

Finance Committee Meeting
Thursday, February 16, 2023
GMT | 101 Queen City Park Road | Burlington, VT 05401

Present at GMT

Jon Moore, Assist. General Manager
Nick Foss, Director of Finance
Clayton Clark, General Manager
Debbie Coppola, Controller

Present via ZOOM:

Commissioner Paul Bohne
Commissioner Catherine Dimitruk
Timothy Bradshaw (VTrans)
Commissioner Tom Derenthal

Commissioner Amy Brewer
Matt Kimball, Director of Grants & Project
Development

Absent:

Commissioner Austin Davis
Commissioner Chapin Spencer

Meeting Called to Order:

Commissioner Bohne called the meeting to order at 8:18AM.

Adjustment to the Agenda:

None.

Public Comment:

None.

Approval of the Minutes from January:

Commissioner Brewer moved to approve the January Minutes; Commissioner Dimitruk seconded; all others were in favor and the motion was passed.

Director of Finance/Director of Grants Reports – Updates and Opportunity for Questions

Mr. Foss and Mr. Kimball presented their reports and answered any questions from committee members.

Highlights included:

- Staffing Updates
- FY22 Audit
- Transit Rate Update
- Medicaid Financial Update
- ADA Assessment Update
- Cash Management Update
- 5307 and Livability Grant Funding Update

Mr. Foss stated that financials as of November 30th were provided this month for the committee's review, as well as December expenses.

Mr. Foss presented that as of November 30th, the Authority is showing a total operating deficit of roughly \$86.2K and a negative change in net assets of roughly \$743.5K. Mr. Foss stated the operating deficit is the result of losses in GMT's

rural Medicaid program, and the negative change in net assets is from low levels of capital investment, specifically on the urban side, year-to-date.

Mr. Foss stated that operating expenses for both the urban and rural system are under benchmark as of December, and that besides the rural losses being generated from the Medicaid program, he doesn't see any large budget concerns at this point.

Commissioner Bohne asked if the Authority's transit rate could negatively impact the Authority's STIC factors?

Mr. Foss responded that STIC factors are not impacted by costs or financial results.

Commissioner Bohne asked if the expanded Stowe services was a CMAQ grant?

Mr. Kimball concurred that the expanded Stowe service is supported by a CMAQ grant.

Commissioner Bohne asked if the Barre service would be eligible for a CMAQ grant?

Mr. Moore stated that the change in Barre service was not a funding issue, but rather a staffing one.

Commissioner Dimitruk asked if the other transit providers in the state were seeing Medicaid losses?

Mr. Foss responded that all the Medicaid providers in the state are seeing varying degrees of losses.

Commissioner Dimitruk stated that if additional Medicaid funding is not made available, GMT should always consider whether to continue being a service provider.

Commissioner Dimitruk asked if staff knew what portion of the transit rate is related to overtime wages?

Mr. Foss stated that he had not done that analysis yet but will work on calculating it for the next meeting.

Mr. Clarke shared he was optimistic the additional Medicaid funding appropriated through the state's budget adjustment process would pass the state legislature.

Mr. Kimball stated that the Grants Department had hired a new Grants Manager – Mike Bensel. Mr. Kimball also stated that staff had received GMT's FFY2023 5307 apportionments, which reflected a roughly \$630K increase over last year, due largely to GMT receiving an additional STIC factor.

FY22 Audit Presentation:

Miranda MacDonald of RHR Smith and Company presented GMT's FY22 Federal Compliance Audit to the committee and answered any questions from committee members.

Highlights Included:

- Unmodified Opinion
- No findings of any severity
- \$2.3M increase in Net Position
- \$2.48M in Unrestricted, Undesignated Net Position

Mr. Foss highlighted Note 8 of the FY22 Audit, which breaks out the Authority's net position and calculates GMT's management-imposed designation of unrestricted, undesignated net position. Mr. Foss also highlighted GMT's restricted net position and its balances.

Other Business:

Mr. Clarke stated that in January management signed a memorandum of understanding (MOU) with the rural driver bargaining unit to increase the starting pay for drivers with under 1 year of service. Mr. Clarke stated that management had extended the same offer to the urban driver bargaining unit, however they have decided to provide a counter proposal, which will be provided next week.

Adjourn:

The committee unanimously agreed to adjourn the meeting at 8:09 a.m.

DRAFT