



**Finance Committee Meeting**  
**Thursday, November 13th, 2025**  
**GMT | 101 Queen City Park Road | Burlington, VT 05401**

**Present at GMT:**

Nick Foss, Director of Finance  
Tim Bradshaw, Director of Grants  
Rich Carmo, Senior Staff Accountant  
Clayton Clark, General Manager  
Jon Moore, Assistant General Manager  
Ross MacDonald, VTRANS  
Dan Currier, VTRANS

**Present via ZOOM:**

Commissioner Paul Bohne  
Commissioner Chapin Spencer  
Commissioner Susan Grasso  
Tammy Masse, Controller  
Matt Kimball, Director of Transit Infrastructure

**Present from the Public, via ZOOM:**

Kimberly Clark

**Absent:**

Commissioner Austin Davis

**Meeting Called to Order:**

Commissioner Paul Bohne called the meeting to order at 8:05 a.m.

**Adjustment to the Agenda:**

N/A

**Public Comment:**

Yes, Kimberly Clark recommended Jon Moore for General Manager of Green Mountain Transit.

**Approval of Minutes:**

**Minutes from October 9<sup>th</sup>, 2025 was moved to approval by Commissioner Spencer; Commissioner Grasso seconded, the motion approved unanimously.**



**1. FY26 Capital Budget Adjustment Presentation:**  
**Presentation by Director of Transit Infrastructure, Matt Kimball**

**Proposed adjustments to the FY26 Capital Budget are due to:**

- Execution of the First Amendment to the State Grant Agreement with VTRANS
- Correcting state/local match assumptions
- Incorporating new City of Burlington local funds
- Incorporating direct federal funds
- Adjustments to carry-forward balances

**Drivers for these adjustments:**

- State could not provide 10% match for most direct federal projects → Local match increases.
- Burlington chose to reinvest **\$90,370** in excess assessment funding into local capital projects.
- Projects spanning facility maintenance, spare parts, passenger amenities, fleet/shop upgrades, and charging infrastructure.

**Below are key changes by Line Item:**

Facility PM & Spare Parts (Lines E & Spare Parts)

- +19,536 in PM funding
- +111,698 in spare parts
- Both increases funded by VTRANS.

Passenger Amenities (Line L)

- Applying carry-forward state funds from FY24
- Local match increased by \$4,897.82

New Burlington-Funded Line Item (Line LB)

- 100% local City of Burlington investment
- Supports:
  - Burlington bus stop improvements
  - Rider communications technology
  - Platform/customer information systems
- Funding derives from overpayment on Route 11 fare-free service.

ITS Improvements (Line N)

- Local match increase of \$36,229.10
- Due to removal of state match.

IT Server Replacement (Line O)

- Total new line item cost: \$33,767.96
- Funded via mix of direct federal funds + VTRANS pass-through
- Added because GMT reallocated state grant funding priorities.

Shop Truck Replacement (Line P)

- Replacement of aging shop truck
- New VTRANS funding supports the project.

Facility Improvements – 31 Queen City Park (Line U)

- \$17,712 for planning studies and heater replacement.



Electric Bus Charging Infrastructure (Line V)

- \$230,201 to support 5-year service level agreement with Heliox
- Includes warranties, 3-day response time, 24/7 monitoring.

Carry-Forward Reconciliations (Lines W & Z)

- Minor decreases due to finalized FY25 carry-forwards.

Summary:

- Total FY26 capital budget increases by: \$482,754
- Local match increases by: \$150,740
  - Includes Burlington's reinvested \$90,370
- Concerns were discussed about long-term local match availability, but staff indicated reserve capacity (~\$2M capital match fund).

**Motion & Approval:**

**Commissioner Spencer moved to recommend approval of the Proposed FY26 Capital Budget Adjustment to the GMT Board of Commissioners; Commissioner Grasso seconded; the motion was approved unanimously.**

**2. FY27 Capital Budget Presentation:**

**Presentation by Director of Transit Infrastructure, Matt Kimball**

**Overview:**

A large, forward-looking capital program totaling \$18.21M, heavily focused on fleet replacement, charging infrastructure, SSTA vehicle upgrades, and bus stop ADA improvements. Assumes successful adjustments to FTA LONO grants and pending competitive grant awards.

**Major Capital Categories by Line Item:**

Vehicle Purchases (Line A)

- 7 electric buses (LONO grant)
  - Cost: \$9.47M
  - Local share entirely covered by Burlington Electric Department Tier 3 funds.

Hybrid Bus Additions (Line B)

- Proposal to restructure FY24 LONO award:
  - Replace 17 EV buses with 13 EV + 7 hybrids
  - 4 hybrids included in FY27: \$3.69M
  - Local match includes \$186,000 from FY27 operating budget.

SSTA Leased Fleet, Cutaways (Line C)

- Transition to LPG-fueled cutaways
- 6 units in FY27 (part of a 12-vehicle plan across FY27–28)
- Local share paid via SSTA vehicle lease rent.

Other Small Vehicles (Line D)

- Replacement of 1 Ford Transit + 2 minivans (via 5339 grant request).



Mid-Life Overhaul (Line G)

- Focusing on 3 Buses that are in need of maintenance (Engine, transmission, corrosion repair)

Charging Infrastructure – Phase 3 (Line H)

- New Heliox chargers + 6 dispensers
- Funded via hybrid restructuring and inflationary adjustments.

Passenger Amenities (Line N)

- ADA-focused stop upgrades
- 5 stops planned (from a larger slate of 8)
- Uses 5339 funds at 90% federal share for ADA improvements.

Bus Wash Replacement (Line O)

- A major facility upgrade - current wash beyond useful life
- Local match: \$70,087 (from capital match fund).

Other Facility Projects (Lines P–R)

- Diesel tank & pump replacement
- Building envelope repairs at 101 Queen City Park
- Covered walkway and heated concrete upgrades for safety and comfort.

Office/Technology (Line S)

- IT/security system replacements: \$35,000

Third-Party Inspections (Line T)

- \$16,000 for Buy America audits for bus procurements.

**Summary:**

- Local match planned:
  - \$186,000 from FY27 operating budget
  - \$347,478 from local capital match fund
  - \$523,634 from non-local sources (BED Tier 3, SSTA lease revenue)
- No rural capital budget proposed due to rural transition in 2026.

**Motion & Approval:**

**Commissioner Grasso moved to recommend approval of the Proposed FY27 Capital Budget to the GMT Board of Commissioners; Commissioner Spencer seconded; the motion was approved unanimously**

**3. Q1 FY26 Financial Reporting (Through September 30, 2025) Presentation:**

**Presentation by Director of Finance, Nick Foss**

**Overall Organization-wide Position:**

- Revenues: \$7.1M
- Expenses: \$7.3M
- Net: -\$221,000
- Note: Depreciation not included yet; audit still in progress.



**Urban:**

Performance

- Deficit: Only -\$5,000 (essentially on target)
- Federal, state, local spending at 24.5% → *slightly under* Q1 target
- Indicates FY26 cost assumptions following service reductions were accurate

Key Variances

- Operating revenue low due to reduced advertising income
- Legal expenses running high (timing-based)
- Passenger facility expenses high due to two years of delayed invoices for stored buses

Costs

- Early payroll/benefit data confirms anticipated savings from service reductions

**Rural:**

Performance

- Operating revenues above target
- Reported Deficit is large, but misleading. Reason for such are:
  - GMT could not bill July and August O&D demand-response grants due to data issues.
  - This is expected to be corrected, eliminating the apparent deficit.

Funding Issue

- O&D funding likely exhausted by January or February 2026
- Could create substantial losses unless:
  - Additional VTRANS funds are provided, or
  - Service reforms occur.

Costs

- Driver wages slightly above ideal benchmark
- Seasonal service impacts make monthly comparisons difficult.

**Additional Financial Updates:**

- FY27 budget development underway; to be presented next month
- Assessments have been sent to towns/cities
- Positive trends in SSTA quarterly meeting
- Continued monitoring of rural demand-response cost escalations

**Quorum:**

**Quorum was lost at 9:00 a.m. when Commissioner Susan Grasso left the meeting, affecting adjournment. No further questions were made and meeting ended at 9:02 a.m..**

**Motion to Adjourn:**

**Unable to adjourn due to losing quorum at 9:00a.m..**



### **Q&A during Finance Committee Meeting:**

Questions and Answers broken down by each of the three segments.

#### **During FY26 Capital Budget Adjustments:**

1. Question: Why are local capital match requirements increasing so much? Are we setting ourselves up for unsustainable levels of local match in future years (FY27, FY28)?

Answer:

- FY26's higher local match is expected and already accounted for.
- GMT may see local match shortages in future years due to rural system transitions and FY27's projected deficit.
- GMT has ~\$2M in local capital match reserves, providing short-term cushion if needed.
- However, long-term reliance on reserves may conflict with GMT's fund balance policy (target: ~2 months of operating funds on hand).

2. Question: Why is Burlington contributing \$90,000 and what is the background? What is this new Burlington-funded line, and why is the City providing extra capital dollars?

Answer:

- Burlington had overpaid its FY26 assessment tied to the fare-free College Street Shuttle.
- Because Route 11 is no longer fare-free, Burlington's assessment exceeded that what was needed.
- Instead of refunding the money, Burlington opted to invest the surplus into capital projects benefiting Burlington—bus stops, rider information systems, etc.

3. Question: Why is a facility master planning study included in capital rather than operating? Shouldn't planning be an operating expense?

Answer: This study is tied to a direct federal capital grant for the 31 Queen City Park facility. Placing it in capital allows GMT to free up CCRPC planning funds for other non-facility studies.

4. Question: Why are Rural EV Ford Transit purchases being replaced with LPG Cutaways? Why the propulsion/vehicle shift?

Answer: In coordination with VTRANS and TBT, LPG cutaways better fit operational needs. Staff preference and operational reliability drove the decision.

#### **During FY27 Capital Budget:**

6. Question: Will hybrid buses create maintenance complexity or challenges for mechanics? Are mechanics prepared for adding hybrids - now 3 propulsion types (diesel, electric, and hybrid)?

Answer:

- Maintenance leadership (Tyler) is aware and supportive.
- Hybrids use a familiar Cummins engine—not a major departure.
- Training will be necessary, but benefits of obtaining more buses outweighed the concerns.



7. Question: Will Workforce Development funding be reduced due to propulsion changes?

Answer:

- VTRANS clarified that restructuring the LONO award may change workforce development allocations.
- FY23 LONO workforce funds for GMT remain intact.
- FY24 LONO workforce funds will be reduced to 0.5% (from 5%) for the hybrid restructuring.
- Excess funds would shift back into vehicle capital.

8. Is GMT aligning bus replacements with sustainable asset management goals? Does buying 7 EVs + 4 hybrids overshoot the sustainable replacement pace?

Answer:

- Sustainable rate = 5–6 heavy-duty buses per year (for a ~66-bus fleet).
- FY27's purchases exceed this, but intentionally so—GMT is catching up to previous underinvestment.
- Midlife overhauls (3/year) support long-term sustainability.

9. Question: Does GMT have an internal carbon reduction plan guiding vehicle decisions? Is there any adopted plan outlining our emissions strategy?

Answer: Not yet. Committees paused during rural transition planning. A broader carbon strategy (beyond just battery-electric planning) will be developed when committees reconvene in January/February 2026.

10. Question: Can commissioners receive clear lists of completed bus stop/ADA improvements? Can we get detailed annual reporting on passenger amenity/ADA upgrades?

Answer: Yes, will be included in the annual report. Leadership may also have shelter committee notify relevant commissioners/town managers in real time.

#### **During Q1 FY26 Financial Reporting:**

11. Question: Why is Rural showing a big deficit—are we overspending? Rural looks deeply negative. What is happening?

Answer:

- Deficit is not real—due to issues with data preventing billing of July & August O&D grant funds.
- Once resolved (expected next month), deficit will disappear.
- Rural still faces a serious challenge: O&D funds may run out by Jan/Feb, requiring reforms or additional funding.

12. Question: Are Urban finances on track post-service reductions? Are cost assumptions accurate?

Answer: Yes, early data shows service reductions are producing the expected cost savings. Urban is performing essentially at break-even (-\$5K).