

Finance Committee Meeting
Thursday, December 14th, 2023
GMT | 101 Queen City Park Road | Burlington, VT 05401

Present at GMT:

Jon Moore, Assistant General Manager
Tammy Masse, Controller

Present via ZOOM:

Commissioner Paul Bohne
Clayton Clark, General Manager
Commissioner Austin Davis
Nick Foss, Director of Finance
Commissioner Chapin Spencer
Mike Bensel, Grants Manager

Commissioner Amy Brewer
Matt Kimball, Director of Grants & Project
Development
Dan Currier, VTrans
Kim Smith, Staff Accountant

Absent:

Commissioner Catherine Dimitruk

Meeting Called to Order:

Commissioner Bohne called the meeting to order at 8:16 AM.

Adjustment to the Agenda:

None.

Public Comment:

None.

Approval of the Minutes from November:

Commissioner Brewer moved to approve the November Minutes; Commissioner Bohne seconded; Commissioner Spencer abstained and the motion was passed.

Director Foss's Finance Report:

Mr. Foss presented his report and reviewed the financials for Q1.

Highlights included:

- A loss on the rural side close to \$473,000
- Transit rate updates
- Medicaid Financials
- Washington County Flood Update
- CTO Liability accounting Change
- Liquidity Update
- Investment Portfolio Update

Mr. Foss stated that the rural loss was made up of several factors including expenses related to the Berlin flood, Medicaid program shortfalls, and losses related to the O&D program. Mr. Foss noted that the transit rates for Q1 were elevated due to the operator and maintenance

bonuses that occurred in July, as well as a loss in operating leverage as costs grew at a greater rate than service levels. Lastly, Mr. Foss stated that the Medicaid program should expect increased revenues due to a one-time payment made from VPTA of \$180K, which is the result of the most recent quarterly true-up between member transit providers.

Mr. Foss informed the Committee of an accounting change for uncompensated absences, which requires the inclusion of both payroll taxes and retirement in the liability.

Commissioner Bohne asked if the expenses from the accounting change would resolve over time. Mr. Foss stated that the accounting change is an accrual and will increase the size of the liability the Authority must carry on its balance sheet.

Commissioner Bohne asked about timing of the VPTA funding for the Medicaid program. Mr. Foss indicated that the funds would be for the prior year and noted his concern that unless reimbursements are increased a program loss is likely at year-end.

Commissioner Bohne asked how the transit rate at GMT compares to other organizations. Mr. Foss explained that transit rates can be difficult to compare as organizations do not use a uniform method of calculation.

Grants and Projects Update:

Mr. Kimball stated that staff is working on a mid-year amendment and additional grant funding from the FTA.

Commissioner Bohne asked about progress on the purchase of land for the Berlin facility. Mr. Kimball stated that staff was working on the next steps. Commissioner Spencer asked that the Committee be informed of any potential competition for the property.

Proposed FY25 Operating Budget:

Mr. Foss provided a presentation on the Proposed FY25 Operating Budget.

Highlights included:

- Future wage and benefit adjustments
- Fare resumption
- Decreased investment income
- Increase in health care and commercial insurance costs
- Changes in State funding
- Future projections of urban federal fund reserves (5307)

Mr. Clark asked Mr. Currier for clarification on VTrans funding for rural micro transit. Mr. Currier indicated that there would be some funding for new services distributed through an application process.

Commissioner Brewer moved to recommend approval of the Proposed FY25 Operating Budget; Commissioner Davis seconded; all others were in favor and the motion was passed.

Discussion of the College Street Shuttle service was postponed until the January meeting.

Other Business:

None.

Commissioner Davis moved to adjourn the meeting; Commissioner Brewer seconded; all others were in favor and the meeting was adjourned at 9:18 a.m.

DRAFT