

**PVTA
Pioneer
Valley
Transit
Authority**

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**MINUTES OF PVTA'S
FINANCE & AUDIT COMMITTEE MEETING
March 27, 2017**

The Finance Committee meeting of the Pioneer Valley Transit Authority was held on Monday, March 27, 2017 at 10:00 A.M. at the PVTA.

PRESENT:

Stephen Huntley, Chicopee; Brian O'Leary, Belchertown; Doug Slaughter, Amherst; David Moskin, Hadley

Other's Present: Mary MacInnes, PVTA; Patty O'Leary, PVTA; Barbara Rosas, PVTA

NOT PRESENT:

Marilyn Ishler, South Hadley

Stephen Huntley, Chairman of the Finance & Audit Committee called the meeting to order at 10:07 AM.

1. APPROVAL OF MINUTES

Chairman Huntley asked for a motion from the Finance & Audit Committee to approve the meeting minutes of the Finance Committee Meeting held on January 23, 2017.

Motion: Moved and seconded (O'Leary/ Slaughter) to approve the minutes of the January 23, 2017 Finance & Audit Committee Meeting.

Chairman Huntley asked if there was any discussion, hearing none, asked for all those in favor to say aye.

Motion passed. All in favor.

2. FY18 DRAFT BUDGET

By law the draft budget must be presented by April 1st.

Chief Financial Officer, Patricia O'Leary, presented the FY 18 Draft Budget.

For the first time in eight years the CFO is presenting a deficit budget. PVTA has been level-funded since FY15. In FY16 the legislature over road this decision and gave the PVTA 2 ½ %

more than FY15 but that only equated to \$500k more than FY15). Therefore, the CFO stated that she had to be conservative when drafting the FY18 budget.

There is an opportunity to get money from UMASS and a meeting will be scheduled to discuss their costs. UMASS budget went up by 20% and they requested more money this year. The CFO denied that request.

The University fee increased by 19% this year to cover back office costs and they are currently charging PVTA \$90k for a General Manager. UMASS does not currently have a General Manager.

The Union Station move will cost \$126k. This number looks conservative because other costs associated such as uniforms and marketing were built into the FY17 budget. PVTA is hoping to negotiate better rates with Union Station. Specifically, the bus births; they have decreased the cost from \$22k to \$20.3k per bus birth however, Peter Picknelly believes that the average going price per birth is anywhere between \$12k-\$14k. PVTA will continue to negotiate these rates.

The CFO stated that it was not unusual to see the contract increase for Paratransit. She has also added the Pilot Program for the COA's. Four, COA programs are adding about \$99k however this seems to be the way of the future and the trips are much cheaper. These services will solely be provided as in-town trips. Cross-town trips will still be provided via the paratransit service.

David Moskin asked "if ridership is down, does that affect our budget?"

Patty O'Leary, CFO replied "The way the contract is written, we pay a set amount: 12 hours Mon-Sat."

The CFO added that there is a great opportunity to rewrite the RFP since it is expiring and our Director of Operations and Planning is already looking into it.

Currently the Mobility Training program costs \$84k and only trains 1-2 people per month. The grant is up in August and the CFO is recommending that the Mobility Training program be discontinued.

David Moskin asked if there was a possibility to train COA Directors or Other advocate groups? He also suggested that a deliverable or simplified training manual be created.

The CFO stated that she would discuss the possibilities with the Director of Operations and Planning.

She went on to share that even though Holyoke Public Schools is a small part of the budget, she will be scheduling a meeting to discuss their costs with them because the tripper service is no longer being covered by pass sales. Enrollment in HPS had dropped which equals \$110k less than before. At the meeting, it will be proposed that HPS pay for the actual cost of the route (\$300k) vs the \$190k they are currently paying.

SATCO's budget is pretty tight due to the labor contract and the Preventative Maintenance line has been maxed out. However, savings can be seen due to the securement of good fuel pricing.

The CFO has added \$250k to the insurance reserves bringing it to \$2.2M. However, she is willing to take that out of the budget if need be.

David Moskin asked where PVTA was in terms of OPEB. The CFO responded that PVTA does “pay as you go” and that it works out well considering the organization’s size.

3. OTHER BUSINESS

Route Profiling is being done by the Director of Operations and Planning and the CFO. Six (6) routes have been isolated and are not performing well. If eliminated this can equal a \$1.1M savings. However, mitigation measures are being looked at such as Equity Analysis and Marketing Analysis.

The CFO stated that the routes isolated were routes brought on after the Comprehensive Service Analysis but have been found to be underperforming.

David Moskin was concerned that the elimination of routes could affect rural areas. The Administrator assured him that PVTA has different standards for different areas and that there are at least 12 different classifications used when considering the elimination of a route.

THE CFO went on to discuss the Capital Budget Adjustment. She referenced the Capital Budget that the Committee received at the last meeting and said that since then, Astrid Glynn has removed \$52M out of that budget.

She explained that the philosophy now is “if it’s not 80/20 we aren’t getting it”.

Stephen Huntley, Chair, asked if there was date for Union Station. The Administrator responded and says that she is receiving conflicting information. The SRA is saying mid- April however the Congressman and MassDOT are saying its June.

Chairman Huntley stated that there is no other business to discuss.

4. ADJOURNMENT

There being no further business, the meeting was adjourned (Moskin/ Slaughter) at 10:48 A.M.

A TRUE RECORD

ATTEST: 
BARBARA ROSAS

MINUTES APPROVED ON 5-23-17