-	-	-	-	-	-	20,298
Safety expense	-	328	-	-	-	-	-	-	-	-	-	328
Vehicle registrations	-	1,003	-	-	-	-	-	-	-	-	-	1,003
Subtotal materials and supplies	-	847,051	815,635	-	-	-	-	20,595	-	-	-	1,683,281
Utilities:												
Light, heat and water	20,087	5,908	147,562	-	-	-	-	-	-	-	-	173,557
Communications	15,563	16,767	6,518	1,226	817	-	-	-	-	-	-	40,891
Subtotal utilities	35,650	22,675	154,080	1,226	817	-	-	-	-	-	-	214,448
Casualty and liability costs:												
Insurance premiums	90,142	721,825	123,192	6,493	6,297	121	-	-	-	-	-	948,070
Subtotal casualty and liability costs	90,142	721,825	123,192	6,493	6,297	121	-	-	-	-	-	948,070

	Rural											2019 Total		
	Transit Operations	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Mobility Management	Montpelier Transit Center	COVID	Training		Capital Exp./ Depreciation	Rural Total
Materials and supplies:														
Fuels and lubricants	382,713	-	-	-	-	-	-	-	-	-	-	-	382,713	1,208,135
Tires and tubes	-	21,826	-	-	-	-	-	-	-	-	-	-	21,826	104,911
Other materials and supplies:														
Hardware	-	6,626	-	-	-	-	-	-	-	-	-	-	6,626	52,384
Facility maintenance	-	19,334	-	-	-	-	-	-	-	-	-	-	19,334	71,514
Small tools expense	-	535	-	-	-	-	-	-	-	-	-	-	535	7,710
Parts expense:														
Service vehicles	-	362	-	-	-	-	-	-	-	-	-	-	362	3,371
Revenue vehicles	-	89,908	-	-	-	-	-	-	-	-	-	-	89,908	678,309
Maintenance supplies	-	10,655	-	-	-	-	-	194	1,027	-	-	-	11,876	66,849
Radio maintenance	-	2,092	-	-	-	-	-	-	-	-	-	-	2,092	3,741
Repeater fees	16,416	-	-	-	-	-	-	-	-	-	-	-	16,416	36,714
Safety expense	-	-	-	-	-	-	-	-	-	-	-	-	-	328
Vehicle registrations	1,456	-	-	-	-	-	-	-	-	-	-	-	1,456	2,459
Subtotal materials and supplies	400,585	151,338	-	-	-	-	-	194	1,027	-	-	-	553,144	2,236,425
Utilities:														
Light, heat and water	15,942	28,416	-	-	-	-	-	-	-	-	-	-	48,730	222,287
Communications	37,576	-	-	-	-	-	4,372	-	-	-	-	-	41,967	82,858
Subtotal utilities	53,518	28,416	-	-	-	-	4,046	345	-	-	-	-	90,697	305,145
Casualty and liability costs:														
Insurance premiums	309,853	41,144	6,117	-	12,255	-	26,875	-	-	-	-	-	396,244	1,344,314
Subtotal casualty and liability costs	309,853	41,144	6,117	-	12,255	-	26,875	-	-	-	-	-	396,244	1,344,314

Urban

	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	COVID	Training	Capital Exp./ Depreciation	Urban Total
General and administration:											
Dues and subscriptions	8,485	-	-	-	-	349	-	-	-	-	8,834
Travel, meetings and meals	2,007	27	-	2	-	-	-	-	-	-	2,036
Marketing expense	-	-	-	14,711	-	-	200	944	-	-	15,855
Advertising/public information	-	-	-	18,757	-	-	-	-	-	-	18,757
Office supplies	18,817	659	92	-	-	-	-	-	-	-	19,568
Fare media	-	-	-	12,202	-	-	-	-	-	-	12,202
Recruiting	239	4,832	362	-	-	-	-	-	-	-	5,433
Computer services	144,296	25	-	150	-	-	-	-	-	-	144,471
Postage and freight	6,836	-	-	-	-	-	-	-	-	-	6,836
Bank charges	21,484	-	-	-	-	-	-	-	-	-	21,484
Rent expense	-	450	-	-	-	-	-	-	-	-	450
Subtotal general and administration	202,164	5,993	454	45,822	-	349	200	944	-	-	255,926

	Rural											2019			
	Transit Operations	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Mobility Management	Montpelier Transit Center	COVID	Training	Capital Exp./ Depreciation	Rural Total	2020 Total	2019 Total
General and administration:															
Dues and subscriptions	-	-	-	-	-	-	-	-	-	-	-	-	-	8,834	30,295
Travel, meetings and meals	-	-	1,150	-	-	149	-	-	-	-	-	-	1,299	3,335	4,116
Marketing expense	-	-	11,695	-	-	-	-	-	-	-	-	-	11,695	27,550	55,985
Advertising/public information	-	-	10,470	-	-	-	-	-	-	-	-	-	10,470	29,227	32,970
Office supplies	5,214	-	-	-	-	-	27	-	522	-	-	-	5,763	25,331	35,356
Fare media	-	-	1,562	-	-	-	-	-	-	-	-	-	1,562	13,764	16,293
Recruiting	4,780	-	-	-	-	-	-	-	-	-	-	-	4,780	10,213	24,035
Computer services	5,789	(180)	-	-	-	-	-	-	3,121	-	-	-	8,730	153,201	64,851
Postage and freight	-	-	-	-	-	-	-	-	-	-	-	-	-	6,836	8,947
Bank charges	-	-	-	-	-	-	-	-	625	-	-	-	625	22,109	10,917
Rent expense	450	34,500	-	-	-	-	-	-	-	-	-	-	34,950	35,400	34,500
Subtotal general and administration	16,233	34,320	24,877	-	-	149	27	-	4,268	-	-	-	79,874	335,800	318,265

	Urban										
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	COVID	Training	Capital Exp./ Depreciation	Urban Total
Miscellaneous expenses:											
Park and ride lease payments	-	28,652	-	-	-	-	-	-	-	-	28,652
Planning expenses	-	-	-	-	36,301	-	-	3,037	-	-	39,338
Cash counting expense	4,265	-	-	-	-	-	-	-	-	-	4,265
Paratransit transportation expense	-	-	-	-	-	1,011,000	-	-	-	-	1,011,000
Volunteer mileage reimbursements	-	-	-	-	-	-	-	-	-	-	-
Contracted transportation expense	19,833	4,825	-	-	-	-	-	-	-	-	24,658
Other miscellaneous expenses	-	2,293	-	-	-	-	-	-	-	-	2,293
Subtotal miscellaneous expenses	24,098	35,770	-	-	36,301	1,011,000	-	3,037	-	-	1,110,206
Total operating expenses	1,259,313	8,952,749	2,642,019	135,872	304,504	1,016,794	93,947	27,517	26,282	15,679	14,474,676
Nonoperating expenses:											
Capital fund expenses	-	-	-	-	-	-	-	-	-	432,912	432,912
Depreciation expense	-	-	-	-	-	-	-	-	-	2,964,879	2,964,879
Interest expense	8,214	-	-	-	-	-	-	-	-	-	8,214
Subtotal nonoperating expenses	8,214	-	-	-	-	-	-	-	-	3,397,791	3,406,005
Total expenses	1,267,527	8,952,749	2,642,019	135,872	304,504	1,016,794	93,947	27,517	26,282	3,413,470	17,880,681
General administration allocation	(1,178,896)	795,434	188,732	9,253	18,265	395	6,398	1,667	1,790	1,068	(155,894)
Deferred Cost Pool - Current year	(27,055)	-	-	-	-	-	-	-	-	-	(27,055)
Total change in deferred cost pool	(27,055)	-	-	-	-	-	-	-	-	-	(27,055)
Net expenses	\$ 61,576	\$ 9,748,183	\$ 2,830,751	\$ 145,125	\$ 322,769	\$ 1,017,189	\$ 100,345	\$ 29,184	\$ 28,072	\$ 3,414,538	\$ 17,697,732

	Rural										2019				
	Transit Operations	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Mobility Management	Montpelier Transit Center	COVID	Training	Capital Exp./ Depreciation	Rural Total	2020 Total	2019 Total
Miscellaneous expenses:															
Park and ride lease payments	-	-	-	-	-	-	-	-	-	-	-	-	-	28,652	27,089
Planning expenses	30	-	-	-	22,841	-	-	-	-	-	-	-	22,871	62,209	92,280
Cash counting expense	-	-	-	-	-	-	-	-	-	-	-	-	-	4,265	4,015
Paratransit transportation expense	-	-	-	-	-	-	-	-	-	-	-	-	-	1,011,000	1,227,554
Volunteer mileage reimbursements	-	-	-	-	-	140,971	396,520	-	-	-	-	-	537,491	537,491	542,807
Contracted transportation expense	-	-	-	-	-	475,415	172,494	-	-	-	-	-	647,909	672,567	902,231
Other miscellaneous expenses	831	-	-	-	-	-	-	-	-	-	-	-	831	3,124	13,195
Subtotal miscellaneous expenses	861	-	-	-	22,841	616,386	569,014	-	-	-	-	-	1,209,102	2,319,308	2,809,171
Total operating expenses	3,903,411	569,373	165,828	3,331	35,686	653,335	933,851	63,871	13,943	1,027	15,814	8,957	6,368,427	20,843,103	21,096,703
Nonoperating expenses:															
Capital fund expenses	-	-	-	-	-	-	-	-	-	-	-	62,960	62,960	495,872	604,124
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-	791,804	791,804	3,756,683	3,457,953
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	8,214	9,434
Subtotal nonoperating expenses	-	-	-	-	-	-	-	-	-	-	-	854,764	854,764	4,260,769	4,071,511
Total expenses	3,903,411	569,373	165,828	3,331	35,686	653,335	933,851	63,871	13,943	1,027	15,814	863,721	7,223,191	25,103,872	25,168,214
General administration allocation	77,790	29,963	11,293	-	2,430	2,516	24,846	4,346	953	70	1,077	610	155,894	-	-
Deferred Cost Pool - Current year	-	-	-	-	-	-	-	-	-	-	-	-	-	(27,055)	152,068
Total change in deferred cost pool	-	-	-	-	-	-	-	-	-	-	-	-	-	(27,055)	152,068
Net expenses	\$ 3,981,201	\$ 599,336	\$ 177,121	\$ 3,331	\$ 38,116	\$ 655,851	\$ 958,697	\$ 68,217	\$ 14,896	\$ 1,097	\$ 16,891	\$ 864,331	\$ 7,379,085	\$ 25,076,817	\$ 25,320,282

Federal Grantor Pass-through Grantor Program Title or Cluster	Federal CFDA Number	Pass-Through Grantor Identifying Number	Total Federal Expenditures	Expenditures to Subrecipients
U.S. DEPARTMENT OF TRANSPORTATION:				
Federal Transit Cluster:				
Direct Programs:				
Federal Transit Capital Investment Grants - Capital Assistance Program	20.500	VT-03-0048	\$ 20,954	\$ -
Federal Transit Capital Investment Grants - Capital Assistance Program	20.500	VT-04-0011	3,709	-
			<u>24,663</u>	<u>-</u>
Passed through State of Vermont, Agency of Transportation:				
Federal Transit Capital Investment Grants - Capital Assistance Program	20.500	VT-04-0021	1,700	-
			<u>26,363</u>	<u>-</u>
Direct Programs:				
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2016-001	15,548	-
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2017-005	24,000	-
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2019-004	497,853	-
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2020-007	178,851	-
Federal Transit Formula Grants - Preventive Maintenance	20.507	VT-2019-004	724,470	-
Federal Transit Formula Grants - Preventive Maintenance	20.507	VT-2020-007	889,214	-
COVID-19 - Federal Transit Formula Grants - Operating	20.507	VT-2020-006	677,640	-
Federal Transit Formula Grants - Operating	20.507	VT-2019-003	3,513,021	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2017-005	270,429	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2018-001	730,581	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2019-004	7,634	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2020-007	52,888	-
			<u>7,582,129</u>	<u>-</u>
Subtotal Federal Transit Administration				
			7,608,492	-
Passed through State of Vermont, Agency of Transportation:				
Bus and Bus Facilities Formula, Competitive, and Low or No Emissions Program - Capital Assistance Program	20.526	VT-2018-003	1,817,256	-
Bus and Bus Facilities Formula, Competitive, and Low or No Emissions Program - Capital Assistance Program	20.526	VT-2019-001	154,289	-
Bus and Bus Facilities Formula, Competitive, and Low or No Emissions Program - Capital Assistance Program	20.526	VT-2016-003	94,083	-
Bus and Bus Facilities Formula, Competitive, and Low or No Emissions Program - Capital Assistance Program	20.526	VT-2018-007	1,165,338	-
			<u>3,230,966</u>	<u>-</u>
Subtotal Federal Transit Cluster				
			\$ 10,839,458	\$ -

Federal Grantor Pass-through Grantor Program Title or Cluster	Federal CFDA Number	Pass-Through Identifying Grantor Number	Total Federal Expenditures	Expenditures to Subrecipients
Highway Planning and Construction Cluster: Passed through State of Vermont, Agency of Transportation: Highway Planning and Construction Subtotal Highway Planning and Construction Cluster	20.205	101-TB-LG03	28,088 28,088	- -
Passed through Chittenden County Regional Planning Commission (CCRPC): Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research - CCRPC	20.505	PL 2020-05	259,082	-
Passed through State of Vermont, Agency of Transportation: Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research - Rural Planning Subtotal Metropolitan Transportation Planning and State and Non- Metropolitan Planning and Research - Rural Planning	20.505	VT-2020-002	8,183 267,265	- -
Passed through State of Vermont, Agency of Transportation: Formula Grants for Rural Areas - Admin Formula Grants for Rural Areas - Admin - GM Search Formula Grants for Rural Areas - Admin Formula Grants for Rural Areas - Admin Formula Grants for Rural Areas - Capital Assistance Program Formula Grants for Rural Areas - Operating Assistance Program COVID-19 - Formula Grants for Rural Areas - Operating Assistance Program Formula Grants for Rural Areas - Preventive Maintenance Formula Grants for Rural Areas - Preventive Maintenance Formula Grants for Rural Areas - E&D - Washington, Franklin & Grand Isle Counties - Rural Formula Grants for Rural Areas - RTAP Formula Grants for Rural Areas - CMAQ US2 Commuter/Stowe/Capital Shuttle Subtotal Formula Grants for Rural Areas	20.509 20.509 20.509 20.509 20.509 20.509 20.509 20.509 20.509 20.509 20.509 20.509 20.509 20.509	VT-2018-008 VT-2018-008 VT-2019-006 VT-2020-005 VT-2020-005 VT-2019-006 VT-2020-004 VT-2018-005 VT-2020-005 VT-2020-005 VT-2019-006 VT-2020-005	26,108 24,292 140,634 414,000 39,532 421,643 764,067 8,543 741,457 1,006,084 3,331 221,084 3,810,775	- - - - - - - - - - - - -
Transit Services Programs Cluster: Passed through State of Vermont, Agency of Transportation: Enhanced Mobility of Seniors and Individuals with Disabilities - Capital Assistance Program Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management Subtotal Transit Services Programs Cluster	20.513 20.513 20.513 20.513	VT-2018-006 VT-2020-003 VT-2016-005 VT-2020-003	314,208 70,000 25,224 24,776 434,208 15,379,794	- - - - - -
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			\$15,379,794	\$
Total Federal Expenditures				

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal awards activity of Green Mountain Transit Authority under programs of the federal government for the year ended June 30, 2020. The federal awards activity presented in the Schedule includes all federal awards received directly from federal agencies as well as federal awards passed through other government agencies. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Since the Schedule presents only a selected portion of the operations of the Green Mountain Transit Authority, it is not intended to and does not present the financial position, changes in net position or cash flows of the Green Mountain Transit Authority.

2. Summary of Significant Accounting Policies

- a. Expenditures presented on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- b. The Green Mountain Transit Authority elected to use a 6.81% fixed indirect cost rate for fiscal year 2020, as approved by the Federal Transit Administration. The approved fixed indirect cost rate used by Green Mountain Transit Authority in fiscal year 2020 is calculated using an indirect cost rate base type of modified total direct costs.

3. Major Programs - Federal

The following programs were considered major programs as defined by the Uniform Guidance and also Type A programs as defined by the Uniform Guidance. These programs were tested due to the Agency being classified as low-risk as defined in the Uniform Guidance:

<u>Program</u>	<u>CFDA #</u>
Formula Grants for Rural Areas	20.509



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Green Mountain Transit Authority
Burlington, Vermont

We have audited, in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the major fund of the Green Mountain Transit Authority as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the Green Mountain Transit Authority's basic financial statements and have issued our report thereon dated February 3, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Green Mountain Transit Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Green Mountain Transit Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Green Mountain Transit Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

3 Old Orchard Road, Buxton, Maine 04093
Tel: (800) 300-7708 (207) 929-4606 Fax: (207) 929-4609
www.rhrsmith.com

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Green Mountain Transit Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. In a separate management letter dated November 30, 2020, we documented that we noted no other matters that were required to be reported to the management of the Authority.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Buxton, Maine
Vermont Registration No. 092.0000697
February 3, 2021



Proven Expertise & Integrity

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY UNIFORM GUIDANCE

Board of Commissioners
Green Mountain Transit Authority
Burlington, Vermont

Report on Compliance for Each Major Federal Program

We have audited Green Mountain Transit Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Green Mountain Transit Authority's major federal programs for the year ended June 30, 2020. Green Mountain Transit Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Green Mountain Transit Authority's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Award* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Green Mountain Transit Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Green Mountain Transit Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, Green Mountain Transit Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Green Mountain Transit Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Green Mountain Transit Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Green Mountain Transit Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this communication is not suitable for any other purpose.

Buxton, Maine
Vermont Registration No. 092.0000697
February 3, 2021

DRAFT

Section I - Summary of Auditor's Results

• *Financial Statements*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no
- Noncompliance material to financial statements noted? yes no

• *Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes no

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported
In accordance with 2 CFR 200.516(a) yes no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.509	Formula Grants for Rural Areas

Dollar threshold used to distinguish between type A and B: \$750,000

Auditee qualified as low-risk auditee? yes no

Section II – Financial Statement Findings

None

Section III – Federal Awards Findings and Questioned Costs

None



From: Matt Kimball, Capital Projects Manager
Kim Wall, Grants Manager
Nicolas Foss, Director of Finance
To: GMT Board of Commissioners
Date: February 16, 2021
cc: Jon Moore, General Manager
RE: Purchasing Policy Update

Following the release of the Office of Management and Budget Super Circular 2 CFR 200, FTA increased the small purchase threshold from \$3,500 to \$10,000 and the large purchase threshold from \$100,000 to \$150,000 on June 20, 2018. This change would be effective for any new grant awards dated after June 20, 2018, but the previous thresholds would apply to any grants awarded prior to June 20, 2018. GMT staff kept the small and large purchase thresholds at the previous level following this change as a significant portion of the Agency's budget was funded with grants awarded prior to June 20, 2018. Staff has now spent down a sufficient amount of older grants to be able to raise the thresholds to the current levels adopted by the FTA.

In addition to updating the purchasing policy to increase the current thresholds, staff has also performed a comprehensive review of the policy to include any revisions to reflect changes in the organization or new information regarding purchasing procedures. Below is an outline of changes made to the policy since the November 6, 2018 revision.

Section I – Purpose

- Updated reference to Best Practices Procurement Manual to reflect new title of Best Practices Procurement & Lessons Learned Manual.
 - This same edit is made in several other sections of the policy.

Section II – Definitions

- Corrected outdated terminology and procedures and revised purchase descriptions to reflect new dollar thresholds.

Section III – Ethics/Standards of Conduct

- No changes.



Section IV - Disadvantaged Business Enterprises, Small and Minority Businesses, and Labor Surplus Area Firms

- No changes.

Section V – General Procurement Practices

- Updated “Splitting Purchases” description to reflect new small purchase dollar threshold.
- Updated Independent Cost Estimate guidance to clarify the use of pricing from outside vendors.

Section VI – Methods of Procurement

- Added language regarding purchasing thresholds for grants awarded prior to June 20, 2018.
- Subsection A – Micro-Purchases
 - Increased Micro-Purchase threshold from \$3,000 to \$10,000.
- Subsection B – Small Purchases
 - Updated threshold descriptions to reflect new small purchase threshold of between \$10,001 and \$150,000.
 - Added required FTA documentation to Purchase Form description.
 - Changed reference to Grants Manager to Procurement Officer for sole source justification approval.
- Subsection C – Large Purchases
 - Increased large purchase threshold from \$100,000 to \$150,000.
 - Updated language regarding solicitation document availability to reflect increased use of electronic documents.
 - Removed references to Director of Maintenance in multiple areas.
 - Added “or the designated procuring director” to purchasing oversight personnel in multiple areas.
 - Clarified that only change orders over \$100,000 need to be provided to the Grants Manager for inclusion in federal quarterly reports.
- Subsection D – Other Procurement Methods
 - Added a new subsection for unique procurement methods such as Architectural & Engineering, Sole Source, and Single Bids. These procurement types were previously listed under the Large Purchase section, but can apply to both small and large purchases.
 - Added a clarification about the applicability of the single bid process for small purchases.

Section VII – Protest Procedures

- Corrected section number from VIII to VII.



Section VIII – Contract Administration System

- Corrected section number from IX to VIII.

Section IX – Contract Clauses

- Corrected section number from X to IX.

Section X – Contract Guidance

- Corrected section number from XI to X.
- Edited language to make it clear that contract length for rolling stock contracts should not exceed five years.

Section XI – Specific Contract Types

- Corrected section number from XII to XI.

Section XII – Methods for Performing Cost and Price Analyses

- Corrected section number from XIII to XII.

Section XIII – Rental/Leasing in Lieu of Purchase

- Corrected section number from XIV to XIII.

Section XIV – Purchasing/Leasing Buses with FTA Funds (Bus Testing)

- Corrected section number from XV to XIV.

Section XV – Disposition of Surplus and Scrap

- Corrected section number from XVI to XV.
- Changed references to Director of Maintenance to Maintenance Supervisor.

Section XVI – Appendices

- Corrected section number from XVII to XVI.

Recommended Motion: *The GMT Board of Commissioners approve the updated GMT Purchasing Policy including the above referenced changes.*

Green Mountain Transit (GMT)

PURCHASING POLICY & PROCEDURES

Revised ~~November 6, 2018~~ February 16, 2021

Revised November 6, 2018

Revised June 20, 2017

Revised August 15, 2015

Revised July 6, 2012

Revised August 26, 2009

Revised June 25, 2008

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XVII. Appendices

A. Contract Clauses and provisions for procurements

I. Purpose

The purpose of these policies and procedures is to establish guidelines and ensure that all expenditures relating to the use of FTA assistance for the purchase or sale of real and personal property, the granting of concessions, and the making of certain contracts by the Green Mountain Transit (GMT) made at the GMT are made in an open and competitive manner, in accordance with U.S. Department of Transportation (U.S. DOT) Federal Transit Administration (FTA) documents, [FTA Circular 4220.1F, 49 C.F.R., and the most current revisions of the Master Agreement and Best Practices Procurement & Lessons Learned Manual.

II. Definitions

Abstract of Bids - document used to record the results of sealed bids for each bidder, which is subsequently made available for public inspection, after completion of the bid process.

Best-Value - a selection process in which proposals contain both price and qualitative components, and award is based on a combination of price and qualitative considerations. Qualitative considerations may include technical design, technical approach, quality of proposed personnel, and/or management plan. The award selection is based upon consideration of a combination of technical and price factors to determine (or derive) the offer most advantageous and of the greatest value to GMT

Board – will mean the Board of Commissioners of GMT.

Cardinal Change - a major deviation from the original purposes of the work or the intended method of achievement, or a revision of contract work so extensive, significant, or cumulative that, in effect, the contractor is required to perform very different work from that described in the original contract.

Chairman-Chairperson – will mean the Chairman-Chairperson of the Board of Commissioners of GMT and will include the Vice-Chairman-Chairperson when the Chairman-Chairperson is unavailable.

Change Order - an order authorized by GMT directing the contractor to make changes, pursuant to contract provisions for such changes, with or without the consent of the contractor.

Contract – means a mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the recipient to an expenditure and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter contracts; written orders, under which the contract becomes

effective by written acceptance or performance; and bilateral contract modifications. Contracts do not include grants and cooperative agreements covered by 31 U.S.C. 6301, *et seq.*

Contract Administration - the post award administration of the contract to ensure compliance with the terms of the contract by both the contractor and GMT.

Contract Administration File Documentation - the documentation contained in the contract file maintained by, or on behalf of, the contract administrator. It reflects the actions taken by the contracting parties in accordance with the requirements of the contract and documents the decisions made, and the rationale therefore, of matters which may result (or have resulted) in controversy or dispute.

Design-Bid-Build Project - a construction project under which a recipient commissions an architect or engineer to prepare drawings and specifications under a design services contract, and separately contracts for construction, by engaging the services of a contractor through sealed bidding or competitive negotiations to complete delivery of the project.

Design-Build Project - a construction project under which a recipient enters into a contract with a seller, firm, or consortium of firms both for design and construction of a ~~public transportation~~ project.

Electronic Commerce (E-Commerce) - consists of electronic techniques for accomplishing business transactions including electronic mail or messaging, World Wide Web internet technology, electronic bulletin boards, purchase cards, electronic funds transfer, electronic signatures, and electronic data interchange.

FTA - ÷ Federal Transit Administration – an operating administration of the U.S. Department of Transportation.

Joint Procurement - a method of contracting in which two or more purchasers agree from the outset to use a single solicitation document and enter into a contract with a vendor for delivery of property or services in a fixed quantity, even if expressed as a total minimum or maximum.

Large Purchase - purchases over ~~\$100,000~~ \$150,000, may include: Invitation for Bids (IFB), Request for Proposals (RFP), and Architectural and Engineering Services (A&E).

Local Government - includes a public transit authority as well as county, municipality, city, town, township, special district, council of governments (whether or not incorporated as a private nonprofit organization under State law), regional or interstate government entity, or any agency or instrumentality thereof.

Micro-Purchase - purchases / contracts that do not exceed ~~\$3,000~~10,000. May be made with ~~telephone quotes~~a determination that the price was fair and reasonable.

Modification - means any written change to the terms of a contract.

Noncompetitive Proposals (sole source) - procurement only if you can justify not soliciting additional competition in the manner explicitly defined in FTA Circular 4220.1F

Piggybacking - the post-award use of a contractual document/process that allows someone who was not contemplated in the original procurement to purchase the same supplies/equipment through that original document/process.

Purchase - will mean the procurement by purchase, lease, or otherwise of real or personal property by GMT, and awarding of contracts for construction, alterations, supplies, equipment, repairs or maintenance, or for rendering any services to GMT.

Recipient - means GMT or any organization receiving funds directly from FTA.

Sale - will mean the sale, lease, or other disposition of any real or personal property by GMT.

Small Purchase - purchases / contracts between ~~\$3,000~~10,001 and ~~\$100,000~~150,000. ~~[FTA imposes the small purchase threshold at \$150,000.]~~

Statute of Frauds - generally, the Statute of Frauds dictates whether contracts should be oral or written. In order to be enforceable, the Statute of Frauds requires certain contracts to be written and signed by the party charged with performing the contract. For example, contracts for the sale of goods in excess of \$500 must be in writing in order to be enforceable.

Sub-recipient - any organization receiving FTA funds from GMT but does not include contractors or subcontractors.

Sub-agreement - ~~is~~ the actual agreement between GMT and the sub-recipient.

Telephone quote - quote for micro-purchase obtained by calling vendor, verbally stating specifications for goods or services in order to solicit a quote.

Third party contract - any contract awarded by GMT to a vendor or contractor using Federal financial assistance awarded by FTA.

U.S. DOT - United States Department of Transportation

Written quote - document submitted by vendor to GMT in writing via fax, mail, or electronic means.

III. Ethics/Standards of Conduct

It is the policy of GMT to adopt an arm's length relationship in regard to all suppliers, vendors, service companies, and passengers, with whom GMT may have a relationship as part of its normal daily operations. It is important that GMT not only remain free from all conflict of interest situations, but that GMT must also remain free from the appearance of a conflict of interest.

A. Personal Conflicts of Interest

No employee, officer, board member, or agent of GMT may participate in such activities as contract specifications, solicitations, selection, or award, if a real or apparent conflict of interest would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the entity selected for award: (1) an employee, officer, board member, or agent of GMT; (2) any member of his or her immediate family; (3) his or her partner; (4) an organization that currently employs, or intends to employ, any of the above.

No employee, board member, officer, or agent of GMT will make investments or act for personal gain based upon special knowledge obtained, whether directly or inadvertently, as a result of employment with GMT.

No employee, board member, officer, or agent of GMT will have any relationship or engage in any activity which might involve or lead to personal obligations which could impair the objectivity of such person's judgment, or imply to others that favoritism or obligations exist between such persons and third party contractors, or sub-recipients.

B. Proper Personal Conduct

No employee, board member, officer, or agent of GMT will solicit nor accept gifts, gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements. Unsolicited gifts or items of nominal intrinsic value may be accepted. Entertainment in any form must not be accepted if either party might feel obligation or if third party might infer that an obligation exists.

C. Organizational Conflicts of Interest

When conducting business with third party contractors and sub-recipients, disclosing information that may give them an unfair competitive advantage, or that may impair its objectivity in performing contract work is prohibited.

Furnishing advice or services to a firm bidding on or planning to bid on a contract with GMT, or which is currently doing business with GMT is prohibited.

D. Special Exceptions

Any interest as an owner, partner, joint venture or stockholder, in each case comprising one percent (1%) or less in any such organization, will not be deemed a

“financial interest” prohibited hereunder, but serving as a Director, Officer, Consultant, or Employee of such organizations, or any other pecuniary capacity with such organization, will be deemed a “financial interest.”

E. Issuance of Standards of Conduct

GMT will issue these standards as a pre-employment orientation document to be read and signed by each employee involved in the procurement process, and placed into his/her personnel file. A copy of these standards will also be issued to each board member at the time of their appointment, or whenever an amendment is made.

F. Sanctions for Violation of Ethics / Standards of Conduct

Anyone violating the regulations for proper ethics and standards of conduct will receive appropriate disciplinary action (i.e. written warning, termination, dismissal from board).

IV. Disadvantaged Business Enterprises, Small and Minority Businesses, and Labor Surplus Area Firms

GMT maintains a Disadvantaged Business Enterprises program. The program is updated, in accordance with 49 C.F.R. Part 26, as amended.

GMT takes all necessary affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible. The affirmative steps utilized include but are not limited to:

1. Placing qualified small and minority businesses and women’s business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women’s business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women’s business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women’s business enterprise;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

V. General Procurement Practices

A. Awards to Responsible Contractors

GMT will make every effort to ensure that all procurement activities be entered into with responsible businesses, persons, and contractors. A responsible contractor is one which:

- Has adequate financial resources, or the ability to obtain such resources as required during the performance of the contract, if adequate security is not otherwise furnished;
- Is able to comply with the required or proposed delivery or performance schedule;
- Has a satisfactory record of performance or the equivalent, and
- Has a satisfactory record of and reputation of integrity.

B. Review of Procurement Requests to Avoid Duplicate or Unnecessary Purchases

GMT has purchasing procedures for micro, small, and large purchases, respectively. As designated by the General Manager, staff members with budget responsibility may complete micro and small purchases. The General Manager, and the Directors may conduct large purchases through IFB/RFP/A&E procedures in addition to micro and small purchases. The General Manager will sign all contracts, however contracts greater than \$100,000, at the discretion of the Board, will be reviewed by legal counsel prior to final Board approval and the General Manager's signature.

Because of the collaborative effort involved in conducting large purchases, it is not possible to make duplicate or unnecessary purchases under this process. Because a single designated person completes small and micro purchases in each area of responsibility, there is no duplication of these purchases either.

Budget compliance is the responsibility of each department manager. All requests for purchases or contracts for services must be reviewed and approved by each department head prior to purchase. The Department manager must review his/her budget to ensure that funds are available and that the purchase or contract is necessary. Additionally, for purchases greater than \$50,000 the General Manager and the Director of Finance will need to sign off approving the funds are available for the procurement prior to any procurement work being started.

C. Competition; Non-Collusive Bids and Proposals

All purchases and sales, whether by formal advertising or otherwise, will be made on a competitive basis to the maximum practicable extent.

In the event identical bids are submitted on any contract for the sale or purchase of property, the procuring manager shall report such fact to GMT's General Manager, who shall report such fact to GMT's General Counsel if there is any reason to suspect collusion.

D. Splitting Purchases

Purchases will not be split, so as to place them in a smaller procurement category for the purpose of circumventing the terms and conditions of this Policy. In the event a

contract is entered into for an extended period (i.e. 3 years), or there are multiple purchases of one or more items, the dollar amount for the entire length of the contract ~~–or and~~ the total cost of all items anticipated to be purchased (for multiple purchases), must be considered in determining whether it is a micro, small, or large purchase. For example, if ~~for a certain contract \$2,000 is expended per month for a service, over five years~~ a five-year service contract has a cost of \$32,000 ~~aper month~~, the total contract would be \$1820,000. The contract would, therefore, be considered a large purchase and require a formally advertised procurement.

~~E.~~

E. Independent Cost Estimates (ICE)

An Independent Cost Estimate is a tool used to determine the fair value of goods or services prior to the request of bids or proposals. An ICE may be prepared in-house or through the use of an outside vendor. Methods for preparing an ICE include, but are not limited to, market research, past pricing of similar procurements, and estimates from outside vendors. The Common Grant Rules require the recipient to perform a cost analysis or price analysis in connection with every procurement action, including contract modifications and change orders. ~~If an outside vendor is used or provides an estimatesolicited in the preparation of an ICE, they are ineligible to submit a quote in response to that particular procurement.~~

VI. Methods of Procurement

Purchases funded by grants awarded prior to June 20, 2018 must follow the purchasing thresholds in place at the time of the grant award. These are:

Micro-purchases - up to \$3,000

Small Purchases - between \$3,001 and \$100,000

Large Purchases - Greater than \$100,000

A. Micro-Purchases

Micro-purchases are purchases or contracts that do not exceed \$310,000. Purchases below that threshold may be made without obtaining competitive quotes, if GMT determines that the price is fair and reasonable. Minimum documentation requirements include determination that the price is fair and reasonable, and how this determination was made. The Davis-Bacon Act must be applied to construction contracts over \$2,000.

The following procedures apply to micro-purchases:

- (a) Competition. The recipient should distribute micro-purchases equitably among qualified suppliers.
- (b) Prohibited Divisions. The recipient may not divide or reduce the size of its procurement merely to come within the micro-purchase limit.

- (c) Documentation. FTA's only documentation requirement for micro-purchases is a determination that the price is fair and reasonable and a description of how the recipient made its determination. FTA does not require the recipient to provide its rationale for the procurement method used, selection of contract type, or reasons for contractor selection or rejection. It is GMT's preference to obtain at least two telephone quotes, or obtain copies of at least two written quotes for such purchases (see definition of written quote).

Practices Deemed Restrictive of Competition, and therefore not allowable include:

- Organizational conflicts of interest;
- Restrictive use of brand names;
- Any arbitrary action in the procurement process;
- Geographic preferences (With the exception of Architectural and Engineering services).

Any and all procurement documentation must be retained by the procuring department, according to the record retention policy produced by the Finance department.

B. Small Purchases

1. General Requirements for all Small Purchases

Small purchases, as defined in U.S. DOT / FTA 4220.1F are purchases of services, supplies, or other property that exceed the micro-purchase amount but do not exceed the maximum FTA threshold of more than \$150,000. ~~However, GMT will adopt a maximum threshold of \$100,000 for small purchases.~~ Small purchases must be made by obtaining at least two written quotes.

Written quotes are documents submitted by the vendor to GMT in writing via fax, mail, or electronic means. All procurement documentation must be retained by the procuring department, according to the record retention policy produced by the Finance Department. This procurement file will include the following documentation:

- Vendor Invoice
- ICE (Independent Cost Estimate)
- Purchase Form (which includes the method of procurement, selection of contract type, reasons for the contractor selection, and basis for the contract type)
- No Less Than Two Quotes
- Cost or Price Analysis (Dependent on number of quotes received)

Sole source purchases of items between \$~~310~~,001 and \$~~100~~150,000 may be made once the sole source justification forms have been completed and signed off by the ~~Grants Manager~~Procurement Officer and the General Manager.

Practices Deemed Restrictive of Competition, and therefore not allowable include:

- Organizational conflicts of interest;
- Restrictive use of brand names;
- Any arbitrary action in the procurement process;
- Geographic preferences (With the exception of Architectural and Engineering services).

2. Independent Cost Estimate (ICE)

Prior to receiving written quotes, an ICE must be performed and included in the procurement documentation. If an outside vendor is ~~used or provides an estimate solicited to~~ in the preparation of an ICE, they are ineligible to submit a quote in response to that particular procurement.

3. Federally Required Contract Clauses

Contract clauses must be included in ALL purchases over \$~~103~~,000. All applicable clauses shall be included with any specifications or solicitations provided to vendors in the request for quotes. Any purchase, award letter, notice to proceed, or other authorization shall reference the applicable clauses. Federally required contract clauses can be found in General and Special Contract Provisions included in the Appendices.

4. System for Award Management (SAM) Database Search

For procurements over \$25,000, a search of the intended vendor must be made on the System for Award Management database at sam.gov. Search results shall be saved in the procurement documentation. Searches on the SAM database must occur prior to award.

C. Large Purchases

FTA Circular 4220.1F states that purchases over \$150,000 must provide for full and open competition. ~~GMT's policy is \$100,000 for large purchases.~~ The Board of Commissioners will approve all purchases greater than \$100,000 prior to execution of the purchase. These contracts will be awarded by sealed bid or request for proposals, unless there is an explicit exception. **Independent cost estimates must be made before receiving bids or proposals.**

1. General Requirements for all Large Purchases

(a) Practices Deemed Restrictive of Competition, and therefore not allowable include:

- Unreasonable requirements placed on firms in order for them to qualify to do business;
- Unnecessary experience and excessive bonding requirements;
- Noncompetitive pricing between firms or between affiliated companies;
- Noncompetitive awards to any person or firm on retainer contracts;
- Organizational conflicts of interest (also applies to micro and small purchases);
- Restrictive use of brand names (also applies to micro and small purchases);
- Any arbitrary action in the procurement process (also applies to micro and small purchases);
- Geographic preferences (With the exception of Architectural and Engineering services).

- (b) Pre-qualification Criteria – Prequalification lists: are generally used in procurements that require lengthy evaluations to determine whether the product is satisfactory to certain standards. GMT may prequalify people, firms, and property if:
- 1) GMT ensures that all prequalification lists it uses are current;
 - 2) GMT ensures that all prequalification lists it uses include enough qualified sources to provide for maximum full and open competition; and
 - 3) GMT permits potential bidders or offerors to qualify during the solicitation period (from the issuance of the solicitation to its closing date).
- (c) Specifications, Plans, and Drawings - Plans, drawings, or specifications will state only GMT’s actual minimum needs and will describe the property or service to be acquired or sold, as the case may be, in a manner which will encourage maximum competition and eliminate, insofar as possible, any restrictive features which might limit acceptable offers to relatively few bidders.

Where GMT’s requirements for a commodity can only be estimated, and bids are to be submitted based upon that estimate, the specifications for the commodity may provide that GMT’s requirements may vary within a given range from the estimate. Specifications and drawings with references to brand names, or items manufactured by a single company, will be used to the minimum extent feasible and the salient characteristics of the commodity shall be detailed in the specifications. GMT may not add quantities or options solely to allow them to be reassigned to another agency at a later date.

- (d) Purchase Description - A purchase description may be used in lieu of a specification where the use of a specification is not feasible. A purchase description should set forth the essential characteristics and functions of the items or materials required. Purchase descriptions will not be written so as to specify a product, or a particular feature of a product, explicit to one manufacturer, unless it is determined that the particular feature is essential to GMT’s requirements, and that similar products of other companies lacking the particular feature would not meet the minimum requirements of the item.

Generally, the minimum acceptable purchase description is the identification of a requirement by use of a brand name followed by the words “or equal.” Where a “brand name or equal” purchase description is used, the “salient characteristics” of the brand name must be described so that bidders may offer an “or equal” product. Known, acceptable products should be listed.

If use of a brand name product is unavoidable and no equals are permitted, written justification shall be provided in the procurement file.

- (e) Alternate Articles - Invitations for bids and requests for proposals may provide for alternate bids or proposals on different articles or quantities of material (e.g., where two or more articles will be equally acceptable to GMT depending upon relative price); however, the alternate articles or quantities must be precisely described to assure that the same degree of competition is obtainable.
- (f) Formal Advertising - Formal advertising means purchases and sales by competitive bids and awards, and involves the following steps:
 - Determining whether an Invitation for Bid, Request for Proposal, or an Architectural and Engineering services process is appropriate;
 - Preparation of the invitation for bids, describing GMT’s requirements clearly, accurately, and completely, but avoiding unnecessary restrictive specifications or requirements which might unduly limit the number of bidders;
 - Publicizing the invitation for bids, through broad distribution to prospective bidders and advertising in newspapers or trade journals;
 - Issuing contract addendums to all bidders in response to questions/clarifications from any bidder;
 - Submission of bids by prospective contractors; and
 - Awarding the contract, after the bids are opened, to the responsible bidder whose bid is responsive, conforms with all material terms and conditions of the invitations for bids or request for proposals, and is the lowest in price, and;
 - Where specified in the bidding documents, factors such as DBE participation, discounts, transportation costs, and life cycle costs will be considered in determining which bid is lowest.
- (g) Written Record of Procurement History - Large purchases must be documented by written procurement selection procedures. Such documentation may include records of specifications, plans and drawings, purchase descriptions, and alternate articles, in addition to formal advertising.

Each contract file will contain documentation of actions taken with respect to the purchase, sale, or contract, including final disposition, sufficient to constitute a full history of the transaction in order to:

- Support actions taken by various employees of GMT in connection with the purchase, sale, or contract;
- Provide information for reviews conducted by the Board or others having the right to conduct such reviews; and
- Furnish essential facts in the event of legal proceedings. In the case of purchases, sales, or contracts in which formal advertising is required, each file will include the following documentation, in addition to such records as may be required by the above paragraph

The Contract file must include the following:-

- Rationale for the method of procurement;
- Selection of contract type;
- Reason for contractor selection or rejection
- Independent Cost Estimate;
- Basis for contract price;
- A copy of valid approval or request for the purchase, sale, or request, or appropriate reference thereto;
- A list of the bidders solicited or a memorandum explaining why the list of bidders was limited;
- A copy of the invitation for bids or request for proposal, including any drawings and specifications, or a reference thereto, and applicable contract clauses including signed certifications from awarded contractor;
- One copy of each signed bid or proposal received;
- Documentation of search of SAM database, performed prior to award;
- A record of the abstract of bids (Section 2.e.);
- A document showing the reasons for the selection of the successful contractor;
- A copy of the contract or award;
- All pertinent correspondence;
- Copies of all amendments or supplements to the contract, with supporting documents; and
- Any additional documents reflecting actions peculiar to the -specific purchase or sale; and
- Documentation of late bids.

(h) Capital project approval - Major Capital Projects, defined as contracts for construction, land purchase, or vehicles which do or could reasonably be anticipated to exceed \$100,000, shall require Board approval prior to entering into a contract with the vendor. Approval shall be in the form of a board motion authorizing the General Manager to enter into a contract for a specific amount to a specific vendor. After such approval, so long as all funds are included in a Board approved budget, the General Manager will have the authority to expend contingency amounts, CPI adjustments for multi-year purchases, change orders utilizing GMT's change order process, and for multi-year capital procurements exceeding the \$100,000 threshold, the ability to

contract with the vendor for additional goods or services contemplated in the initial procurement, which received board approval.

2. Invitation for Bid (IFB)

In order to ensure that the sealed bidding process is feasible, GMT will make every effort to ensure that:

- A complete, adequate, and realistic specification or purchase description is available;
- Two or more responsible bidders are willing and able to compete effectively for the business;
- The procurement lends itself to a firm fixed price contract when feasible, and the selection of the successful bidder can be made principally on the basis of price.
- No discussion with bidders is needed.
- There is sufficient time to prepare the bids prior to the date set for opening the bids.

- (a) Contents of Invitation for Bid: Invitation for bids will contain the applicable information described, and any other information required for a particular purchase or sale.

In the case of purchases, the invitation for bids will contain the following information, if applicable to the purchase involved:

- GMT's address and name of issuing activity;
- Date of issuance;
- Date, hour, and place of opening;
- Description of the supplies or services to be furnished by the bidder in sufficient detail to permit full and free competition;
- Time of delivery or performance requirements;
- Permission, if any, to submit alternate bids;
- Bid Guarantee, performance bond, and payment bond requirements, if any;
- When considered necessary, a requirement that all bids must allow a period for acceptance by GMT of not less than a minimum period stipulated in the invitation for bids, and that bids offering less than the minimum stipulated acceptance period will be rejected (the minimum period so stipulated should be no more than reasonably required for evaluation of bids);
- In cases where bidders are required to have special technical qualifications, a statement of such qualifications;
- Directions for obtaining copies of any documents, such as plans, drawings, and specifications, which have been incorporated by reference;
- A statement that GMT reserves the right to reject any or all bids; and

- A statement that GMT reserves the right to cancel the invitation to bids, at its sole discretion, without penalty.
- A statement that bids received after the exact time set for opening are “late bids,” and will not be considered for award, except in certain circumstances, such as registered or certified mail that was not delivered on a timely ~~bases~~basis, or it was determined that there was mishandling on GMT’s part.
- A statement that any modifications or bid withdrawals must be received prior to the set time for bid opening.
- Standard contract provisions provided by the Federal Transit Administration, as applicable. GMT maintains a number of boilerplate instructions and conditions that contain general and special provisions for certain contract types. This boilerplate is constantly being updated through changes to the numerous federal documents that control it as well as occasional input from GMT staff and attorneys who work together on larger procurements, the result of which is used to improve our boilerplate incrementally.
- In the case of sales, the invitation for bids will contain a description of the property to be sold by GMT in sufficient detail to permit full and free competition.

(b) Methods for Soliciting Invitations for Bids - Specific methods used in solicitation of bids may include the following:

- All purchases and sales in which formal advertising is required will be awarded only after publication of the essential details of the invitation for bids in a newspaper of general circulation in the metropolitan area at least two weeks prior to the bid opening.
- A reasonable number of copies of invitations for bids, including specifications and other pertinent information, will be ~~maintained at GMT’s administrative office~~made available, unless the solicitation is being offered only in easily duplicated electronic form.

(c) Receipt and Safeguarding of Bids will be as follows:

- All bids (including modifications) received prior to the time of opening will be kept secure, and except as provided in the paragraph below, unopened.
- If an invitation for bids is canceled, or if a bidder effectively withdraws his/her bid in accordance with the specifications set forth, all bids, or the withdrawn bid, as the case may be, will be returned to the bidder(s).
- Unidentified bids may be opened solely for the purpose of identification, and then only by an official specifically designated for this purpose by the General Manager.
- If a sealed bid is opened by mistake, the person who opens the bid will immediately write his/her signature and position on the envelope, along with the date and time opened, as well as an explanation of why/how it was opened. The envelope will then be delivered to the General Manager, and will be resealed.

- (d) Opening of Bids - The following steps are taken in regard to the opening of bids: The General Manager, ~~or the Director of Maintenance,~~ or the designated procuring director will decide and set the time for bid opening, and will so declare to those present. He/she or a designated official of GMT will then personally and publicly open all bids received prior to that time, and when practicable, read them aloud to the persons present, and have the bids recorded. The original of each bid will be carefully safe-guarded until the Abstract of Bids has been made and its accuracy verified.
- Examination of bids by interested persons will be permitted if it does not interfere unduly with the performance of GMT's business. However, original bids will not be allowed to pass out of the hands of an official of GMT, unless a duplicate bid is not available for public inspection. In such cases, the original bid may be examined by the public only under the immediate supervision of an official of GMT, and under conditions which preclude possibility of a substitution, addition, deletion, or alteration in the bid.
 - Bids will not be opened if a protest is received within the time limits specified in the protest procedures within this document.
- (e) Recording of Bids - All legitimate bids will be abstracted and recorded on the "Abstract of Bids" document. Information recorded will include:
- An identification of the invitation for bids;
 - Opening date
 - General description of the item/contract being purchased or sold
 - Names of each bidder
 - Prices bid
 - And any other information required by bid evaluation

When the items are too numerous to warrant the recording of all bids completely, entry should be made of the opening date, general description of the material, item number, and the price bid.

The abstract will be completed as soon as practicable after the bids have been opened. When all bids have been opened, the, General Manager, ~~or the Director of Maintenance,~~ or the designated procuring director will so certify on the abstract.

- (f) Award of Bids - In the awarding of bid, GMT will execute the following actions: Unless all bids are rejected, award will be made by the ~~Director of Maintenance,~~ or General Manager, or the designated procuring director, within the time for acceptance specified in the bid, or extension thereof, to the responsible bidder whose bid, conforming to the invitation for bids, is the lowest bidder. Awards given to the "other than lowest bidder" are addressed in a succeeding section in this document.

Where the bids sought are for the award of concessions, GMT will accept the bid of that responsible and responsive bidder whose base bid and other material terms,

conforming to the invitation for bids will be most advantageous to GMT, price and other factors considered.

In the event identical low bids are received, the General Manager along with the Director of Finance will conduct either a coin flip or draw names out of a hat and award to the winner (See also section on Competition; Non-Collusive Bids and Proposals.)

Awards will be made by mailing, or presenting the bidder with a formal award. All made by a bidder in the bid will be clearly and accurately set forth (either expressly, or by reference in the formal award document), since the award is an acceptance of the bid, and the bid and award constitute the contract.

- (g) Amendment/Addenda of Invitation for Bids - If after issuance of an invitation for bids, but before the time for bid opening, it becomes necessary to make changes in quantity, specification, delivery, schedules, opening dates, etc., or to correct a defective or ambiguous invitation, such changes will be accomplished by issuance of an amendment to the invitation for bids.

The amendment will be sent to everyone to whom invitations have been furnished. The following actions will also be taken:

- Before issuing an amendment to an invitation for bids, the period of time remaining until bid opening, and the need for extending this period must be considered.
- Where only a short time remains before the time set for bid opening, consideration should be given to notifying bidders of an extension of time by facsimile, telephone, or electronic mail. Such notification should be confirmed in the amendment.
- Acknowledgement of receipt of the amendment of invitation for bid should be received from each bidder.
- Any information given to a prospective bidder concerning an invitation for bids will be furnished promptly to all other prospective bidders, as an amendment to the invitation, if such information is necessary to the bidders in submitting bids on the invitation, or if the lack of such information would be prejudicial to uninformed bidders.
- No award will be made on the invitation, unless such amendment has been issued in sufficient time, to permit all prospective bidders to consider such information in submitting, or modifying their bids.

- (h) Cancellation of Invitations before Opening - GMT will include in all solicitations for invitations for bid a statement that GMT reserves that right to cancel the solicitation without penalty, at its sole discretion.

Since cancellations of an invitation for bids usually involves the loss of time, effort, and money spent by GMT and bidders in carrying the bidding process up to the point of cancellation,

- Invitations for bids should not be canceled unless cancellation is clearly in the public interest, such as where there is no longer a requirement for the supplies or services, or where amendments to the invitation would be of such magnitude that a new invitation is desirable.
- When an invitation is canceled prior to bid opening, bids which have been received will be returned unopened to the bidders, and a notice of cancellation will be sent to all prospective bidders.
- The notice of cancellation will identify the invitation for bid, briefly explain the reason for cancellation, and where appropriate, assure prospective bidders that they will be given an opportunity to bid on any re-solicitation of bids or any future requirements for the type of material or services involved.

- (i) Modification or Withdrawal of Bids - Bids may be modified or withdrawn in writing, by telecommunication, by facsimile, or by electronic mail. Modifications or withdrawals must be received by GMT no later than the exact time set for opening of bids.

Acceptable procedures for modification or withdrawal of bids are as follows:

- Modifications received by facsimile transmission or by printed or electronic mail, will be sealed in an envelope by an official of GMT who will write thereon the date and time of receipt and by whom, the invitation for bid number and his/her signature. No information contained therein will be disclosed prior to the time set for bid opening.
- A bid may be withdrawn in person by a bidder or his/her authorized representative, provided his/her identity is made known, and he/she signs a receipt for the return of the bid, but only if the withdrawal is prior to the exact time set for opening of bids.

- (j) Rejection of All Bids - GMT recognizes that the preservation of the integrity of the competitive bid system indicates that after bids have been opened, award must be made to that responsible bidder who submitted the lowest responsive bid, or in the case of a sale, to that responsible bidder who made the highest responsive bid. Every effort will be made to anticipate changes in a requirement prior to the date of opening and to notify all prospective bidders of any resulting modification or cancellation, thereby preventing the unnecessary exposure of bid prices. Invitations for bids may be canceled after opening but prior to award, and all bids rejected, where the General Manager determines in writing that:

- Inadequate or ambiguous specifications were given in the invitation;
- The supplies or services being purchased are no longer required;
- All otherwise acceptable bids received are at unreasonable prices;

- Reasonable evidence exists that bids were not independently arrived at in open competition, were collusive, or were submitted in bad faith; or
- For other reasons, cancellation is clearly in the best interest of GMT.

(k) Rejection of Individual Bids - Any bid which fails to conform to the essential requirements or specifications of the invitation for bids will be rejected, unless the invitation authorized the submission of alternate bids. Alternate bids must meet the requirements specified in the invitation. Other reasons for rejection of individual bids may include:

- Any bid which fails to conform to the delivery schedule or permissible alternates thereto stated in the IFB will be rejected as non-responsive.
- Bids where the bidder attempts to impose conditions which would modify requirements of the IFB, or limit his/her liability to GMT, such practices may include:
 - Attempts to protect himself/herself against future changes in conditions, such as increased costs, or the total possible costs to GMT cannot be determined;
 - Failure to state a price and in lieu thereof, states that the price will be “price in effect at time of delivery” or equivalent; or
 - States a price but qualifies such price as being subject to “price in effect at time of delivery,” or equivalent. A low bidder may be requested to delete objectionable conditions from his/her bid, provided these conditions do not go to the substance, as distinguishable from the form of the bid, or work an injustice on other bidders. A condition goes to the substance of a bid, where it affects price, quantity, quality, or delivery of the item offered.
- Any bid may be rejected if it is determined to be priced unreasonably.
- Low bids received for concerns determined to not be responsive, or from bidders determined to not be responsible, as stated in the section on Responsible Bidders, will be rejected.
- Where a bid guarantee is required and a bidder fails to furnish it in accordance with the requirements of the IFB, the bid will be rejected.

The originals of all rejected bids, and any written findings with —respect to such rejection, will be preserved in the contract file.

(l) Disposition of Late Bids - Late bids which are not —considered for award will be held unopened until after award, and then returned to the bidder, unless other disposition is requested, or agreed to by the bidder. An unidentified bid however may be opened solely for the purpose of identification.

The following will, if available, be included in the contract file —with respect to each late bid:

- The date and hour of mailing, filing, or delivery, as the case may be;
- The date and hour of receipt;

- The determination of whether or not the late bid was considered for award, with supporting facts;
- A statement of the disposition of the late bid; and
- The envelope or covering, if the late bid was considered for award.

(m) Minor Informalities or Irregularities in Bids - A minor informality is one which is merely a matter of form, or is some immaterial variation from the exact requirements of the invitation for bids, having no effect or merely a trivial or negligible effect on the price, quantity, quality, or delivery of the supplies or performance of the services being procured, and the correction or waiver of which would not affect the relative standing of, or be otherwise prejudicial to other bidders. The ~~Director of Maintenance or the~~ General Manager or the designated procuring director will either give the bidder an opportunity to correct the deficiency, or waive any such deficiency, where it is to GMT's advantage.

(n) Mistakes in Bids - After opening of bids, ~~the Director of Maintenance or the~~ General Manager or the designated procuring director will examine all bids for mistakes. In cases of apparent mistakes, and in cases where there is reason to believe that a mistake may have been made, he/she will request from the bidder a verification of the bid, calling attention to the suspected mistake. If the bidder alleges a mistake, the matter will be processed in the manner set forth below. Such actions will be taken prior to award:

Any clerical mistake apparent on the face of a bid may be corrected by the General Manager, if he/she has first obtained from the bidder, verification of the bid actually intended. Examples of such apparent mistakes are:

- Obvious error in placing decimal point;
- Obvious reversal of price f.o.b. destination and the price f.o.b. factory;
- Obvious error in destination of unit.

Correction will be reflected in the award document.

The General Manager is authorized to make the following administrative determination in connection with mistakes in bids, other than apparent clerical mistakes, alleged after opening of bids and prior to award:

- Where an official of GMT knows, or has reason to suspect, that a mistake in a bid has been made, a "Request for verification in bid" may be submitted to assure that the bid as confirmed is without error, or to elicit the allegation of a mistake by the bidder. In such case, a written request to the bidder that it verify its bid price will be prepared and submitted.
- Where the bidder requests permission to withdraw a bid, and clear and convincing evidence establishing the existence of a mistake, a determination permitting the bidder to withdraw his/her bid may be made;

- If the evidence is clear and convincing, as to the existence of a mistake, and as to the bid actually intended, and if the bid, (whether corrected or uncorrected) is the lowest bid received, a determination may be made to correct the bid and not permit its withdrawal.
- Where the bidder requests permission to correct a mistake in his/her bid, and clear and convincing evidence establishes the existence of a mistake, and as to the bid actually intended, a determination permitting the bidder to correct the mistake may be made; provided that, in the event such correction would not result in displacing one or more lower bids. If the evidence of the mistake, and the bid actually intended are not ascertainable substantially from the invitation and bid itself as opposed to evidence brought to GMT in response to a request for verification, correction will not be allowed.
- If the evidence is clear and convincing only as to the mistake, but not as to the intended bid, a determination permitting the bidder to withdraw his/her bid may be made.
- Where the evidence is not clear and convincing that the bid as submitted was not the bid intended, a determination may be made requiring that the bid be considered for award in the form submitted.

(o) Change Order Policy - Changes to contract agreements after award will be approved by the ~~Director of Maintenance, or~~ General Manager or the designated procuring director in compliance with proper change order procedures contained in the contract conditions. All change orders must be documented in writing, be supported by a written justification, including a cost analysis of the individual cost elements, an analysis of whether the additional work was within the general scope of the original contract and whether the extension of time granted was reasonable, and signed and dated by the authorized officials.

Documentation of ~~the any~~ change orders over \$100,000 should also be provided to the Grants Manager for inclusion in the federal quarterly reports.

(p) Concurrent Pre-Qualification and Invitation for Bid

When a concurrent prequalification and invitation for bid process is used, both the bids and qualification information will be submitted by the bid due date. First the prequalification information is evaluated through the objective qualification process, which is defined in advance of any bid procurement requiring qualifications. Then bids are opened only from contractors who meet the qualification criteria. Unopened bids are returned to bidders who do not meet the qualification criteria.

3. Request for Proposals (RFP)

Large purchases may be procured through competitive proposal/request for proposals, when conditions are not appropriate for the use of sealed bids. In such cases, either a fixed price, or cost reimbursement type contract is awarded.

- (a) Publicizing the proposal: Proposals will be advertised in metropolitan newspapers, as well as solicitation from an adequate number of qualified sources. When appropriate, the RFP advertisement will be posted on Vermont's Department of Economic Development website.
- (b) Selection Criteria - GMT will list, in the request for proposals, the selection criteria. Price should always be a selection criterion. GMT may list selection criteria in the request for proposals, in order of priority with weights, if any. This is the preferred method, because if it is not done, GMT must establish the priority, weights and scoring method on an internal document prior to the day the RFP becomes available to potential proposers.
- (c) Evaluation of Proposals - Criteria for evaluation of proposals will be established prior to a request for proposals, and may include:
- Responsibility criteria, such as financial, human, and physical capacity to perform the contract (Refer to Best Practices Procurement & Lessons Learned Manual - Responsibility of Contractor), which may include but not be limited to technical design, technical approach, length of delivery schedules, quality of proposed personnel, and experience or past performance.
 - Technical criteria - may include the technical experience of the proposer, the suitability of the products or methods proposed for GMT's needs, or objective performance criteria (fuel efficiency, percent savings guaranteed, proven ridership increases, etc.).
 - Price criteria - price must be evaluated, unless the Brooks Act applies (where price is only considered after the most qualified proposer is identified for procurement of A&E services).
 - Awards will be made to the responsible firm whose proposal is most advantageous to GMT's program, with price and other factors considered.
 - Compliance criteria - will include responsiveness to proposal requirements.
 - Management criteria - may include the qualifications of the project managers, the budget and schedule performance proposed and recorded on past projects, and the projected effectiveness of the management plan proposed.
- (d) Award of Proposals - GMT will make awards only to responsible contractors possessing the ability to perform successfully under the terms and conditions of the proposed agreement.

Consideration will be given to such factors as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources and capacity. Additionally, as stated above, awards will be made to

the responsible firm whose proposal is most advantageous to GMT's program with price and other factors considered.

(e) Request for Revised Proposals - In the event GMT finds it necessary to revise an initial ~~request for proposal~~ Proposal because of deficiencies, the decision to do so will be approved by the ~~Director of Maintenance, , or the~~ General Manager or the ,designated procuring director and the deficiencies must be listed and explained.

- A complete revised proposal, including price (except as applicable under the Brooks Act) will be requested from each offeror in the competitive range.
- Unless explicitly stated otherwise, the revised offer extinguishes the prior offer.
- The proposer should identify all changes in the revised offer.
- GMT may exercise the right to request revised proposals as many times as necessary in order to obtain the most advantageous offer.

(f) Discussions and Clarifications (Negotiations) - GMT will exercise its right to hold discussions for clarifications with all offerors in the competitive range. At such time, negotiations and bargaining may be made that do not result in substantive changes to the RFP criteria. At which time, the offeror will have an opportunity to revise or modify his/her proposal. The discussions and negotiations may initially be written or oral, with appropriate documentation following the discussions. Strict confidentiality in such cases will be maintained. Emphasis will be made known to the offeror that the name and number of proposals received is not normally considered a public record and need not be released to competitors or the public at large.

(g) Request for Best and Final Offer - A best and final offer (BAFO) may be requested from each offeror in the competitive range at the conclusion of discussions (negotiations) with those offerors. If an offeror does not respond to the request, GMT may consider the most recent offer to be the best and final offer. The request for best and final offer will include:

- Specific notice that discussions are concluded;
- Notice that this is the opportunity for the offeror to submit a best and final offer
- A definite, common cutoff date and time that allow a reasonable opportunity for the preparation and submission of the best and final offer, and Notice that the final offer must be received at the place designated by the time and date set in the request and is subject to any provisions dealing

with the submissions, modifications, and withdrawals of proposals set forth in the solicitation.

Following receipt of the best and final offers, officials of GMT will evaluate them in accordance with terms of the solicitation and recommend award in accordance with those terms. GMT will make every attempt to submit only one request for best and final offer. However, in the event additional technical or price/cost related issues surface as a result of the offerors' final submissions or other factors that preclude a reasonable justification for contractor selection and award, GMT may submit request for subsequent best and final offers, as it may be clearly in the best interest of GMT.

- (h) Award Based on Initial Proposals - GMT may accept one of the initial proposals if it can be demonstrated that acceptance of the most favorable initial proposal without discussion will result in a fair and reasonable price. Solicitations for proposals will contain a notice that award may be made without discussion of proposals received, and that proposals should be submitted initially on the most favorable terms possible, from a price and technical standpoint.
- (i) Withdrawal of Proposal - In order to avoid frivolous offers, or offers submitted with the sole intention of casting light on other offers, the solicitation for the request for proposals will state a date and time by which offers must be submitted, and a period following that date during which offers remain firm. Proposers will be allowed to withdraw or modify their proposals up to the time due. However, it will also be stated that after that date all proposals are firm and cannot be withdrawn, regardless of whether the proposer has had second thoughts.
- (j) Debriefing Unsuccessful Offerors - GMT will maintain complete records on its award decision, and how it came to that decision. GMT will remain as objective as possible in making that decision. In the event a proposer was excluded from competitive range, and requests a debriefing, the General Manager, at his/her discretion will offer a candid explanation of the process. However, if GMT foresees that a dispute is probable, it is not required to notify or debrief unsuccessful offerors.

D. Other Procurement Methods

The following are unique procurement methods that may apply to small or large purchases.

14. Procurement of Architectural and Engineering Services (A&E) - For projects related to or leading to construction, an FTA recipient must use the qualifications-based procurement procedures of 40 U.S.C. Chapter 11 ("Brooks Act" procedures)

when contracting for A&E services and other services described in 49 U.S.C. Section 5325(b), which include program management, construction management, feasibility studies, preliminary engineering, design, architectural, engineering, surveying, mapping, or related services. Provided a sufficient number of qualified firms are eligible to compete for the third party contract, the contractor's geographic location may be a selection criterion. The Brooks Act requires that:

- An offeror's qualifications be evaluated;
- Price be excluded as an evaluation factor;
- Negotiations be conducted with only the most qualified offeror; and
- Failing agreement on price, negotiations with the next most qualified offeror be conducted until a contract award can be made to the most qualified offeror whose price is fair and reasonable to GMT.
- Geographic location of the A & E firm may be considered as a selection criterion. This is prohibited in all other types of procurement. This "qualification based procurement method" can only be used for the procurement of A&E services. This method of procurement cannot be used to obtain other types of services even though a firm that provides A&E services is also a potential source to perform other types of services.

25. Procurement by Noncompetitive Proposals (Sole Source)

Sole source procurements are procurements accomplished through solicitation or acceptance of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate. A contract amendment or change order that is not within the scope of the original contract is also considered a sole source procurement that must comply with the guidelines below. ~~Generally, sole source procurements may be negotiated by the Director of Maintenance, or the General Manager.~~ Sole source procurements must be approved by the General Manager and the Procurement Officer.

(a) General Guidelines for Sole Source Procurements

Procurement by noncompetitive proposals may be used when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and at least one of the following circumstances applies:

- The item is available only from a single source (i.e. utility services, checking prior procurements for the same or similar items, no identical or compatible parts or equipment available from any other source);
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation (i.e. health and safety concerns); and

- FTA authorizes noncompetitive negotiations.

After solicitation of a number of sources, competition is determined inadequate, and after determining that the solicitation process was conducted appropriately, GMT may enter into negotiations with a single bidder.

(b) Sole Source Procurements of Preventive Maintenance Items - (Bus Parts) Over \$100,000

Preventive maintenance items such as bus parts may be procured under large purchases using:

- Cost analysis of the item(s) with appropriate documentation.
- GMT will certify in writing to FTA regional offices: (1) that such manufacturer or supplier is the only source for such item; and (2) that the price of the item is no higher than the price paid for such item by like customers.

(c) Sole Source Justifications

All sole source procurements, except bus parts covered above and ~~under~~ ~~small~~micro purchases, must include a written cost analysis in accordance with FTA rules. In addition, the circumstances necessitating sole source procurement should be included in the written cost analysis.

36. Single bids

In the event GMT advertises through Invitation for Bid, ~~or~~ Request for Proposals, or Request for Quotes, and receives only one bid, before award of such bid, the General Manager will re-evaluate and document the process to determine if the invitation or proposal inadvertently disqualifies some potential competitors. Other factors that will be taken into consideration include the market conditions during the period of procurement and comments from respective bidders regarding the requirements in the bid. If it is determined that the initial invitation or proposal inadvertently disqualified some potential competitors, the requirements will be revised, and re-advertised. If after evaluation it is determined that the process and requirements set forth were not unnecessarily restrictive, GMT may make a decision to award the contract to the single bidder. In such a case, a ~~price~~cost analysis will be performed, and determination that the price is fair and reasonable will be established, using the guidelines in the section on ~~cost~~price analysis. Single bid procurements must still follow the rest of the procurement process including the evaluation of the single bidder in the case of RFPs. Documentation as to the reason for the single bid will be maintained.

The single bid process can also be used for small purchases if there is justification as to why competition was not obtained and a basis for determining that the price quoted is fair and reasonable.

47. Awards to Other than the Lowest Bidder

GMT may award a third party contract to other than lowest bidder, when such an award is in the best interest of GMT.

58. Acquisition of Real Property

GMT will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. and FTA Circular 5010.1D; when purchasing real property. In addition, it will reference 49 CFR 18.31 and 49 CFR 24 Subpart B, and FTA Circular 4220.1F.

69. Leasing Project Property to Another Party

In the event GMT chooses to lease property purchased with federal funds to another party, GMT agrees to retain ownership of the property, and assure that the lessee will use the property appropriately, either through a “Lease and Supervisory Agreement,” or another similar document. Upon request by FTA, GMT agrees to provide a copy of any relevant documents.

VIII. Protest Procedures

Protests concerning GMT’s purchasing policies, the contract requirements, the specifications, the bidding procedures, or the contract award, or any other request for explanation or clarification must be submitted in writing and must include the following information:

- The name and address of the protester.
- The name and telephone number of the protester’s contact person having responsibility.
- A complete statement of the grounds of the protest with full documentation of the protester’s claim.

A. Pre-award Protests

Pre-award protests must be received by GMT no less than ten (10) working days before the scheduled bid opening. GMT will respond to the protest in writing and render its final decision at least five (5) working days prior to bid opening. GMT will report such protests to the FTA regional office.

B. Post-award Protest

Post-award protests will be received no later than five (5) working days after notification of the award bid. GMT will have ten (10) working days after receipt of the formal protest package to evaluate, and issue a response, except in cases where the original bid has been awarded by the Board. In such cases, the decision to protest will be handled at the next regularly scheduled Board meeting,

following completion of the staff review of the protests. GMT will report such protests to the FTA regional office.

C. Appeals to FTA

It is the responsibility of GMT to settle contract issues and disputes. GMT is committed to using good sound administrative practices and business judgments, as well as professional ethics. Reviews of protests by FTA will be limited to alleged failure by GMT to have followed proper protests procedures, or its failure to review a complaint or protest. Protesters dissatisfied with GMT's final decision may appeal to FTA regional or Headquarters Office within five (5) working days of the date the protester knew or should have known of the violation.

IXVIII. Contract Administration System

GMT will actively manage all contracts. This is generally done by the person at GMT who requested the service or goods. For example, the project manager oversees fabrication of bus shelters through meetings with the fabricator, monitoring installation of shelters, and notifying the fabricator if any warranty work is necessary. Likewise, the Drug and Alcohol Officer manages the testing contract. Contracts will be managed by the person requesting the goods or services, or assigned to other staff by the person requesting the goods or services.

IX. Contract Clauses

A. Required Contract Clauses

GMT maintains a current list of required contract clauses applicable to contract type as required by the FTA. When establishing contract agreements, all contracts will include provisions to define a sound and complete agreement. GMT will also refer to the U.S. DOT FTA Master Agreement, U.S. DOT FTA Third Party Procurement Manual, and the U.S. DOT Best Practices Procurement & Lessons Learned Manual, and Appendix A.1, when establishing required contract clauses.

B. General Contract Clauses

GMT maintains a boilerplate of general contract clauses that apply to many types of purchases (see the Appendices for an example of the general contract clauses).

C. Special Contract Clauses and Additional Special Contract Clauses

Special contract clauses may be applied selectively to purchases based on contract type or some other variable criteria. In the case of special contract clauses, GMT may consult FTA rules and regulations and/or GMT General Counsel, before such clauses are incorporated into any contract agreement (see the Appendices for an example of the special contract clauses).

D. Procuring Equipment or Materials Using Option Clauses

1. Definition of Option Contract

An option is a unilateral right in a contract by which, for a specified time, GMT may elect to purchase additional equipment, supplies, or services called for by the contract, or may elect to extend the term of the contract.

2. FTA Requirements for Option Contracts

If GMT elects to use option clauses in contracts, the FTA requires the following:

- Evaluation of Options. The option quantities or periods contained in the contractor's bid or offer must be evaluated in order to determine contract award. When options have not been evaluated as part of the award, the exercise of such options will be considered sole source procurement, and will be subject to a cost or price analysis before exercising.
- Exercise of Options. GMT will ensure that the exercise of an option is in accordance with the terms and conditions of the option stated in the initial contract award. It will also be determined that the option price is fair and reasonable or better than prices available in the market or that the option is the more advantageous offer at the time the option is exercised

3. Purchasing Options on Other Grantee's Bus Procurement

In the event GMT elects to purchase options on another grantee's bus procurement GMT will follow the FTA guidelines related to this type of purchase which at a minimum would require that contracts have an assignability clause and meet all the requirements of GMT's purchasing policy. Further, it will be established that the original Purchaser's options are reduced by the same number that has been assigned to GMT, otherwise GMT understands that this may constitute a sole source procurement. A price analysis must also be performed before GMT exercises such an option.

XI. Contract Guidance

A. Maximum Length of Service and/or Supply Contracts

Contract term s-for bus rolling stock ~~are not permitted to fulfill more than five years' worth of needs.~~ should not exceed five years.

Contracts for services and or supplies may exceed five years so long as there is a written documentation of the term and a rationale for the time period of the contract.

B. Purchasing Extended Warranties with Capital Grant Funds

GMT will not purchase any extended warranties with capital grant funds, unless it can be determined that such warranties do not exceed industry accepted standards, and service agreements will extend the life of equipment or increase its value. For the most part, warranties and service agreements will be treated as a normal expense of operations.

In the case of warranty provisions for bus procurements, GMT will adopt the American Public Transit Association's (APTA) Standard Bus Procurement Guidelines, which have been accepted as industry standard by FTA, and are summarized as follows for 12 year buses:

- Complete Bus - 1 year or 50,000 miles
- Body and Chassis (structural integrity) - 3 years or 150,000 miles
- Body and Chassis (corrosion/fatigue) - 12 years or 500,000 miles
- Propulsion System (i.e. engine, transmission, axles) - 5 years or 300,000 miles
- Major Subsystems (i.e. brakes, signs, heat, A/C, doors, air compressor/dryer, W/C lifts, ramps, starter, alternator) - 3 years or 150,000 miles

All RFPs, IFBs, and other solicitation documents and contracts will be maintained in the procurement files for purchase of such warranties or extended services.

C. Payment Provisions in Contracts

1. Using Advance Payments

GMT will not enter into any contractual agreement to pay any or part of the payments prior to costs incurred by the contractor, unless prior written concurrence is obtained from the FTA Administrator.

2. Using Progress Payments

The two major types of progress payments are payments based on costs, and payments based on completion of work. FTA considers both types as contract financing methods. Instances GMT may use progress payments in accordance with FTA guidelines are:

- When payments are only made to the contractor for costs incurred in the performance of the contract, and
- When GMT is allowed to obtain title to property (materials, work in progress, and finished goods) for which progress payments are made. In lieu of obtaining a title, GMT may require an irrevocable letter of credit or equivalent means to protect its interest.

Additional guidelines may be adopted on a case by case basis from U.S. DOT FTA -Best Practices Procurement & Lessons Learned Manual, which asserts that progress payments may be appropriate if:

- The contractor will not be able to bill for the first-delivery of products, or other performance milestones, for a substantial time after work begins. The usual time period for using progress payments is four months or more for small businesses, and six months or more for others, and
- The contractor's expenditures prior to delivery of the first items will have a significant impact on his/her working capital.

(a) Progress Payments Based on Costs – The Federal Government's customary progress payment rate is 80% of contract costs for large businesses and 85% of contract costs for small businesses. The total amount of progress payments may not exceed 80% of the total contract price.

(b) Progress Payments Based on Percentage of Completion – The Federal government authorizes progress payments on its contracts based on a percentage stage of completion of the work. This type of progress payment is standard for construction contracts for all Federal agencies. 49 CFR Part 18.21(d) allows the use of percentage of completion method to pay construction contractors.

3. Withholding and Final Payment

GMT will refer to specific contract provisions that expressly authorize the withholding of payments, such as the Davis Bacon Act Clause, or the Contract Work Hours and Safety Standards Act Clause. GMT may also establish payment withholding based on the standard Federal government clause for the payment of fixed fee on Cost Plus Fixed Fee contracts, which call for a 15% withholding of the fixed fee until the contractor submits a certified final indirect cost rate proposal and otherwise complies with the final deliverable documentation requirements of the contract.

In the event GMT decides to withhold payments on a contract, it will ensure that the amount of money withheld bears a reasonable relationship to the unsatisfactory work (e.g. the amount withheld will represent a reasonable estimate of the contractor's potential liability). The amount withheld will not be so great however, such that it impairs the contractor's ability to perform.

Final payment will be made to the contractor when it has satisfied all of the deliverable requirements called for by all provisions of the contract, including all required documentation. Before making final payment, GMT may obtain a

signed release from the contractor releasing it from further claims by the contractor.

XII. Specific Contract Types

A. Revenue Contracts

A revenue contract is any contract whose primary purpose is to either generate revenues in connection with a transit-related activity or to create business opportunities using an FTA-funded asset. Examples may include advertising, concessions (food and news stands), use of right-of-ways, licenses, and land and property leasing. GMT will adhere to the following conditions regarding such contracts:

- Contract time limits or written justifications for exceeding limits as noted earlier in this document.
- GMT will use competitive selection procedures for award of such contracts; and
- GMT will not exclude Disadvantaged Business Enterprises (DBEs) from participating in business opportunities by entering into long-term, exclusive agreements with non-DBEs for the operation of major transportation-related activities or major activities for the provision of goods and services.

B. Use of Time and Materials Type Contracts

GMT will use time and materials type contracts only:

- After a determination that no other type contract is suitable; and
- If the contract specifies a ceiling price that the contractor will not exceed except at its own risk.

XIII. Methods for Performing Cost and Price Analyses

GMT will conduct a cost or price analysis in connection with every large procurement action, including contract modifications. For small and micro purchases, refer to the appropriate sections.

A price analysis may be used in all other instances to determine the reasonableness of the proposed contract.

A. Cost Analysis

1. When to Perform a Cost Analysis

A cost analysis will be performed when:

- The offeror is required to submit the elements (i.e., Labor Hours, Overhead, Materials, etc.) of the estimated cost, e.g., under architectural and engineering services contracts; or

- Adequate price competition (2 or more bids or proposals) is lacking, and for sole source procurements, including contract modifications or change orders, unless price reasonableness can be established on the basis of a catalog or market price of a commercial product sold in substantial quantities to the general public, or on the basis of prices set by law or regulation.

A price analysis may be used in all other instances to determine the reasonableness of the proposed contract.

2. Cost Analysis Process

Some common elements in performing cost analysis may include the following:

- Making an estimate based on inspection of the product itself (with technical guidance), review of drawings, specifications, and prior data (such as cost data from prior procurements);
- Review of each element of cost to determine whether the offeror's estimate contains an accurate and reasonable prediction of the cost incurred during performance; and/or
- Adding a rate of profit to the cost that has been determined to be fair.

All reasonable costs of performance can be considered, however, the cost will be consistent with Federal cost principles found in Federal Acquisition Regulation Part 31.

B. Price Analysis

Some common price analysis techniques that may be considered may include:

- Comparison of proposed prices received in response to the solicitation;
- Comparison with competitive, published price lists, published market price of commodities, similar indexes, and discount or rebate arrangements;
- Comparison of proposed prices with the cost estimate performed prior to solicitation, if it can be performed such that it can render a reasonable determination that the price is reasonable; and
- Comparison of proposed prices received with prior procurement actions for the same or similar end items, with consideration given to:
 - Changes in economic conditions between the times of the two procurements;
 - Differences in quantities; and
 - Inclusion of nonrecurring cost in the prices, such as design, capital equipment, production facilities, etc. To make a fair comparison, nonrecurring costs may be removed from both prices.

C. Profit

GMT will negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration will be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

D. Federal Cost Principles

GMT will make every effort to ensure that all cost estimates included in negotiated prices are consistent with Federal cost principles. In doing so, GMT will reference past and current cost principles that comply with applicable Federal cost principles. The cost plus a percentage of cost and percentage of construction cost methods of contracting will not be used.

XIVXIII. Rental/Leasing in Lieu of Purchase

In certain situations, GMT's equipment requirements may be more economically filled by rental/lease than by purchase. The decision to rent rather than purchase must be made on a case-by-case basis, and should only be used when it is in GMT's best interest. The Director of Finance should perform a lease versus purchase analysis to support the decision to rent or lease for amounts over \$100,000.

Decisions to rent/lease may be made for short-term leases of equipment which is required for a short time or for a unique task, or when it can be determined that it is easier to have equipment maintained if it is leased. Conversely, long term leases and leases for items that should be purchased and capitalized but cannot be because of budget constraints are not considered economically prudent.

A lease versus purchase analysis should be appropriate to the size and complexity of the procurement. In determining whether the lease of equipment is feasible, the following factors must be considered:

- Estimated length of the period the equipment is required and the amount of time of actual equipment usage;
- Financial and operating advantages of alternative types and makes of equipment;
- Total rental/lease cost for the estimated period of use;
- Net purchase price, if acquired by purchase;
- Transportation and installation costs;
- Maintenance and other service costs;
- Trade-in or salvage value;
- Imputed interest costs; and
- Availability of a servicing facility especially for highly complex equipment (can GMT service the equipment if it is purchased?)

For description of other leases and requirements such as Capital leases, leases involving Certificates of Participation, and Cross-Border leases, refer to U.S. DOT FTA Master Agreement.

XIV. Purchasing / Leasing Buses with FTA Funds (Bus Testing)

To the extent applicable, GMT agrees to comply with the requirements of 49 U.S.C. FTA regulations, “Bus Testing,” and any revision thereto, for buses purchased or leased with FTA funds. GMT will certify to FTA that any new bus model required to be tested has been tested at the FTA-sponsored test facility in Altoona, Pennsylvania.

A new bus model is a bus design variation of a bus design (usually designated by the manufacturer by a specific name and/or model number) that has not been in use in U.S. mass transit service prior to October 1, 1988, or that has been in service prior to that date, but is being procured with a major change in configuration or components. A new bus model must be tested.

Bus testing requirements apply to different mass transit vehicles including vans, other small vehicles, medium-light-duty mid-size buses, and heavy-duty small and large buses. Bus testing does not apply to unmodified mass-produced vans, bus prototypes, some electric buses, or trolley buses (meaning genuine trolleys, not the replica trolleys popular today).

GMT will maintain documentation in the procurement files to demonstrate how this requirement has been implemented. This documentation will indicate whether a bus model has been tested and whether testing is required. For buses that require testing, a copy of the test report must be obtained prior to acceptance of the buses and expenditure of Federal funds.

Refer to the website www.altoonabustest.psw.edu for the updated list of buses tested.

XVI. Disposition of Surplus and Scrap

A. Premature Withdrawal of Property from Use

GMT will notify FTA immediately when any Project real property, equipment, or supplies are prematurely withdrawn from appropriate use, whether by planned withdrawal, misuse, or casualty loss.

Unless otherwise approved by the FTA, GMT will remit to FTA its share of the fair market value of real property, equipment, or supplies prematurely withdrawn from appropriate use. The amount of Federal share in the property will be

determined on the basis of the ratio of the Federal assistance awarded by the Federal Government for the property to the actual cost of the property.

GMT agrees that the fair market value of the property prematurely withdrawn from use will be calculated as outlined in the U.S. DOT FTA Master Agreement.

B. Capital Inventory

GMT will conduct a physical inventory of equipment and reconcile the results with the equipment records every two years. Documentation of the inventory and any reconciliation with equipment records will be kept until a triennial review of that inventory.

C. Identification of Surplus and Scrap

The identification of surplus and scrap will be the responsibility of the ~~Director of Maintenance~~Maintenance Supervisor. The following justifications may apply:

- Equipment will be surplus when it becomes obsolete to GMT either because it has been replaced by more cost-efficient equipment, or because it serves equipment no longer in the GMT fleet.
- Parts are surplus when stock on hand exceeds a maximum, as established or revised due to use history, and are not expected to be used. This includes useful parts for vehicles no longer in the GMT fleet.
- Parts will be scrapped when they are not useful to GMT and other operators contracted, and they cannot be returned to the supplier.
- Equipment will be scrapped when it is non-functional and non-repairable, or when it is obsolete to GMT and all other operators GMT has contracted.

D. Disposition of Surplus Stock

Surplus stock uses both inventory space and working capital. It is the policy of GMT to dispose of surplus and scrap in the most effective manner available. Steps to be followed include, but are not necessarily limited to:

- Returning to vendor for credit
- Sale to other operators.

Surplus stock which cannot be returned or sold to another operator will not be sold as scrap while it is still applicable to vehicles in the GMT fleet. All sales over \$5,000 will be by cashier's check.

E. Disposition of Scrap

Parts or equipment identified as scrap will be sold to the highest bidder of at least two (2) scrap dealers willing to make bids, or to the highest bidder in a publicly advertised sale. Disposition of equipment identified as scrap will be coordinated with the Director of Finance and the ~~Director of Maintenance~~Maintenance

Supervisor, since its disposition may have grant or property record implications. All sales over \$5,000 will be by cashier's check.

F. Specific Procedures for Disposition of Surplus and Scrap

Specific procedures may include:

- Direct or third party competitive bidding procedures for all material offered for sale.
- Development of specifications for the surplus items and preparation of a solicitation and advertising of the items being offered for sale.
- Analysis of bids by the ~~Director of Maintenance~~Maintenance Supervisor or the Director of Finance, with a written recommendation for award.

XVII. Appendices

Contract Clauses and provisions for procurements



To: GMT Board of Commissioners
From: Jon Moore, General Manager
Date: February 16, 2021
RE: **Agenda Item 11 – Action Item:** Paid Time-off Policy Update
Presentation and Discussion

Summary: GMT moved to a combined-time off (CTO) policy in July 2016. At this time the amount of qualifying compensable accrual hours increased, minimum time-off usage requirements were reduced and unlimited accrual hour roll-over was created. These policy changes, in addition to employee’s unused time-off balances being paid-out upon separation from employment at GMT (compounded based on annual wages increases), have created significant future CTO cash liabilities (approximately \$1,000,000 currently) to the organization.

In addition to slowing, or eliminating, the growth of the organization’s future cash liability for unused accrued paid time off hours, the proposed changes to the PTO policy are also meant to promote the usage of PTO benefits for their intended purposes; creating work/life balance, reducing fatigue & employee stress and incentivizing employees to stay out of work due to sickness while maintaining compensation.

Proposed Policy Changes: Please see the Draft Paid Time-Off (PTO) Policy Summary and a one page summary sheet of the proposed PTO policy compared to the current CTO policy.

Committee Review & Policy Change Timeline:

The Operations Committee unanimously endorsed the policy change proposal at the February 8, 2021 meeting. Below is a timeline of the FY21 policy proposal development and implementation timeline pending Board approval.

- August 10, 2020: Operations Committee PTO Presentation and Discussion
- September 8, 2020: Operations Committee PTO Presentation and Discussion
- October 12, 2020: Operations Committee PTO Presentation and Discussion
- January 11, 2021: Operations Committee PTO and Total Compensation Assessment Presentation and Discussion
- January 14, 2021: Finance Committee Presentation and Discussion



- February 8, 2021: Operations Committee PTO Presentation and Discussion. Committee endorsement of policy changes.
- February 12 2021: Final Legal Review of proposed plan.
- February 16, 2021: Board of Commissioners Presentation and requested approval.
- Late February 2021: Administrative staff policy update notification
- Mid-March 2021: Union negotiations
- July 1, 2021: PTO policy implemented

Staff Recommendation: *Move that the GMT Board of Commissioners approve the Paid Time-Off policy changes as presented.*



To: GMT Board of Commissioners
 From: Jon Moore, General Manager
 Date: February 16, 2021
 RE: DRAFT Paid Time-Off (PTO) Policy Summary

Proposed Paid Time Off (PTO) Policy: CTO accruals would be eliminated and replaced with three (3) categories of PTO.

1. Vacation Time:

- a. Full-time GMT employees shall accrue, and be required to use, vacation time per pay period based on their number of years of service as below:

FY22 Proposed PTO Hours				
Annual Vacation PTO Hours				
Years of Service	Hours Accrued/Pay Period	Annual Vacation Hours	Annual Vacation Weeks	Minimum Vacation Hours Usage Requirement
0 - 5	4.92	128	3.2	48
6 - 12	7.08	184	4.6	104
13 -24	8.62	224	5.6	144
25+	10.77	280	7	200

- b. At an employees' discretion up to **eighty (80) hours** of vacation time may be rolled over to the next fiscal year but it must be used by November 1 or **up to sixty (60) hours** will be automatically cashed out to the employee in the first pay period of December as long as they have at least twenty four (24) hours of banked sick time. If an employee does not have at least twenty four (24) hours of banked sick time as of November 1 any unused vacation time rolled over from the previous fiscal year will be converted to sick time up to twenty four hours and the balance will be cashed out in the first pay period of December. **Any remaining balance between sixty (60) and eighty (80) hours will be forfeited by the employee**



- c. Unused vacation time, less up to sixty (60) hours included in part b above, will be converted to sick time up to a maximum total balance of 240 hours per employee.
- d. Eligible full-time new hire employees will start accruing vacation time as of their first day of employment at GMT but are not eligible to use vacation time during their first 90 days of employment, or until the successful completion of their probationary period for union employees, unless approved by their manager.
- e. All vacation time must be pre-scheduled and approved by an employees' Supervisor.
- f. Vacation time accruals include eight (8) hours provided for each of the following holidays; Martin Luther King Day, President's Day, Indigenous People's Day, Veteran's Day, Employees' Birthday.
- g. Upon separation of employment employees who leave GMT in good standing will be normally paid out for unused vacation time accruals, up to a maximum of sixty (60) hours.

2. Holiday Time:

- a. GMT provides six (6) paid holidays each year to full-time employees. The following will be recognized as paid holidays for which full-time employees shall receive eight (8) hours of pay:
 - New Year's Day
 - Memorial Day
 - 4th of July
 - Labor Day
 - Thanksgiving
 - Christmas
- b. If a full-time employees' regularly scheduled shift is less than eight (8) hours, and GMT is closed, on one of the holidays listed above they must use the same amount of holiday time on their timesheet



as their regularly scheduled shift and they will be paid the difference between eight (8) hours and their regularly schedule shift at straight time.

- c. If a full-time employees' regularly scheduled shift is more than eight (8) hours, and GMT is closed, on one of the holidays listed above they must use the same amount of holiday time on their timesheet as their regularly scheduled shift.
- d. If one of the holidays above falls on a full-time employees' regularly scheduled day off the employee may choose to be paid for eight (8) hours at straight time or convert eight (8) hours to vacation time.

3. Sick Time

- a. Full-time GMT employees shall receive a lump sum allotment of annual Sick Time on July 1 of each fiscal year based on their number of years of service as below:

Annual Sick PTO Hours		
Years of Service	Annual Sick Hours	Annual Sick Days
0 - 5	48	6
6 - 12	48	6
13 -24	48	6
25+	48	6

- b. All sick time is non-compensable.
- c. Unused sick time will be rolled over to the next fiscal year up to a maximum balance of 240 hours.
- d. There is no payment for unused sick time upon separation of employment from GMT



- e. Sick time may only be used for medical appointments and actual illness of the employee or to care for an immediate family member or as otherwise allowed by the Federal Family Medical Leave Act (FMLA) and the Vermont Parental and Family Leave Act (PFLA).

Employee CTO balances as of June 30, 2021: All CTO balances, less up to **eighty (80) hours** that may be rolled over to FY22 per below, as of June 30, 2021 will be paid out to employees at their FY21 ending rate of pay.

At an employees' discretion up to **eighty (80) hours** of their CTO balance as of June 30, 2021 may be rolled over to FY22 year but it must be used by November 1 or **up to sixty (60) hours** will be automatically cashed out to the employee in the first pay period of December and **any remaining balance between sixty (60) and eighty (80) hours will be forfeited by the employee.**

Proposed PTO Policy vs. Current CTO Policy Summary

Proposed PTO

- ▶ Three Categories of Paid Time Off
 - ▶ Vacation, Holiday & Sick
- ▶ Total Accrual Rate
 - ▶ 0-5 YOS: 224 hours
 - ▶ 6-12 YOS: 280 hours
 - ▶ 13-24 YOS: 320 hours
 - ▶ 25+ YOS: 376 hours
- ▶ Minimum Annual Usage Requirements
 - ▶ 0-5 YOS: 48 hours
 - ▶ 6-12 YOS: 104 hours
 - ▶ 13-24 YOS: 144 hours
 - ▶ 25+ YOS: 200 hours
- ▶ Annual Rollover
 - ▶ Up to 80 hours of vacation, must be used by November 1 or up to 60 hours cashed out
 - ▶ Up to 240 hours (total) of sick time (non compensable)
- ▶ Cash out
 - ▶ Up to 60 hours

Current CTO

- ▶ One Category of Paid Time Off
 - ▶ All paid time off combined together
- ▶ Total Accrual Rate
 - ▶ 0-5 YOS: 225 hours
 - ▶ 6-12 YOS: 282 hours
 - ▶ 13-24 YOS: 321 hours
 - ▶ 25-30 YOS: 377 hours
 - ▶ 30+ YOS: 416 hours (rate eliminated)
- ▶ Minimum Annual Usage Requirements
 - ▶ 40 hours regardless of YOS
- ▶ Annual Rollover
 - ▶ Unlimited
- ▶ Cash out
 - ▶ Up to 120 hours annually
 - ▶ Unlimited at time of employment separation