

Federal Compliance Audit

Green Mountain Transit Authority

June 30, 2024



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GREEN MOUNTAIN TRANSIT AUTHORITY

CONTENTS

JUNE 30, 2024

	PAGE
INDEPENDENT AUDITOR'S REPORT	1 - 4
MANAGEMENT'S DISCUSSION AND ANALYSIS	5 - 9
<u>BASIC FINANCIAL STATEMENTS</u>	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT A - STATEMENTS OF NET POSITION	10
STATEMENT B - STATEMENTS OF ACTIVITIES	11
STATEMENT C - STATEMENTS OF CASH FLOWS	12
NOTES TO FINANCIAL STATEMENTS	13 - 24
<u>SUPPLEMENTARY INFORMATION</u>	
SUPPLEMENTARY INFORMATION DESCRIPTION	25
SCHEDULE A - SCHEDULES OF OPERATING REVENUES AND SUBSIDIES	26
SCHEDULE B - SCHEDULES OF EXPENSES	27 - 34
<u>FEDERAL COMPLIANCE</u>	
FEDERAL COMPLIANCE DESCRIPTION	35
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	36 - 37
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	38
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	39 - 40
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE	41 - 43
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	44



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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Green Mountain Transit Authority
Burlington, Vermont

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2024 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 the Green Mountain Transit Authority as of June 30, 2024 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Green Mountain Transit Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America for 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.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Green Mountain Transit Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal controls relevant to the audit 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 Green Mountain Transit Authority's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the Green Mountain Transit Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 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.

Supplementary 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 March 19, 2025, on our consideration of Green Mountain Transit Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Green Mountain Transit Authority's 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.

RHR Smith & Company

Buxton, Maine
Vermont Registration No. 092.0000697
March 19, 2025

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

(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, 2024. 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 \$9,960,792 from \$34,806,363 to \$44,767,155.

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 \$1,142,637 from \$3,408,895 to a balance of \$4,551,532 at the end of this year.

Table 1
Green Mountain Transit Authority
Net Position
June 30,

	<u>2024</u>	<u>2023</u>
Assets:		
Current Assets	\$ 10,586,305	\$ 9,546,757
Noncurrent Assets - Capital Assets	<u>37,767,904</u>	<u>28,126,209</u>
Total Assets	<u>48,354,209</u>	<u>37,672,966</u>
Liabilities:		
Current Liabilities	1,985,467	1,193,975
Noncurrent Liabilities	<u>1,022,002</u>	<u>917,928</u>
Total Liabilities	<u>3,007,469</u>	<u>2,111,903</u>
Deferred Inflows of Resources:		
Deferred Revenue	<u>579,585</u>	<u>754,700</u>
Total Deferred Inflows of Resources	<u>579,585</u>	<u>754,700</u>
Net Position:		
Net Investment in Capital Assets	37,767,904	28,126,209
Restricted	2,447,719	3,271,259
Unrestricted	<u>4,551,532</u>	<u>3,408,895</u>
Total Net Position	<u>\$ 44,767,155</u>	<u>\$ 34,806,363</u>

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

	<u>2024</u>	<u>2023</u>
Operating revenues:		
Purchase of services	\$ 3,592,732	\$ 2,199,824
Intergovernmental	25,027,737	22,434,554
Other income	329,102	412,116
Total operating revenues	<u>28,949,571</u>	<u>25,046,494</u>
Operating expenses:		
Transportation	<u>28,350,233</u>	<u>23,988,691</u>
Operating income (loss)	<u>599,338</u>	<u>1,057,803</u>
Nonoperating revenues (expenses)		
Contributions	13,154,135	1,276,856
Other nonoperating revenue	491,301	156,446
Nonoperating expense	(4,362,402)	(3,943,830)
Change in deferred cost pool	78,420	(364,309)
Total nonoperating revenues (expenses)	<u>9,361,454</u>	<u>(2,874,837)</u>
Change in net position	9,960,792	(1,817,034)
Net Position - July 1	<u>34,806,363</u>	<u>36,623,397</u>
Net Position - June 30	<u>\$ 44,767,155</u>	<u>\$ 34,806,363</u>

Revenues and Expenses

The Authority's operating revenues increased over last year's amounts and operating expenses increased compared to last year's amounts. Operating revenues increased by 16.21% and operating expenses increased by 18.18%.

Capital Asset and Long-Term Debt Activity

Capital Assets

As of June 30, 2024, the net book value of capital assets recorded by the Authority increased by \$9,641,695 over the prior year. Net capital additions of \$13,786,597 and net disposals of \$188,198 were recorded. Depreciation expense in the amount of \$3,956,704 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,

	2024	2023
Land	\$ 775,000	\$ 775,000
Construction in progress	1,112,407	47,315
Land easement - right of way	261,499	264,364
Buildings and improvements	13,144,897	13,679,150
Bus stops and shelters	298,911	366,212
Revenue vehicles	20,057,888	12,269,402
Non-revenue vehicles	1,458,280	205,106
Office equipment	74,385	32,784
Computer equipment/software	-	7,051
Shop equipment	584,637	479,825
Total	\$ 37,767,904	\$ 28,126,209

Long-Term Debt

The Authority has no long-term debt.

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
- 3rd Party Contractor Costs
- Authority's Collective Bargaining Agreements Negotiations
- State and Local funding levels
- Ability to find skilled and affordable labor

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.

STATEMENT A

GREEN MOUNTAIN TRANSIT AUTHORITY

STATEMENTS OF NET POSITION
JUNE 30,

	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 2,392,146	\$ 1,856,355
Investments	1,715,589	3,042,932
Grants, assessments and other receivables, (net of allowance for uncollectibles)	5,629,447	4,265,100
Deferred cost pool (Note 11)	(727,683)	(806,103)
Inventories	1,271,640	955,140
Prepaid items	305,166	233,333
Total current assets	<u>10,586,305</u>	<u>9,546,757</u>
Noncurrent assets:		
Land, structures and equipment - net of accumulated depreciation and amortization (Note 3)	<u>37,767,904</u>	<u>28,126,209</u>
TOTAL ASSETS	<u>\$ 48,354,209</u>	<u>\$ 37,672,966</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 1,161,107	\$ 625,086
Accrued payroll expenses	489,411	406,296
Other accrued liabilities	281,159	114,281
Current portion of long-term obligations	53,790	48,312
Total current liabilities	<u>1,985,467</u>	<u>1,193,975</u>
Long-term liabilities:		
Noncurrent portion of long-term obligations:		
Accrued compensated absences (Note 4)	<u>1,022,002</u>	<u>917,928</u>
Total long-term liabilities	<u>1,022,002</u>	<u>917,928</u>
TOTAL LIABILITIES	<u>3,007,469</u>	<u>2,111,903</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	<u>579,585</u>	<u>754,700</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>579,585</u>	<u>754,700</u>
NET POSITION		
Net investment in capital assets (Note 5)	37,767,904	28,126,209
Restricted (Note 6)	2,447,719	3,271,259
Unrestricted (Note 7)	4,551,532	3,408,895
TOTAL NET POSITION	<u>44,767,155</u>	<u>34,806,363</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 48,354,209</u>	<u>\$ 37,672,966</u>

See accompanying independent auditor's report and notes to financial statements.

GREEN MOUNTAIN TRANSIT AUTHORITY

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30,

	2024		Total	2023
	Urban	Rural		
OPERATING REVENUES				
Purchase of services	\$ 352,186	\$ 3,240,546	\$ 3,592,732	\$ 2,199,824
Other income	306,801	22,301	329,102	412,116
Local subsidies	3,590,589	537,900	4,128,489	3,901,024
State subsidies	3,047,802	1,174,766	4,222,568	2,725,883
Federal subsidies	6,573,586	1,297,832	7,871,418	8,000,476
Other grants	4,790,232	4,015,030	8,805,262	7,807,171
TOTAL OPERATING REVENUES	18,661,196	10,288,375	28,949,571	25,046,494
OPERATING EXPENSES				
Transportation	18,722,671	9,627,562	28,350,233	23,988,691
OPERATING INCOME (LOSS)	(61,475)	660,813	599,338	1,057,803
NONOPERATING REVENUES (EXPENSES)				
Vehicle lease payments	60,094	10,905	70,999	6,595
Interest income	944	236,037	236,981	115,100
Insurance proceeds	26,958	156,363	183,321	34,751
Capital fund expense	(538,596)	132,898	(405,698)	(467,237)
Depreciation expense	(3,009,143)	(947,561)	(3,956,704)	(3,476,593)
TOTAL NONOPERATING REVENUES (EXPENSES)	(3,459,743)	(411,358)	(3,871,101)	(3,787,384)
CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	(3,521,218)	249,455	(3,271,763)	(2,729,581)
CAPITAL CONTRIBUTIONS				
Capital contributions - grants	10,161,617	2,992,518	13,154,135	1,276,856
TOTAL CAPITAL CONTRIBUTIONS	10,161,617	2,992,518	13,154,135	1,276,856
CHANGE IN DEFERRED COST POOL	78,420	-	78,420	(364,309)
CHANGE IN NET POSITION	6,718,819	3,241,973	9,960,792	(1,817,034)
NET POSITION - JULY 1	30,217,468	4,588,895	34,806,363	36,623,397
NET POSITION - JUNE 30	\$ 36,936,287	\$ 7,830,868	\$ 44,767,155	\$ 34,806,363

See accompanying independent auditor's report and notes to financial statements

GREEN MOUNTAIN TRANSIT AUTHORITY

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and local partners	\$ 7,875,208	\$ 6,740,614
Receipts from operating grants	19,534,901	21,260,132
Payments to vendors	(15,519,126)	(16,249,682)
Payments to employees	<u>(12,323,874)</u>	<u>(10,642,756)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(432,891)</u>	<u>1,108,308</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>236,981</u>	<u>115,100</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>236,981</u>	<u>115,100</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	(13,786,597)	(1,006,658)
Disposal of capital assets	188,198	-
Payments for capital fund expenses	(405,698)	(467,237)
Proceeds from SSTA lease payments	70,999	6,595
Insurance proceeds	183,321	34,751
Proceeds from capital grants and contributions	<u>13,154,135</u>	<u>1,276,856</u>
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(595,642)</u>	<u>(155,693)</u>
NET INCREASE (DECREASE) IN CASH	(791,552)	1,067,715
CASH AND CASH EQUIVALENTS - JULY 1	<u>4,899,287</u>	<u>3,831,572</u>
CASH AND CASH EQUIVALENTS - JUNE 30	<u>\$ 4,107,735</u>	<u>\$ 4,899,287</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ 599,338	\$ 1,057,803
Changes in operating assets and liabilities:		
(Increase) decrease in grants, assessments and other receivables	(1,364,347)	2,726,602
(Increase) decrease in inventories	(316,500)	(161,841)
(Increase) decrease in prepaid items	(71,833)	10,190
(Decrease) increase in accounts payable	536,021	(2,818,527)
(Decrease) increase in accrued payroll expenses	83,115	60,786
(Decrease) increase in deferred revenue	(175,115)	227,650
(Decrease) increase in other accrued liabilities	166,878	(2,823)
(Decrease) increase in accrued compensated absences	<u>109,552</u>	<u>8,468</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (432,891)</u>	<u>\$ 1,108,308</u>

See accompanying independent auditor's report and notes to financial statements.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

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, Colchester, Essex, Hinesburg, Milton, Shelburne, South Burlington, Williston and Winooski. Paratransit service for people with disabilities is provided in those communities where it is required.

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 Colchester (non-voting member) and 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.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Implementation of New Accounting Standards

During the year ended June 30, 2024, the following statement of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 100 "Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62". The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. 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) 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.

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

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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:

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Obligations of the U.S. Government, its agencies and instrumentalities
- Certificates of deposit and other evidence 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.

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. The allowance for uncollectible accounts is estimated to be \$0 as of June 30, 2024. Accounts receivable netted with allowances for uncollectible accounts were \$1,455,638 for the year ended June 30, 2024. The allowance for uncollectible accounts for grants receivable is estimated to be \$0 as of June 30, 2024. Grants receivable netted with allowances for uncollectible accounts were \$4,173,809 for the year ended June 30, 2024.

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. 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.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 reported 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

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 consist of 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).

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

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, 2024, the Authority's cash and cash equivalents balance of \$2,392,146 was comprised of deposits amounting to \$2,486,548. 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 consequently was not exposed to custodial credit risk and \$2,236,398 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. Cash equivalents of \$150 were uninsured and uncollateralized.

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 1,000
Repurchase agreements	2,480,454
Money market accounts	4,944
Cash equivalents	150
	<u>\$ 2,486,548</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.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2024 the Authority's investments were comprised of \$1,715,589 in U.S Treasury Bills which are backed by the full faith and credit of the U.S. Government.

Investment Type	Fair Value	Maturity		
		<1 Year	1 - 5 Years	N/A
Government agency bonds	\$ 1,715,589	\$ 1,715,589	\$ -	\$ -
	<u>\$ 1,715,589</u>	<u>\$ 1,715,589</u>	<u>\$ -</u>	<u>\$ -</u>

Fair Value Hierarchy

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Authority has the following recurring fair value measurements as June 30, 2024:

	Total June 30, 2024	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	Significant Unobservable Inputs (Level III)
<u>Investments by fair value level</u>				
Debt securities:				
Government agency bonds	\$ 1,715,589	\$ -	\$ 1,715,589	\$ -
Total investments by fair value level	<u>1,715,589</u>	<u>\$ -</u>	<u>\$ 1,715,589</u>	<u>\$ -</u>
<u>Cash equivalents measured at the net asset value (NAV)</u>				
Money market funds	150			
Total cash equivalents measured at the NAV	<u>150</u>			
Total investments and cash equivalents measured at fair value	<u>\$ 1,715,739</u>			

Debt securities classified in Level 2 of the fair value hierarchy are valued from publicly reliable sources or using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The Authority has no Level I and III investments. The fair value of money market mutual funds that are measured at NAV per share (or its equivalent) is calculated as of June 30, 2024 in a manner consistent with the Financial Accounting Standards Board's measurement principles for investment companies.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

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, 2024:

	Balance, 7/1/23	Additions	Disposals	Balance, 6/30/24
<u>Primary government:</u>				
Non-depreciated assets:				
Land	\$ 775,000	\$ -	\$ -	\$ 775,000
Construction in progress	47,315	1,112,407	(47,315)	1,112,407
	<u>822,315</u>	<u>1,112,407</u>	<u>(47,315)</u>	<u>1,887,407</u>
Depreciated assets:				
Land easement - right of way	283,600	-	-	283,600
Buildings and improvements	19,127,394	-	(75,594)	19,051,800
Bus stops and shelters	2,283,833	19,200	-	2,303,033
Revenue vehicles	39,475,880	11,625,076	(3,471,907)	47,629,049
Non-revenue vehicles	544,131	-	(64,462)	479,669
Office equipment	40,153	52,781	(18,902)	74,032
Computer equipment/software	377,615	-	-	377,615
Bus accessories	25,878	849,911	(17,750)	858,039
Shop equipment	1,026,407	174,537	(28,699)	1,172,245
	<u>63,184,891</u>	<u>12,721,505</u>	<u>(3,677,314)</u>	<u>72,229,082</u>
Less: accumulated depreciation	<u>(35,880,997)</u>	<u>(3,956,704)</u>	<u>3,489,116</u>	<u>(36,348,585)</u>
Net depreciated capital assets	<u>27,303,894</u>	<u>8,764,801</u>	<u>(188,198)</u>	<u>35,880,497</u>
Total net capital assets	<u>\$ 28,126,209</u>	<u>\$ 9,877,208</u>	<u>\$ (235,513)</u>	<u>\$ 37,767,904</u>

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 4 - OTHER LONG-TERM OBLIGATIONS

The following is a summary of changes in other long-term obligations for the year ended June 30, 2024:

	Balance, 7/1/23	Additions	Deletions	Balance, 6/30/24	Current Portion
Accrued compensated absences	\$ 966,240	\$ 109,552	\$ -	\$ 1,075,792	\$ 53,790

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 obligations in the government-wide financial statements.

NOTE 5 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Authority at June 30, 2024:

Invested in capital assets	\$ 74,116,489
Accumulated depreciation	<u>(36,348,585)</u>
	<u>\$ 37,767,904</u>

NOTE 6 - RESTRICTED NET POSITION

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

	2024	2023
Restricted for obligated local match on future purchases	\$ 2,095,246	\$ 2,600,665
Restricted by the Board for future capital match	<u>352,473</u>	<u>670,594</u>
	<u>\$ 2,447,719</u>	<u>\$ 3,271,259</u>

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 7 - NET POSITION

The following table discloses the composition of net position at June 30, 2024, separated between Rural and Urban programs:

	<u>Urban</u>	<u>Rural</u>	<u>Total</u>
Net investment in capital assets	\$ 33,569,285	\$ 4,198,619	\$ 37,767,904
Restricted net position (Note 6)	2,058,726	388,993	2,447,719
Unrestricted net position	<u>1,308,276</u>	<u>3,243,256</u>	<u>4,551,532</u>
	<u>\$ 36,936,287</u>	<u>\$ 7,830,868</u>	<u>\$ 44,767,155</u>

The Authority has recognized management-imposed designations on unrestricted net position as of June 30, 2024, separated between Rural and Urban programs:

	<u>Urban</u>	<u>Rural</u>	<u>Total</u>
Unrestricted net position	\$ 1,308,276	\$ 3,243,256	\$ 4,551,532
Less: management designated net position:			
Inventories	1,229,962	41,678	1,271,640
Prepaid items	<u>228,738</u>	<u>76,428</u>	<u>305,166</u>
Total management designated net position	<u>1,458,700</u>	<u>118,106</u>	<u>1,576,806</u>
Unrestricted, undesignated net position	<u>\$ (150,424)</u>	<u>\$ 3,125,150</u>	<u>\$ 2,974,726</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 2% to 7% or more of the eligible employees' gross wages for that year. Employee contributions during fiscal years ended June 30, 2024 and 2023, respectively, were \$721,370 and \$616,484. Pension expense for fiscal years ended June 30, 2024 and 2023, respectively, were \$538,742 and \$453,743. Total payroll covered under the plan is \$9,519,496.

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024 AND 2023

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 \$5,041 and \$17,911 for unemployment claims for the years ended June 30, 2024 and 2023, respectively.

NOTE 11 - DEFERRED COST POOL

For the fiscal years ended June 30, 2024 and 2023, 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, 2024 of \$78,420 and an over-allocation of general and administration costs at June 30, 2023 of \$364,309.

Supplementary Information Description

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

- Schedule of Operating Revenues and Subsidies
- Schedule of Expenses

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF OPERATING REVENUES AND SUBSIDIES
FOR THE YEARS ENDED JUNE 30,

	Urban	Rural	Total	
			2024	2023
Operating Revenues:				
Passenger fares:				
Fixed route	\$ 302,456	\$ (5,043)	\$ 297,413	\$ 111,565
Paratransit	15,066	-	15,066	-
Subtotal passenger fares	<u>317,522</u>	<u>(5,043)</u>	<u>312,479</u>	<u>111,565</u>
Purchase of services:				
Fixed route	<u>34,664</u>	<u>3,245,589</u>	<u>3,280,253</u>	<u>2,088,259</u>
Total other purchase of services	<u>352,186</u>	<u>3,240,546</u>	<u>3,592,732</u>	<u>2,199,824</u>
Other income:				
Advertising	281,552	9,986	291,538	355,904
Gain (loss) - sale of asset	17,624	5,615	23,239	43,313
Other income	7,625	6,700	14,325	12,899
Subtotal other income	<u>306,801</u>	<u>22,301</u>	<u>329,102</u>	<u>412,116</u>
Local subsidies:				
Fixed route operating	2,710,163	537,900	3,248,063	3,107,814
Paratransit operating	880,426	-	880,426	793,210
Subtotal local subsidies	<u>3,590,589</u>	<u>537,900</u>	<u>4,128,489</u>	<u>3,901,024</u>
State subsidies - State operating grant	<u>3,047,802</u>	<u>1,174,766</u>	<u>4,222,568</u>	<u>2,725,883</u>
Federal subsidies - Federal operating grant	<u>6,573,586</u>	<u>1,297,832</u>	<u>7,871,418</u>	<u>8,000,476</u>
Other grants:				
Planning revenue	398,106	21,104	419,210	408,071
Grants - JARC, CMAQ, other	4,392,126	3,993,926	8,386,052	7,399,100
Subtotal other grants	<u>4,790,232</u>	<u>4,015,030</u>	<u>8,805,262</u>	<u>7,807,171</u>
Total operating revenues	<u>18,661,196</u>	<u>10,288,375</u>	<u>28,949,571</u>	<u>25,046,494</u>
Nonoperating revenues:				
Local contributions:				
Vehicle lease payments	60,094	10,905	70,999	6,595
Interest income	944	236,037	236,981	115,100
Insurance proceeds	<u>26,958</u>	<u>156,363</u>	<u>183,321</u>	<u>34,751</u>
Total nonoperating revenue	<u>87,996</u>	<u>403,305</u>	<u>491,301</u>	<u>156,446</u>
Total revenues from operating grants and subsidies	<u>\$ 18,749,192</u>	<u>\$ 10,691,680</u>	<u>\$ 29,440,872</u>	<u>\$ 25,202,940</u>

See accompanying independent auditor's report and notes to financial statements.

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES
FOR THE YEARS ENDED JUNE 30,

	Urban								
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	Mobility Management	Training	Capital Exp./ Depreciation	Urban Total
Operating Expenses:									
Labor:									
Operators' salaries and wages	\$ -	\$ 5,339,058	\$ 1,121,769	\$ -	\$ -	\$ -	\$ 146,277	\$ -	\$ 6,607,104
Other salaries and wages	795,915	665,641	188,741	21,376	287,518	31,325	-	17,081	2,007,597
Benefit wages	52,410	38,842	25,459	743	(5,597)	-	-	-	111,857
Subtotal labor	848,325	6,043,541	1,335,969	22,119	281,921	31,325	146,277	17,081	8,726,558
Fringe benefits:									
Payroll taxes	66,612	502,076	118,951	1,941	23,130	2,364	11,200	1,287	727,561
Pension plan	34,573	305,861	107,487	-	17,288	1,500	794	725	468,228
Life insurance and short-term disability plan	13,705	79,556	18,946	786	5,792	274	-	611	119,670
Medical plan	118,195	1,431,566	375,307	5,290	66,080	3,950	33,503	2,702	2,036,593
Dental plan	6,831	75,030	18,531	253	3,572	187	1,747	130	106,281
Employer flex contribution	-	-	-	-	-	-	-	-	-
Vision reimbursement	683	2,512	507	-	-	-	-	-	3,702
Vision plan	1,254	13,867	3,422	45	660	34	321	23	19,626
Employee testing	177	9,889	1,005	-	-	-	-	-	11,071
Unemployment insurance	-	3,246	-	-	-	-	-	-	3,246
Other employee benefits	20,119	1,101	891	-	-	-	-	-	22,111
Uniform and work clothing allowance	-	48,231	21,169	-	-	-	-	-	69,400
Employee development	3,509	35,804	6,915	-	-	-	-	-	46,228
Tool allowance	-	-	11,700	-	-	-	-	-	11,700
Subtotal fringe benefits	265,658	2,508,739	684,831	8,315	116,522	8,309	47,565	5,478	3,645,417
Services:									
Legal fees	60,302	-	-	-	-	-	-	-	60,302
Accounting and audit fees	36,526	-	-	-	-	-	-	-	36,526
Cleaning	-	-	-	-	-	-	-	-	-
Security	-	-	311	-	-	-	-	-	311
Consultants	106,675	-	-	-	-	10,725	-	-	117,400
Subtotal services	203,503	-	311	-	-	10,725	-	-	214,539

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES
FOR THE YEARS ENDED JUNE 30,

	Rural											
	Transit				Broker	Mobility	Montpelier		Capital Exp./	Rural	2024	2023
	Operations	Maintenance	Marketing	RTAP	Services	Management	Transit	Training	Depreciation	Total	Total	Total
Operating Expenses:												
Labor:												
Operators' salaries and wages	\$ 2,314,574	\$ 219,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 88,620	\$ -	\$ 2,622,948	\$ 9,230,052	\$ 7,572,996
Other salaries and wages	714,613	46,674	20,208	-	349,873	50,403	57,523	-	3,453	1,242,747	3,250,344	2,318,605
Benefit wages	74,168	1,353	-	-	14,616	-	1,029	-	-	91,166	203,023	188,868
Subtotal labor	<u>3,103,355</u>	<u>267,781</u>	<u>20,208</u>	<u>-</u>	<u>364,489</u>	<u>50,403</u>	<u>58,552</u>	<u>88,620</u>	<u>3,453</u>	<u>3,956,861</u>	<u>12,683,419</u>	<u>10,080,469</u>
Fringe benefits:												
Payroll taxes	250,203	20,656	1,442	-	27,693	3,779	4,607	6,724	260	315,364	1,042,925	769,614
Pension plan	106,784	15,997	-	-	3,926	1,507	207	105	179	128,705	596,933	411,818
Life insurance and short-term disability plan	36,689	1,569	331	-	6,422	965	-	-	208	46,184	165,854	141,786
Medical plan	530,232	52,744	3,985	-	98,179	6,701	1,622	8,966	363	702,792	2,739,385	2,259,787
Dental plan	27,808	2,850	191	-	4,964	320	76	589	18	36,816	143,097	134,063
Employer flex contribution	-	-	-	-	-	-	-	-	-	-	-	(2,830)
Vision reimbursement	120	-	-	-	-	-	-	-	-	120	3,822	4,434
Vision plan	5,079	518	34	-	901	57	13	106	3	6,711	26,337	14,897
Employee testing	13,280	305	-	-	6,738	-	-	-	-	20,323	31,394	20,965
Unemployment insurance	1,795	-	-	-	-	-	-	-	-	1,795	5,041	4,838
Other employee benefits	1,142	(48)	-	-	-	-	-	-	-	1,094	23,205	38,731
Uniform and work clothing allowance	13,392	3,118	-	-	-	-	-	-	-	16,510	85,910	50,719
Employee development	4,031	35	-	44,962	-	-	-	-	-	49,028	95,256	44,906
Tool allowance	-	2,600	-	-	-	-	-	-	-	2,600	14,300	12,400
Subtotal fringe benefits	<u>990,555</u>	<u>100,344</u>	<u>5,983</u>	<u>44,962</u>	<u>148,823</u>	<u>13,329</u>	<u>6,525</u>	<u>16,490</u>	<u>1,031</u>	<u>1,328,042</u>	<u>4,973,459</u>	<u>3,906,128</u>
Services:												
Legal fees	-	160	-	-	-	-	-	-	-	160	60,462	77,036
Accounting and audit fees	-	-	-	-	-	-	-	-	-	-	36,526	23,500
Cleaning	64	116	-	-	20	-	-	-	-	200	200	8,132
Consultants	-	-	-	-	225	21,147	-	-	-	21,372	138,772	3,659
Subtotal services	<u>64</u>	<u>276</u>	<u>-</u>	<u>-</u>	<u>245</u>	<u>21,147</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,732</u>	<u>236,271</u>	<u>112,327</u>

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES
FOR THE YEARS ENDED JUNE 30,

	Urban								Urban Total	
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	Training		Capital Exp./ Depreciation
Materials and supplies:										
Fuels and lubricants	-	1,197,066	-	-	-	-	-	-	-	1,197,066
Tires and tubes	-	-	143,636	-	-	-	-	-	-	143,636
Other materials and supplies:										
Hardware	-	-	331,368	-	-	-	-	-	-	331,368
Facility maintenance	-	-	136,716	-	-	-	-	-	-	136,716
Small tools expense	-	-	13,014	-	-	-	-	-	-	13,014
Parts expense:										
Service vehicles	-	-	-	-	-	-	-	-	-	-
Revenue vehicles	-	-	-	-	-	-	-	-	-	-
Towing maintenance	-	-	7,871	-	-	-	-	-	-	7,871
Maintenance supplies	-	-	81,488	-	-	-	-	-	-	81,488
Radio maintenance	-	-	2,420	-	-	-	-	-	-	2,420
Repeater fees	-	24,011	-	-	-	-	-	-	-	24,011
Safety expense	-	2,467	-	-	-	-	-	-	-	2,467
Vehicle registrations	-	1,801	-	-	-	-	-	-	-	1,801
Subtotal materials and supplies	-	1,225,345	716,513	-	-	-	-	-	-	1,941,858
Utilities:										
Light, heat and water	23,387	6,878	161,325	-	-	-	-	-	-	191,590
Communications	14,005	41,943	8,876	1,717	1,717	-	-	-	-	68,258
Subtotal utilities	37,392	48,821	170,201	1,717	1,717	-	-	-	-	259,848
Casualty and liability costs:										
Insurance premiums	118,795	847,296	154,550	7,559	7,193	-	-	-	-	1,135,393
Subtotal casualty and liability costs	118,795	847,296	154,550	7,559	7,193	-	-	-	-	1,135,393

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES
FOR THE YEARS ENDED JUNE 30,

Rural

	Transit Operations	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Mobility Management	Montpelier Transit Center	Special Projects	Training	Capital Exp./ Depreciation	Rural Total	2024 Total	2023 Total
Materials and supplies:															
Fuels and lubricants	492,175	-	-	-	-	-	-	-	-	-	-	-	492,175	1,689,241	1,940,641
Tires and tubes	-	54,179	-	-	-	-	-	-	-	-	-	-	54,179	197,815	160,081
Other materials and supplies:															
Hardware	-	118,749	-	-	-	-	-	-	-	-	-	-	118,749	450,117	28,506
Facility maintenance	-	34,776	-	-	-	-	-	-	6,648	-	-	-	41,424	178,140	195,952
Small tools expense	-	4,484	-	-	-	-	-	-	-	-	-	-	4,484	17,498	15,834
Parts expense:															
Service vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,580
Revenue vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	423,555
Towing maintenance	-	18,143	-	-	-	-	-	-	-	-	-	-	18,143	26,014	11,690
Maintenance supplies	-	27,344	-	-	-	-	-	-	375	-	-	-	27,719	109,207	90,042
Radio maintenance	-	7,349	-	-	-	-	-	-	-	-	-	-	7,349	9,769	15,919
Repeater fees	19,511	-	-	-	-	-	-	-	-	-	-	-	19,511	43,522	41,730
Safety expense	-	-	-	-	-	-	-	-	-	-	-	-	-	2,467	1,217
Vehicle registrations	467	-	-	-	-	-	-	-	-	-	-	-	467	2,268	4,673
Subtotal materials and supplies	512,153	265,024	-	-	-	-	-	-	7,023	-	-	-	784,200	2,726,058	2,943,420
Utilities:															
Light, heat and water	19,933	33,560	-	-	-	-	5,627	-	8,621	-	-	-	67,741	259,331	305,152
Communications	20,653	-	-	-	-	-	6,558	-	4,863	-	-	-	32,074	100,332	78,475
Subtotal utilities	40,586	33,560	-	-	-	-	12,185	-	13,484	-	-	-	99,815	359,663	383,627
Casualty and liability costs:															
Insurance premiums	491,456	39,743	7,039	-	14,078	-	31,462	-	-	335,360	-	-	919,138	2,054,531	1,665,093
Subtotal casualty and liability costs	491,456	39,743	7,039	-	14,078	-	31,462	-	-	335,360	-	-	919,138	2,054,531	1,665,093

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES
FOR THE YEARS ENDED JUNE 30,

	Urban								Urban Total	
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	Training		Capital Exp./ Depreciation
General and administration:										
Dues and subscriptions	4,703	-	10,000	-	-	349	-	-	-	15,052
Travel, meetings and meals	8,665	89	198	-	-	-	-	-	-	8,952
Marketing expense	-	-	-	14,944	-	-	-	-	-	14,944
Advertising/public information	-	-	-	29,729	-	-	13,175	-	-	42,904
Office supplies	33,419	2,274	895	131	-	-	-	-	-	36,719
Fare media	-	-	-	10,513	-	-	-	-	-	10,513
Recruiting	3,104	-	3,236	-	-	-	-	-	-	6,340
Computer services	209,701	7,598	20,921	1,968	-	-	-	-	-	240,188
Postage and freight	9,210	-	-	-	-	-	-	-	-	9,210
Bank charges	22,145	-	-	-	-	-	-	-	-	22,145
Rent expense	-	-	-	-	-	-	-	-	-	-
Subtotal general and administration	<u>290,947</u>	<u>9,961</u>	<u>35,250</u>	<u>57,285</u>	<u>-</u>	<u>349</u>	<u>13,175</u>	<u>-</u>	<u>-</u>	<u>406,967</u>

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES
FOR THE YEARS ENDED JUNE 30,

	Rural														
	Transit				Elders	Broker	Micro	Mobility	Montpelier	Special	Capital Exp./	Rural	2024	2023	
	Operations	Maintenance	Marketing	RTAP	Planning	and Disabled	Services	Transit	Center	Projects	Training	Depreciation	Total	Total	Total
General and administration:															
Dues and subscriptions	88,488	-	-	-	-	-	6,661	-	-	-	-	-	95,149	110,201	104,252
Travel, meetings and meals	6,444	50	-	-	61	-	1,492	-	-	-	-	-	8,047	16,999	7,024
Marketing expense	-	-	18,762	-	-	-	-	-	-	-	-	-	18,762	33,706	60,971
Advertising/public information	-	-	15,588	-	-	-	-	-	-	-	-	-	15,588	58,492	26,955
Office supplies	1,377	-	-	-	-	-	3,303	-	25	-	-	-	4,705	41,424	36,195
Fare media	-	-	-	-	-	-	-	-	-	-	-	-	-	10,513	-
Recruiting	648	-	-	-	-	-	-	-	7,669	-	-	-	8,317	14,657	56,349
Computer services	1,354	9,538	-	-	-	-	498	31,380	-	-	-	-	42,770	282,958	210,166
Postage and freight	-	-	-	-	-	-	-	-	-	-	-	-	-	9,210	6,326
Bank charges	-	-	-	-	-	-	-	-	-	-	-	-	-	22,145	2,694
Rent expense	-	47,970	-	-	-	-	-	-	-	-	-	-	47,970	47,970	34,800
Subtotal general and administration	98,311	57,558	34,350	-	61	-	11,954	31,380	7,669	25	-	-	241,308	648,275	545,732

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES
FOR THE YEARS ENDED JUNE 30,

	Urban								Urban Total	
	General Admin.	Transit Operations	Maintenance	Marketing	Planning	ADA	Mobility Management	Training		Capital Exp./ Depreciation
Miscellaneous expenses:										
Park and ride lease payments	-	24,425	-	-	-	-	-	-	-	24,425
Parking	-	-	-	-	-	-	-	-	-	-
Planning expenses	-	-	-	-	233,658	-	-	-	-	233,658
Cash counting expense	640	-	-	-	-	-	-	-	-	640
Paratransit transportation expense	-	-	-	-	-	2,293,068	-	-	-	2,293,068
Volunteer mileage reimbursements	-	-	-	-	-	-	-	-	-	-
Contracted transportation expense	3,000	19,833	-	-	-	-	-	-	-	22,833
Other miscellaneous expenses	3,821	6,567	103,052	-	-	-	-	-	-	113,440
Subtotal miscellaneous expenses	7,461	50,825	103,052	-	233,658	2,293,068	-	-	-	2,688,064
Total operating expenses	1,772,081	10,734,528	3,200,677	96,995	641,011	2,293,417	63,534	193,842	22,559	19,018,644
Nonoperating expenses:										
Capital fund expenses	276,956	-	-	-	-	-	-	-	261,640	538,596
Depreciation expense	(4,198)	-	-	-	-	-	-	-	3,013,341	3,009,143
Subtotal nonoperating expenses	272,758	-	-	-	-	-	-	-	3,274,981	3,547,739
Total expenses	2,044,839	10,734,528	3,200,677	96,995	641,011	2,293,417	63,534	193,842	3,297,540	22,566,383
General administration allocation	(1,553,206)	1,016,054	185,612	6,964	29,248	25	3,792	13,918	1,620	(295,973)
Deferred Cost Pool - Current year	(78,420)	-	-	-	-	-	-	-	-	(78,420)
Total change in deferred cost pool	(78,420)	-	-	-	-	-	-	-	-	(78,420)
Net expenses	\$ 413,213	\$ 11,750,582	\$ 3,386,289	\$ 103,959	\$ 670,259	\$ 2,293,442	\$ 67,326	\$ 207,760	\$ 3,299,160	\$ 22,191,990

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULES OF EXPENSES
FOR THE YEARS ENDED JUNE 30,

	Rural											Rural Total	2024 Total	2023 Total	
	Transit Operations	Maintenance	Marketing	RTAP	Planning	Elders and Disabled	Broker Services	Micro Transit	Mobility Management	Montpelier Transit Center	Training				Capital Exp./ Depreciation
Miscellaneous expenses:															
Park and ride lease payments	-	-	-	-	-	-	-	-	-	-	-	-	-	24,425	26,644
Planning expenses	-	-	-	-	26,380	-	-	-	-	-	-	-	26,380	260,038	108,747
Cash counting expense	-	-	-	-	-	-	-	-	-	-	-	-	-	640	-
Paratransit transportation expense	-	-	-	-	-	-	-	-	-	-	-	-	-	2,293,068	1,863,779
Volunteer mileage reimbursements	-	-	-	-	-	112,784	262,893	-	-	-	-	-	375,677	375,677	377,970
Contracted transportation expense	-	-	-	-	-	869,833	614,892	-	-	-	-	-	1,484,725	1,507,558	1,118,633
Other miscellaneous expenses	1,848	91,863	-	-	-	-	-	-	-	-	-	-	93,711	207,151	88,114
Subtotal miscellaneous expenses	1,848	91,863	-	-	26,380	982,617	877,785	-	-	-	-	-	1,980,493	4,668,557	3,583,887
Total operating expenses	5,238,328	856,149	67,580	44,962	40,519	982,617	1,446,943	31,380	92,548	85,609	105,110	4,484	9,331,589	28,350,233	23,988,691
Nonoperating expenses:															
Capital fund expenses	-	-	-	-	-	-	-	-	-	-	-	(132,898)	(132,898)	405,698	467,237
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-	947,561	947,561	3,956,704	3,476,593
Subtotal nonoperating expenses	-	-	-	-	-	-	-	-	-	-	-	814,663	814,663	4,362,402	3,943,830
Total expenses	5,238,328	856,149	67,580	44,962	40,519	982,617	1,446,943	31,380	92,548	85,609	105,110	819,147	10,146,252	32,712,635	27,932,521
General administration allocation	121,018	104,949	4,852	-	2,909	-	40,849	2,253	5,127	6,147	7,547	322	295,973	-	-
Deferred Cost Pool - Current year	-	-	-	-	-	-	-	-	-	-	-	-	-	(78,420)	364,309
Total change in deferred cost pool	-	-	-	-	-	-	-	-	-	-	-	-	-	(78,420)	364,309
Net expenses	\$ 5,359,346	\$ 961,098	\$ 72,432	\$ 44,962	\$ 43,428	\$ 982,617	\$ 1,487,792	\$ 33,633	\$ 97,675	\$ 91,756	\$ 112,657	\$ 819,469	\$ 10,442,225	\$ 32,634,215	\$ 28,296,830

See accompanying independent auditor's report and notes to financial statements.

Federal Compliance Description

Federal compliance includes financial information and reports that are required in accordance with Government Auditing Standards and/or the Uniform Guidance in accordance with 2 CFR § 515. Such financial information and reports include:

- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- Independent Auditor's 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
- Independent Auditor's Report on Compliance or Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance
- Schedule of Findings and Questioned Costs

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor Pass-through Grantor Program Title or Cluster	Federal AL 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	\$ 2,933	\$ -
Federal Transit Capital Investment Grants - Capital Assistance Program	20.500	VT-04-0011	3,226	-
Federal Transit Capital Investment Grants - Capital Assistance Program	20.500	VT-04-0019	35,883	-
			<u>42,042</u>	<u>-</u>
Direct Programs:				
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2019-004	15,595	-
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2022-004	32,046	-
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2024-003	530,022	-
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2023-007	902,233	-
Passed through the State of Vermont Agency of Transportation:				
Federal Transit Formula Grants - Capital Assistance Program	20.507	VT-2019-005-00	114,335	-
Federal Transit Formula Grants - Operating	20.507	VT-2022-004	3,211,811	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2023-007	1,329,816	-
Federal Transit Formula Grants - Preventive Maintenance	20.507	VT-2019-005	18,645	-
Federal Transit Formula Grants - Preventative Maintenance	20.507	VT-2024-004	942,267	-
Federal Transit Formula Grants - Preventative Maintenance	20.507	VT-2023-007	1,139,087	-
Federal Transit Formula Grants - Operating ADA	20.507	VT-2024-001	434,852	-
Federal Transit Formula Grants - Operating	20.507	VT-2024-001	2,652,384	-
Federal Transit Formula Grants - Operating	20.507	VT-2021-009	525,669	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2022-002	321,946	-
Federal Transit Formula Grants - CMAQ Operating	20.507	VT-2024-004	123,330	-
			<u>12,294,038</u>	<u>-</u>
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program				
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program	20.526	VT-1393-2024-3	1,021,370	-
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program	20.526	VT-2018-003-00	57,694	-
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program	20.526	VT-2021-001	165,600	-
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program	20.526	VT-1393-2024-3	1,039,731	-
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program	20.526	VT-1393-2022-8	1,090,501	-
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program	20.526	VT-1393-2023-2	4,740,353	-
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program	20.526	VT-1393-2022-8	1,163,345	-
Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program	20.526	VT-1393-2024-5	93,179	-
Subtotal Bus and Bus Facilities Formula, Competitive and Low or No Emissions Program - Capital Assistance Program			<u>9,371,773</u>	<u>-</u>
Subtotal Federal Transit Cluster			<u>21,707,853</u>	<u>-</u>
Passed through Chittenden County Regional Planning Commission (CCRPC):				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research - Rural Planning	20.505	1394-2023-4	21,104	-
Subtotal Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research - Rural Planning			<u>21,104</u>	<u>-</u>

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2024

Federal Grantor Pass-through Grantor Program Title or Cluster	Federal AL Number	Pass-Through Identifying Grantor Number	Total Federal Expenditures	Expenditures to Subrecipients
Passed through State of Vermont, Agency of Transportation: Highway Planning and Construction	20.205	PL2024-GMT	398,106	-
Passed through State of Vermont, Agency of Transportation: Formula Grants for Rural Areas	20.509	VT-2018-005	298	-
Formula Grants for Rural Areas	20.509	VT-2020-004-02	429,951	-
Formula Grants for Rural Areas	20.509	VT-2022-005	38,183	-
Formula Grants for Rural Areas	20.509	VT-2023-008	17,347	-
Formula Grants for Rural Areas	20.509	VT-2022-001	199,928	-
Formula Grants for Rural Areas	20.509	1393-2024-2	608,279	-
Formula Grants for Rural Areas	20.509	1393-2022-10	140,867	-
Formula Grants for Rural Areas	20.509	VT-2022-009	234,923	-
Formula Grants for Rural Areas	20.509	1393-2024-1	82,798	-
Formula Grants for Rural Areas	20.509	1394-2024-1	3,024,169	-
Formula Grants for Rural Areas	20.509	VT-2020-011	279,928	-
Formula Grants for Rural Areas	20.509	VT-2018-008	1,927	-
Subtotal Formula Grants for Rural Areas			<u>5,058,598</u>	<u>-</u>
Transit Services Programs Cluster: Passed through State of Vermont, Agency of Transportation: Enhanced Mobility of Seniors and Individuals with Disabilities - Capital Assistance Program	20.513	VT-2018-006	38,130	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Capital Assistance Program	20.513	VT-2021-012-00	8,837	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management	20.513	VT-2021-00	6,331	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management	20.513	VT-2022-003	170,000	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Capital Assistance Program	20.513	VT-2022-008-00	1,086	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management	20.513	VT-2022-008	16,684	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management	20.513	VT-2023-004-00	119,684	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Capital Assistance Program - Mobility Management	20.513	VT-2023-004	10,626	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Capital Assistance Program - Capital	20.513	VT-2023-004	152,715	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Capital Assistance Program	20.513	VT-2023-004	9,189	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Capital Assistance Program - Capital	20.513	1393-2024-4	308,228	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management	20.513	VT-2023-004-00	21,800	-
Enhanced Mobility of Seniors and Individuals with Disabilities - Mobility Management - Capital	20.513	VT-2023-004	100,670	-
Subtotal Transit Services Programs Cluster			<u>963,980</u>	<u>-</u>
Passed through State of Vermont, Agency of Transportation: Public Transportation Research, Technical Assistance and Training	20.514	1393-2024-2	9,342	-
National Infrastructure Investments	20.933	N/A	180,303	-
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>28,339,286</u>	<u>-</u>
Total Federal Expenditures			<u>\$ 28,339,286</u>	<u>\$ -</u>

GREEN MOUNTAIN TRANSIT AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

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, 2024. 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 an 7.18% fixed indirect cost rate for fiscal year 2024, as approved by the Federal Transit Administration. The approved fixed indirect cost rate used by Green Mountain Transit Authority in fiscal year 2024 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>AL #</u>
Transit Services Cluster	20.513, 20.516, 20.521
Federal Transit Cluster	20.500, 20.507, 20.525 & 20.526



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INDEPENDENT AUDITOR'S 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, 2024 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 March 19, 2025.

Report on 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) as a basis for designing 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 organization'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.

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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 or significant deficiencies may exist that have not been identified.

Report on 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 financial statements. 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 March 19, 2025, we documented 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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
Vermont Registration No. 092.0000697
March 19, 2025



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INDEPENDENT AUDITOR'S 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

Opinion on Each Major Federal Program

We have audited the Green Mountain Transit Authority's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Green Mountain Transit Authority's major federal programs for the year ended June 30, 2024. The 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.

In our opinion, the 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Green Mountain Transit Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Green Mountain Transit Authority's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Green Mountain Transit Authority's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error and express an opinion on the Green Mountain Transit Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Green Mountain Transit Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Green Mountain Transit Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Green Mountain Transit Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Green Mountain Transit Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 report is not suitable for any other purpose.

RHR Smith & Company

Buxton, Maine
Vermont Registration No. 092.0000697
March 19, 2025

GREEN MOUNTAIN TRANSIT AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

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>AL Number</u>	<u>Name of Federal Program or Cluster</u>
20.513, 20.516, 20.521	Transit Services Cluster
20.500, 20.507, 20.525 & 20.526	Federal Transit Cluster Testing

Dollar threshold used to distinguish between type A and B: \$850,179

Auditee qualified as low-risk auditee? yes no

Section II – Financial Statement Findings

None

Section III – Federal Awards Findings and Questioned Costs

None