

Approved 9/23/22

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, Michael Heffernan, the meeting of the Finance and Audit Committee of the Franklin Regional Transit Authority was held on April 25, 2022 at the John W. Olver Transit Center, 12 Olive St., Greenfield, MA 01301 and 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 were:

Tina Cote, Administrator, Michael Perreault, Assistant Administrator, and Ed Sanborn, Bookkeeper.

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

2. REVIEW AND APPROVE MEETING MINUTES FROM APRIL 4, 2022:

Eric Twarog made a **motion** to approve the meeting minutes from April 4, 2022. Robert J. Decker III seconded, and the vote was as follows:

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

The vote passed and the **motion** carried.

3. REVIEW AND DISCUSSION ON FY23 CAPITAL PROJECTS LIST:

Michael Perreault presented the list of capital projects for FY23 and included a project description in the comment field on the right-hand side of the spreadsheet. Project highlights include: replacement of computer workstations, monitors, laptop, printers, and other office equipment at the JWO Transit Center and the Maintenance Facility; final planned expenditures on the Maintenance Facility construction and related professional services; tires and other capital maintenance items; miscellaneous shop tools and equipment; planning study for battery electric bus analysis and Zero Emission Transition Plan; replacement of three 35-ft buses; and purchase and installment of new auto download of bus CCTV footage.

4. REVIEW AND DISCUSSION ON DRAFT FY23 BUDGET:

Tina Cote gave a brief overview of the FY23 draft budget. Governor called for level funding of RTAs (\$94M), but there is talk of the legislature putting in for up to \$101M for RTAs. With the uncertainty of the final State funding figure, FRTA has decided to err on the side of caution and presented a draft budget with State Contract Assistance figures in line with the Governor's budget. There is no indication on the exact amount of Federal 5311 revenue funds yet. Other big unknowns with operating expenses include completing construction and moving into a new Maintenance Facility halfway into the fiscal year. Tina Cote also added that because of the uncertainty of state and federal funding levels, FRTA needed to eliminate the 2nd/3rd shift employment program from the budget. This pilot project was operating with grant funding which had expired earlier this year and FRTA has continued to support the project within its existing budget, including the use of federal COVID funds. If state and federal funding levels come in higher than budgeted or if other grant opportunities present themselves, we could look at continuing or reinstating this project. Lastly, the Admin expenses remain under budget due to being short staffed. It is anticipated that FRTA will hire an additional administrative staff member once COVID is over and a travel trainer position in FY23 with grant funds under a separate line item. Ed Sanborn indicated that as part of planning for FY23 budget was the anticipation of ramping back up to full service to pre-COVID levels and including any contractual increases.

Peter Otten asked what MAPC stands for. Tina Cote explained that was the grant funding for our 2nd/3rd shift employment transportation project. Peter Otten asked about the amount of Equipment Expense in FY22 compared to what is budgeted in FY23. Ed Sanborn explained that much of those expenses were those related maintenance or capital improvement projects paid for with capital funds, but too small in value to depreciate so they are expensed within the fiscal year. Robert J. Decker III asked about the amount for building insurance and what that is attributed to. Tina Cote explained that is the anticipated amount for insuring the JWO Transit Center. Insurance for the new maintenance facility has not yet been calculated for FY23, but we anticipate expenses for the new Maintenance Facility to be equivalent to the amount we're projected to pay in rent. Ed Sanborn further clarified that part of the building insurance for the JWO Transit Center is passed through to the FRCOG as rental income.

Eric Twarog made a **motion** to recommend the draft FY23 budget to the full Advisory Board. Robert J. Decker III seconded, and the vote was as follows:

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

The vote passed and the **motion** carried.

5. REVIEW AND DISCUSSION ON ADMINISTRATOR'S FY23 SALARY:

Tina Cote discussed that contained within the Admin Salaries and Wages expense line item includes a 3% increase over FY22. There was discussion that with inflation, the current CPI is 5.9%. Tina Cote explained that she is concerned with administration staff retention and is reviewing the current FRTA personnel policy along with discussions with BRTA and PVRTA to see how closely they align. Robert J. Decker III asked if the Committee was charged with just recommending the Administrator's salary. Ed Sanborn confirmed that the Committee recommends the Administrator's salary to the full Advisory Board and all other administrative employees are the responsibility of the Administrator. All administrative salaries, including the Administrator, are included in the Admin Salaries and Wages line item. Peter Otten suggested that the Committee recommend 3% for the Administrator and allow the Administrator to go higher than 3% with other administrative staff. Robert J. Decker III made a **motion** to recommend a 3% increase to the Administrator's FY23 salary to the full Advisory Board. Eric Twarog seconded, and the vote was as follows:

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

The vote passed and the **motion** carried.

Tina Cote stated that if she found more concrete information that would significantly impact the proposed budget figures over the upcoming weeks, she may ask to call another meeting with the Finance and Audit Committee prior to the full Advisory Board.

Robert J. Decker III made a **motion** to adjourn, Eric Twarog seconded, and the meeting was adjourned at 10:25am.