
**MINUTES OF PVTA'S
FINANCE & AUDIT COMMITTEE MEETING
March 27, 2019**

1. CALL TO ORDER

The Finance and Audit Committee meeting of the Pioneer Valley Transit Authority was held on Wednesday, March 27, 2019 at 10:30 A.M. at the Pioneer Valley Transit Authority Administration Office located at 2808 Main Street in Springfield, MA.

PRESENT:

Members: Doug Slaughter, Amherst; Marilyn Ishler, South Hadley; Brian O'Leary, Belchertown; David Moskin, Hadley;

NOT PRESENT:

Stephen Huntley, Chicopee;

Call to Order: Doug Slaughter, Chairman of the Finance & Audit Committee stated that the committee has a quorum and called the meeting to order at 10:31 A.M.

2. PUBLIC COMMENTS

Chairman Slaughter opened the floor for public comments. No Public Comments were made.

**3. APPROVAL OF MINUTES OF THE FINANCE & AUDIT COMMITTEE MEETING HELD
SEPTEMBER 19, 2018**

Chairman Slaughter asked for a motion from the Finance & Audit Committee to approve the meeting minutes of September 19, 2018.

MOTION: Moved and seconded (O'Leary/Ishler) to approve minutes of PVTA's Finance & Audit Committee meeting held September 19, 2018.

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

Motion passed by a unanimous vote.

4. RTA TASK FORCE UPDATE

PVTA Administrator, Sandra Sheehan stated that after 19 meetings, the Task Force issued its draft report on March 18th. The Task Force scheduled three public meetings in Worcester, Amherst, and Hyannis to hear

from RTA area stakeholders. These hearings provided riders, advocates, RTA Advisory Board members and municipal leaders the opportunity to provide the RTA Task Force members with testimony of the service needs in their service area.

This report includes twenty four recommendations to guide the Legislature. The first two recommendations are part of Investment and Performance. They include:

1. The legislature should fund the RTAs in fiscal year 2020 with a base of \$90.5 million² in state contract assistance. Each subsequent year increase the state contract assistance by an automatic inflator³.

2. All state contract assistance will be connected to performance targets via a Memorandum of Understanding (MOU). MOUs will be bilaterally negotiated between MassDOT and each RTA and will identify performance targets in the following categories: ridership; customer service and satisfaction; asset management; and financial performance (incorporating a number of factors including farebox recovery ratio).

The RTA's are all supportive of the recommendations included in the report. The funding recommendation of \$90.5M will allow PVRTA to maintain the current level of service its passengers have come to rely on, and the annual increases will ensure PVRTA has consistent reliable funding.

5. FY19 BUDGET TO ACTUAL

Chief Financial Officer, Patty O'Leary, reported that she is confident that FY19 will come in under budget. Media sales at Union Station have increased. Paratransit service is not transporting the amount of trips projected which creates a cost savings and service penalty's paid to PVRTA by our paratransit contractor have also created a savings.

A full copy of CFO O'Leary's FY19 Budget to Actual Report has been filed with the minutes of the March 27, 2019 Finance & Audit meeting.

Chairman Slaughter asked for a motion from the committee to accept the Report of the FY19 Budget to Actual.

MOTION: Moved and seconded (O'Leary/Moskin) to accept the Report of the FY19 Budget to Actual.

Chairman Slaughter asked if there was any discussion. Hearing none; asked all those in favor to say aye.

Motion Passed unanimously.

6. PVRTA FY20 DRAFT BUDGET

Chief Financial Officer O'Leary gave a presentation on PVRTA's FY20 Draft Budget and reported the following:

The Task Force on RTA's is pushing for \$90.5 million in State Contract Assistance total for the RTA's rather than the Governor's \$82 million total. The difference in funding proposed would give PVRTA \$2,371,060 more, which would eliminate the deficit and add \$597,487 in funding. This would allow PVRTA to restore some of the service reduced in FY19.

Revenue:

- Farebox Revenue is consistent. There is a slight increase in college and tripper routes from Cottage street
- Paying less interest. Higher cash flow needs and less gain on sale expected
- Other Operating: CMAQ not expected in FY20 400K, UMass increased 156K
- Federal Grants: year-end will be adjusted if necessary, whether up or down
- SCA - The loss of \$1,679,000 in State Contract Assistance given to restore service last year was a one-time payment and is not included in this budget.

Expenses:

PVTA Administration

- Overall Administration expenses increased by 2.5% over the FY19 projected actual. PVTA Administrative costs comprise 8% of all expenditures.
- Wages: Staff merit of 3%, decrease in finance staff and procurement position offset wage expense category.
- Fringe: A 10% increase in health, reduction in wage impacted fringes, lots of new employees
- Retiree fringe: 10%
- All Other admin: - .9% no material variance

Paratransit Services

- Primary increase of 5.9% is due to contractual increase with NEXT and projected 2% trip increase. Trip cost is \$22.66 as opposed to \$21.57. Fixed Fee increased contractually, and penalties are expected to decrease.
- Senior Programs have an assumed increased built into the budget.
- Fuel is budgeted at 420,000 gallons at \$2.30 per gallon.
- Maintenance is expected to increase with increased service.

Fixed Route Services

- First Transit – Reflects Collective Bargaining agreements, Cottage Street differential. Large savings in pension and workers compensation and multi relief scheduling proposed at Cottage Street reduced the projected differential by \$1 million since the October projection.
- UMTS – The University, in addition to eliminating the Superintendent of Maintenance position and the Transportation Supervisor for the 2nd year in a row, is subsidizing \$654K of the service in FY20 to keep costs to a minimum.
- Shuttles – NEXT shuttles operating for a full year in FY20 as opposed to 10-months in FY19 at increased rate of \$22.66 per trip (5% increase). Hulmes shuttles expected to remain same cost.

A full copy PVTA’s FY20 Draft Budget Report has been filed with the minutes of the March 27, 2019 Finance & Audit meeting.

Chairman Slaughter asked for a motion from the committee to accept the Report of the FY20 Draft Budget and recommend adopting PVTA’s Draft FY20 Budget to the Advisory Board.

MOTION: Moved and seconded (O’Leary/Moskin) to accept the Report of the FY20 Draft Budget and recommend adopting PVTA’s Draft FY20 Budget to the Advisory Board

Chairman Slaughter asked if there was any discussion. Hearing none; asked all those in favor to say aye.

Motion Passed unanimously.

7. SENIOR FARE FREE TUESDAYS

Administrator Sandra Sheehan stated that PVTA is proposing to have a free fixed route transportation service day for seniors on Tuesdays.

We will be doing outreaches helping seniors plan out their trips and helping them attain their PVTA Senior ID which would allow seniors to ride fixed route buses for free on Tuesdays and for half fare the other days.

The goal of this program would be to encourage seniors to utilize PVTA's bus service and eliminate the amount of van trips taken by seniors which are far more costly to provide than a bus trip.

Chairman Slaughter asked for a motion from the committee to adopt Senior Fare Free Tuesdays on PVTA's fixed route service.

MOTION: Moved and seconded (Ishler/O'Leary) to adopt Senior Fare Free Tuesdays on PVTA's fixed route service and recommend adoption by the Advisory Board.

Chairman Slaughter asked if there was any discussion. Hearing none; asked all those in favor to say aye.

Motion Passed unanimously.

8. GRANTS

Administrator Sheehan reported that PVTA has recently submitted five grants to the state and was awarded funding by MassDOT for three service enhancements, tentatively slated to begin summer 2019.

The first is expanded express service to the Holyoke Mall via the P20 Express. This service was reduced during the service reduction process for FY2018, but the grant will allow PVTA to reinstate the full original service.

The second enhancement is the creation of a new service expansion between MassMutual and Union Station, tentatively called the State Street Express. This will create an average of 10-minute headways along the PVTA's most heavily traveled route, the B7.

Finally, PVTA received funding to improve on-time performance along the G1, which has been impacted by new traffic congestion resulting from the opening of the MGM facility. This service enhancement will be used to enhance service and help PVTA reach its goal of 90% on-time performance.

The two grants which were submitted but not awarded were for connections between Greenfield, Whatley, and UMass and the Quabog Connector.

9. OTHER BUSINESS


Chairman Slaughter reported that there is no other business to discuss.

10. ADJOURNMENT

The meeting of the PVTA Finance & Audit Committee adjourned (O'Leary/Moskin) at 11:52 A.M.

A TRUE RECORD

ATTEST:



BRANDY PELLETIER

Documents filed with Finance & Audit Committee Meeting packet:

- September 19, 2018 Finance & Audit Committee Meeting Minutes
- PVRTA's FY19 Budget to Actual Report
- PVRTA's FY20 Draft Budget

MINUTES APPROVED: May 22, 2019

