

**PVTA
Pioneer
Valley
Transit
Authority**

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**MINUTES OF PVTA'S
REMOTE FINANCE & AUDIT COMMITTEE MEETING
May 17, 2024**

1. CALL TO ORDER

The Finance & Audit Sub-Committee meeting of the Pioneer Valley Transit Authority was held on Friday, May 17, 2024 at 10:00 A.M. remotely in accordance with Chapter 2 of the Acts of 2023, supplemental state budget provisions for Fiscal Year 2023, authorizing public bodies to continue to hold entirely remote meetings, or so-called "hybrid" meetings, upon the provision of "adequate, alternative means" of public access, until March 31, 2025.

MEMBERS PRESENT:

Members: Doug Slaughter, Amherst; Steve Huntley, Chicopee; Stephen Fay, Holyoke

NOT PRESENT:

David Moskin, Hadley

Call to Order: Steve Huntley, Chairman of the Finance & Audit Committee stated that the committee has a quorum and called the meeting to order at 10:05 A.M.

2. PUBLIC COMMENTS

Steve Huntley opened the floor for public comments. No Public Comments were made.

3. APPROVAL OF MINUTES OF THE FINANCE & AUDIT COMMITTEE MEETING OF MARCH 14, 2024.

Chairman Huntley asked for a motion from the Finance & Audit Committee to approve the meeting minutes of March 14, 2024.

MOTION: Moved and seconded (Slaughter/Fay) to approve the minutes of PVTA's Finance & Audit Committee meeting held March 14, 2024.

Chairman Huntley asked if there was any discussion, hearing none, asked for a roll call vote.

Doug Slaughter: Yes

Stephen Fay: Yes

Steve Huntley: Yes

Motion passed, 3-0 vote.

4. BUDGET TO ACTUAL REPORT

PVTA's Director of Finance, Lori Brodeur, reported on PVTA's budget to actual:

REVENUES

Fare Revenue:	Farebox Revenue is over budget and several Fixed Route pass types are under budget. Shuttle revenue and Paratransit revenue are both under budget.
Miscellaneous:	Includes increases in advertisement revenue, income on investment account, and increases in insurance recoveries.
Shuttle and Paratransit Revenue:	The variance is related to the timing of receiving the funds from the state for the Try-Transit fare free program.
Transportation Subsidies:	Transportation Subsidies are under budget related to the timing of receiving the local assessment payments, state subsidy recorded as 1/12 th , and delay in receiving funds from state for the Try-Transit fare free program. Also, no federal subsidies have been drawn down.

EXPENSES

Total Equipment & Maintenance: Actual expense is \$35,990.20. Budget is \$1,499.94. The expenses are related to Mobility as a training software system was purchased. The cost of the software is being offset by a mobility grant.

Total Lease and CAM Charges: Actual expense is \$373,097.63. Budget is \$243,000. Most of these costs are Information Center rent and common area costs associated with rental at Union Station and the use of the 17 bus berths.

Total Miscellaneous: Includes expenditures associated with social media advertising campaign as part of workforce development; expenses related to registrations for educational training conferences the staff has attended as well as the associated travel expenses including hotel, meals, and transportation.

MOTION: Moved and seconded (Slaughter/Fay) to accept the report of the budget to actual.

Chairman Huntley asked if there was any discussion, hearing none, asked for a roll call vote.

Doug Slaughter: Yes
Stephen Fay: Yes
Steve Huntley: Yes

Motion passed, 3-0 vote.

5. **FY25 BUDGET**

Lori Brodeur reported on PVTA's FY25 Budget:

EXPENSES

Administration

Wages/Fringe	Wages:	Increasing by 3%
	Health Insurance:	Increasing 10%
	Unemployment insurance:	Increasing 11.3% based on FY25 wages @ .003 UI rate

Overall wages and fringe are increasing by 1.8%

Services/Utilities	Legal Services:	Increasing from 20K to 35K due to construction project contracts
	Temp Employment:	Increasing from 15K to 60K due to Union Station staffing, two temporary employees
	Mobile Fare Collection:	Increasing by 10% due to increase in use
	Bond Financing:	Increasing by 14.3% due to a fee increase
	Printing:	Increasing from 5K to 7.4K as the budget was too low for FY24
	Interest expense:	Increasing by 14.3% based on FY24 forecast

Overall Admin expenses are increasing by 4.8%.

Paratransit

Contractors	Williamsburg:	Increasing from 7.5K to 12K based on FY24 forecast
	MV:	Increasing by 5.1%
	Fleet Maintenance:	Increasing by 32.5% due to supply constraints, the cost of parts increasing 16%

Overall Paratransit expenses are increasing by 8.2%. Additional community service makes up 2.8% of the increase. These costs are offset under Other Operating Subsidies, reimbursed by MassDOT at 100%.

Fixed Route Operations

SATCo/VATCo	Subsidy:	Increasing by 2.3% (does not include CBA Wages)
	Management Fee:	Increasing by 4.5% includes incentive for preventive maintenance goals
	Telephone:	Increasing by 12.2% includes internet for the buses
	Fare Media Tickets:	Increasing by 20% Based on FY24 forecast

Fuel:	Decreasing by 4.9% Contract price decrease
CAM Charges US:	Increasing by 16.7% includes electric outdoor heaters at Union Station

Overall Budget is increasing by 1.9% - No wage increases are factored in due to on-going union contract negotiations.

UMass Transit

Subsidy:	Increasing by 1.1%
	UMass contribution increasing by 67.2%
Fuel:	Decreasing by 34.6% due to favorable contract

Overall budget increasing by 1.1%.

Shuttles	Ware:	Increasing by 53.8%
	Palmer:	Increasing by 125.8%
	Easthampton:	Decreasing by 18.7%
	Amherst/Worcester:	Decreasing by 34.5% based on FY24 forecast
	Fuel:	Increasing due to additional service

Overall budget increasing by 29.8%.

Overall fixed route operations budget increasing by 2.2%.

Allocated Insurance: Increasing by 4.9%

Allocated IT Support/Towers: Increasing 26% (Paratransit portion was not previously pulled into totals.

The FY25 Budget has a deficit of \$3M which PVRTA will use Covid Relief Funds and Federal Operating Grants to balance the budget.

Sandra Sheehan, PVRTA Administrator: This budget is based on the Governor's Budget, which is the most conservative.

The Governor's budget for the RTAs includes \$94M from the Transportation Fund and \$75M from the Fair Share Amendment, distributed as follows: \$56 for operating, \$15 for fare equity and \$4M for Community Transportation Grant Funds. This funding level funds the RTAs to FY24 levels. This budget also distributes the monies amongst the RTAs in the same way it was distributed this fiscal year.

The House budget proposal sets aside \$184M for funding the RTAs. \$94M is to be transferred from the Commonwealth Transportation Fund and \$90M from the Fair Share Amendment and to be distributed as follows: no less than \$15M for an innovation grant program administered by MassDOT and no less than \$4M for community transportation grants to support expanded mobility options for older adults, people with disabilities and low-income individuals. This seems to indicate \$71M is to be distributed to the RTAs. However, this is not clearly stated in the language. An amendment has been filed with the House to distribute the \$165M (94+71) to ensure the funds are no

less than fiscal year 2024 including the more equitable distribution of contract assistance to regional transit authorities as was done in FY24 and to make that each recipient's baseline funding calculation for fiscal year 2025; the balance of the funds should be distributed based on the formula: 60% ridership; 30% population; and 10% service area.

The Senate's transportation budget proposed seems to be focused on the fifteen RTAs. The Senate proposal includes spending \$214 million in total on the RTAs. This figure is broken as follows: \$94M from the Transportation Fund and \$120M from the Fair Share Amendment, which is further broken down by allocating \$66M for operating, \$40 for year-round fare free service, \$10M for interconnectivity grants and \$4M for Community Transportation Grant Funds.

MOTION: Moved and seconded (Slaughter/Fay) to approve PVRTA's FY25 Budget as presented.

Chairman Huntley asked if there was any discussion, hearing none, asked for a roll call vote.

Doug Slaughter: Yes

Stephen Fay: Yes

Steve Huntley: Yes

Motion passed, 3-0 vote.

6. FARE ANALYSIS UPDATE

Alex Forrest, PVRTA's Manager of Planning & Analysis, reported on PVRTA's Fare Analysis:

- Ridership and revenue impacts of fare scenarios are still being developed
 - Will be ready for June Advisory Board Meeting
- Low Income Fares
 - Considered in all fare scenarios
 - MBTA as example: passengers earning below 200% of Federal Poverty Line (FPL) are eligible
 - 79% of riders answering income questions in Southern System Survey report <200% FPL
 - 42% report <100% FPL
- One-Ride with Transfer
 - Replaces base fare in some scenarios
 - Currently available on BusPlus
 - Accounted for 10% of all April mobile fare usage
 - Over 400% growth in usage vs last April
 - Share of usage is growing at expense of one-ride fares and monthly passes
 - Suggests popularity at both ends of rider income spectrum
- Ridership
 - Automatic passenger counts show strong growth
 - April ridership over 750,000; 24% higher than previous April
 - System ridership likely to exceed 7,000,000 for FY24; 13% higher than FY23
 - Growth likely to continue in FY25 and any fare change scenarios
 - Revising baseline ridership projections to account for this higher growth rate

7. OTHER BUSINESS

Steve Huntley reported that there is no other business to discuss.

8. ADJOURNMENT

Steve Huntley asked for a motion from the Finance & Audit Committee to adjourn.

MOTION: Moved and seconded (Slaughter/Fay) to adjourn.

Roll call vote:

Doug Slaughter: Yes

Stephen Fay: Yes

Steve Huntley: Yes

Motion passed, 3-0 vote.

The meeting of the PVTA Finance & Audit Committee adjourned at 10:47 A.M.

A TRUE RECORD

ATTEST: _____
BRANDY PELLETIER

Documents filed with Finance & Audit Committee Meeting packet:

- March 14, 2024 Finance & Audit Committee Minutes
- Budget to Actual Report
- FY25 Budget

Minutes Approved: August 19, 2024