

Approved 5/15/25

Pursuant to written notice sent to Board Members and pursuant to notice posted at least forty-eight hours prior to the meeting, copies of said notice having been sent to the Secretary of the Commonwealth, William F. Gavin and the Secretary of the Executive Office of Administration and Finance, Matthew Gorzkowicz, the meeting of the Finance and Audit Committee of the Franklin Regional Transit Authority was held on April 30, 2025 virtually on the Zoom.us platform by computer and by phone.

**1. INTRODUCTION:**

Finance and Audit Committee Members present were:

| <u>Name</u>          | <u>Town</u> |
|----------------------|-------------|
| Peter Otten          | Buckland    |
| Robert J. Decker III | Deerfield   |
| Eric Twarog          | Greenfield  |

Also present was:

Tina M. Cote, FRTA Administrator

Peter Otten called the meeting to order at 10:00am.

**2. REVIEW AND APPROVE MEETING MINUTES FROM SEPTEMBER 16, 2024:**

Review and approval of meeting minutes from September 24, 2024. Bob made a **motion** to approve the minutes and Eric seconded, voted unanimous by roll call vote.

**3. REVIEW AND DISCUSSION ON FY26 RTACAP PROJECTS LIST:**

Discussion took place on Capital projects through FY30.

Reviewed bus purchase of \$208,850. This is for the FY25 balance/match of 2 30 ft. diesel buses and 1 30 ft. battery electric bus.

\$75,000 over the next 5 years for our paratransit vehicles (tires, parts and/or other maintenance related items).

\$50,000 through FY30 for misc. shop tools and other equipment.

\$585,000 for vehicle options for CTGP vehicles in FY26, FY28 and for the replacement of 3 minibuses in FY29.

Discussed utilizing \$1,740,000 to apply for 5339 LoNo (Federal Transit Funds) for the replacement of conventional buses with Battery Electric Buses (or other hybrid options) and the associated infrastructure needed for operations.

\$79,000 is programmed to be spent in FY26, FY28, FY29, FY30 for misc. office and facility equipment, replacement of IT equipment, bus stop/shelter equipment and bike racks.

#### **4. REVIEW AND DISCUSSION ON DRAFT FY26 BUDGET:**

Tina Cote presented the draft FY26 budget with a revision – it was noticed that a formula was not working so a line item had to be adjusted within the operating expenses. It did not impact the total budget for FY26.

Operating expenses may fluctuate from this total since we do not yet know where our staffing levels will be in the coming year. We may need more funds depending on who we can hire.

We are basing the budget on level funding from last year. We did not include fare share funds since there is no guarantee, but if we do get it, the budget will be increased and we can put it toward those costs.

It was further determined that there were other formulas that were not working in the budget presented. Corrections regarding the differences between our FY25 estimate and the \$ over budget columns were not adding up. We are using estimates figures through March but will adjust them when the corrected version is presented.

Aside from the errors, FY26 has increased slightly from last year. It could further be adjusted depending on what is approved in the State budget and other variables that are not known at this time.

We are no longer contracting with Lifepath. The amount of time spent to oversee the consumers, billing, and to send staff to additional required training was not cost effective. The contract was terminated at the end of March.

The budget was built on the assumption that fixed route fares will still be suspended in FY26. We will look to continue this for the D/R trips as well if we receive try transit funds.

We have started (since March) to collect revenue from Greyhound at \$500 per month for utilizing our bus berths and the JWO.

CARES funding has been spent down but we will now access ARPA and CRRSAA funding through December. All remaining “COVID” funds will be expended in FY26.

The Admin. Salaries & Wages will remain the same. We would like to hire a part time person to assist with Grants and oversight of operations. There is room in the budget for this and for increases since we have a grant to offset the salary of the Travel Ambassador. If we do not find someone, we can use the overage in another line item.

Health insurance increasing by 18% over last year. We are looking at impacts to what that may have on staff.

Umbrella insurance decreased a lot from FY25 but it was explained that in FY26 we are breaking down insurance costs per location and per type of insurance so you will see differences in the insurance line items. All insurance costs have increased slightly.

Advertising expense was much higher than budgeted. We hired a marketing firm to assist us with driver recruitment and to promote our fare free program. We probably should list this line item as Advertising/Marketing. We did have funds to help pay for this but we will significantly reduce that this year. Using a firm was expensive.

COA's have been kept at current budget levels (Hilltown shows an increase because they took over services for the Huntington COA). We have a MedRide grant that was extended in to FY26 that will help offset some COA costs if we can get more volunteer drivers.

We are still trying to determine the true costs of our maintenance facility. We are looking at what impacts that the solar project could have, what will happen if we have to install charging stations for buses etc. and that could impact the budget in either direction.

Brief discussion on fare free for Fixed Route and D/R took place.

The bottom line (budget) is correct but formulas need to be re-calculated. It was voted that the Board would meet prior to the Annual Advisory Board on May 15 to make sure they can recommend the FY26 Budget to them.

Bob made a **motion** to approve the minutes and Eric seconded, voted unanimously by roll call vote.

#### **5. REVIEW AND DISCUSSION ON ADMINISTRATOR'S FY26 SALARY:**

Discussion took place regarding the Administrators salary for FY26. A 3% increase was on the table but it was agreed that discussion would continue at the next meeting when the revised budget was presented. Tina is trying to finalize a list of current salaries of other Administrators for the next meeting.

Salaries for other positions may increase more than 3% considering insurance cost increases etc. Discussion took place on a potential "bonus" pay to make up cost increase difference or upping the percentage of employer contribution to 85% from 75%.

#### **6. ADDITIONAL BUSINESS NOT REASONABLY ANTICIPATED WITHIN 48 HOURS:**

Peter will be moving to Athol and will need to step down from his positions from the FRTA Boards after 30 years. He will send his resignation in but the Annual meeting will be his last. This will leave vacancies in our Advisory Board and with our Finance & Audit committee.

Peter Otten made a **motion** to adjourn, Bob Decker seconded, voted unanimous by roll call vote.

The meeting adjourned at 10:50am. The next meeting will be on May 15, 2025 at 3:30pm.