

Finance Committee Meeting
Thursday, March 14, 2024
GMT | 101 Queen City Park Road | Burlington, VT 05401

Present at GMT:

Nick Foss, Director of Finance

Present via ZOOM:

Clayton Clark, General Manager
Commissioner Paul Bohne
Commissioner Austin Davis
Commissioner Michael Scanlan
Commissioner Susan Grasso
Matt Kimball, Director of Grants & Project
Development
Dan Currier, VTrans

Monica White, Director of Central Vermont
Services
Tammy Masse, Controller
Kim Smith, Staff Accountant
Mike Bensel, Grants Manager

Absent:

Commissioner Chapin Spencer
Commissioner Will Anderson

Meeting Called to Order:

Commissioner Bohne called the meeting to order at 8:02 AM.

Adjustment to the Agenda:

None.

Public Comment:

None.

Approval of the Minutes from January:

Commissioner Grasso moved to approve the December Minutes; Commissioner Davis seconded; the motion passed.

Q2 Financial Update:

Director Foss presented his financial update for Q2.

Highlights included:

- \$233.7K operating deficit
- Revenue overview
- Cost Trends & Expenses
- KPI updates
- Medicaid financials

- Statement of Net Position
- Investment/Cash Management Update

Director Foss highlighted that the losses realized for the urban division largely reflect timing issues and deferred costs and that the loss on the rural side of the business is from cost over-runs in the Medicaid and O&D program.

Director Foss also noted that the flood reimbursement provided by VTRANS helped lower the loss ratio in the rural division.

Director Foss provided comparisons between FY19 and FY24 to highlight the changes in revenue sources. Director Foss indicated that other funding sources will be needed soon as federal and local funding levels become insufficient.

Commissioner Bohne asked if some of the funding in the Local Operating Assistance comes from CATMA. Director Foss confirmed that it does.

Commissioner Grasso asked how the contribution from CATMA is negotiated. Director Foss explained that the rate is based on the number of pupils. That method may change in the next year as fares resume.

Director Foss outlined the nuances of Federal CMAQ Grant funding. Commissioner Bohne asked if changes in service levels would reduce funding from CMAQ grants. Director Foss explained that CMAQ funding is limited.

Director Foss presented year over year changes in the Authority's Transit Rates. He followed up that the Transit Rate increases are stemming from large wage increases due to several renegotiations of union contracts. Director Foss stated that overall expenses are on track with benchmark.

GM Clark informed the Committee that staffing shortages in Urban Maintenance caused a temporary reduction in service. Commissioner Grasso asked how reductions in service are communicated to the public. GM Clark explained that the service reductions are posted on the GMT website and notifications are sent out.

Director Foss presented Medicaid financials, highlighting a \$377K loss in the program. Director Foss expects the loss to be reduced by a True-Up payment provided by VPTA which will be reflected in Q3 results.

Commissioner Davis joined the meeting at 8.43 a.m.

Federal Grants Overview:

Director Kimball presented a presentation on the Authority's outstanding federal grants.

Highlights included:

- 5307 Federal Operating Balance Update
- CMAQ Federal Operating Balance Update
- Capital Funding analysis
- One Industrial Parkway Grant

Director Kimball outlined the Authority's federal grant balances for the committee and explained expected uses of funds and projected future balances.

Director Kimball compared funding in FY24 and projected funding in FY25 for 5307, CMAQ, and Preventative Maintenance grants. Capital grant balances remain for several projects including bus replacement, passenger shelters and acquisition of fare collection equipment. Future improvements will occur at 31 Queen City Park (formerly 1 Industrial Parkway) in the coming years, which has dedicated grant funding remaining.

Other Business:

None.

Commissioner Grasso moved to adjourn the meeting; Commissioner Davis seconded; all others were in favor and the meeting was adjourned at 9:08 a.m.

DRAFT