

Finance Committee Meeting
Thursday, November 12, 2020
GMT | 101 Queen City Park Road | Burlington, VT 05401

Present via ZOOM:

Commissioner Davis	Jon Moore, GMT General Manager
Commissioner Dimitruk	Nick Foss, Director of Finance & Grants
Commissioner Bohne	Kimberly Wall, Grants Manager
Commissioner Brewer	Trish Redalieu, Director of Human Resources
Commissioner Spencer	Matt Kimball, Capital Projects Manager
Commissioner Derenthal	Debbie Coppola, Senior Accountant
	Pam McDonald, Accounting Coordinator

Absent:

None.

Meeting Called to Order:

Commissioner Bohne called the meeting to order at 8:01 AM.

Adjustment to the Agenda:

No adjustments.

Public Comment:

No comments.

Approval of the Minutes from October:

The committee discussed and reviewed the Minutes from October and no edits were required.

Commissioner Brewer moved to approve the minutes; Commissioner Davis seconded; all others agreed and the motion to approve the minutes was passed.

Commissioner Dimitruk entered the meeting at 8:05 AM.

Review of Preliminary FY22 Operating Budget:

Mr. Foss presented the preliminary FY22 Operating Budget.

Highlights included:

- A budgeted increase in Urban Fixed Route assessments of 4%. Slight decrease in Urban paratransit assessments, however due to the utilization of the Town of Colchester's capital contribution to offset any financial impact resulting from them becoming a non-voting member, paratransit assessments in FY23 will likely increase for all members.
- Fares projected for FY22 have been reduced dramatically (\$990K Urban/\$61K Rural) to account for potential loss of ridership in FY22.

- Federal, State, & Local Revenue has been either level funded or projected at the FY20 funding level, plus or minus some small variances, which were communicated to VTRANS before adding to the proposed budget.
- Both Urban and Rural budgets are balanced in the proposed FY22 Budget, but only by budgeting the use of reserves. The Urban side will budget \$600K of local capital match funds and \$931.7K of 5307 operating reserves to solve its budget deficit, whereas the Rural side will budget \$381.6K of unrestricted fund balance to fill its budget gap.

Commissioner Bohne mentioned that historically there was only a 3% increase in municipal assessments. Mr. Foss replied that he was open for feedback on this item. Mr. Moore stated that with the 50% reduction in service for the Jeffersonville and Hinesburg Commuter due to the Covid-19 crisis a discussion about a credit may be appropriate in FY22 as we charged them their full assessments for FY21.

Commissioner Spencer asked Mr. Foss for an itemization of where the \$6.9 million of CARES Funds were spent in FY21 for transparency sake. Mr. Foss replied that it is funding GMT's operations for FY21, but that he would provide more specifics to Mr. Spencer. Mr. Foss also stated that VTRANS took back a significant amount through state grant reductions, as well as reminded the committee that funds were set aside in the FY21 Budget Adjustment process to assist with the coming FY22 budget pressures.

Commissioner Bohne asked if we should restart fares for the last six months of FY21 to help balance the FY22 Budget. Mr. Moore stated that the next board meeting will have a presentation on fare free policy considerations. Mr. Moore stated that charging fares brings forth concerns in regards to driver's safety. Commissioner Bohne asked in regard to only using mobile fares and Mr. Moore stated FTA regulations requires a cash fare offering.

Commissioner Davis asked whether the safety barriers put in place were sufficient enough to protect drivers if fares were re-implemented. Mr. Moore stated the best way to protect drivers is through rear boarding, which can't occur if fares are brought back. Mr. Moore explained some drivers also don't want to use the vinyl barriers as it becomes a visibility issue.

Commissioner Davis asked if we could move the fareboxes to the rear. Mr. Moore stated it was not feasible. Mr. Foss stated fares are included in the FY22 budget, so if the budget is passed as is, then those funds will be required. Mr. Moore stated that the Board can have policy discussions about going fare free in November for a December budget approval.

Commissioner Demitruk stated she was under the impression that community outreach was to be done before the board decided to go fare free for FY22. Mr. Moore stated that hasn't been done and is hard to accomplish due to Covid-19. Mr. Moore stated that if the board in December approves going fare free then GMT will provide community outreach for the following six months. In addition, if a challenge to get funding then GMT can address it before July to possibly re-implement fares.

Commissioner Bohne stated in the past outreach hasn't been beneficial, and that it will likely come down to either charging fares or cutting service. Mr. Moore stated that there is a possibility that State funding may be available to replace Rural fares, but not Urban.

Commissioner Davis agreed alternate funding wouldn't be feasible unless there were additional CARES funds. Mr. Moore stated there are possibly some additional CARES funds coming out for larger transportation providers, but likely would not be made available to GMT.

Commissioner Bohne stated in regard to non-union employees contributing to health care costs that he would like to see union employees contribute in the FY22 budget as well.

Commissioner Derenthal mentioned the high cost of GMT's health insurance. Mr. Moore and Mr. Foss acknowledged it as well.

Commissioner Bohne stated to table the capital budget due to time and people dropping off.

Adjourn:

Commissioner Bohne requested to adjourn at 9:11 AM as there was not a quorum.

Next Meeting:

Thursday, December 12, 2020 at 8am.