

Berkshire Regional Transit Authority
Minutes of the Finance/Audit Committee

May 11, 2018 11:00 AM
BRTA Intermodal Transportation Center
One Columbus Avenue, Pittsfield, MA 01201

MINUTES

Berkshire Regional Transit Authority Finance/Audit Committee Members present:

Sandra Lamb, North Adams; Peter Gallant, Lanesborough; and Doug McNally, Windsor
Also present: Robert Malnati and Sarah Vallieres, BRTA staff

Mr. Malnati provided an overview of the Drug and Alcohol Conference. He met with two drug testing companies to provide quotes and more information.

1. **Approval of Minutes for March 31, 2018-VOTE**

The committee members reviewed the minutes of March's meeting. Mr. Gallant made a motion to accept the minutes. Ms. Lamb seconded the motion, which passed unanimously.

2. **FY 19 Public meeting scenarios- Fare & Service levels-VOTE**

BRTA's deficit changed from \$378,400 to \$242,174. This decrease was based upon the actual Federal apportionment BRTA will receive. The Federal funding is \$80,000 higher than forecasted and the State budget is at \$80,000,000. Mr. Malnati explained scenarios that the Finance Committee received. On the Project Rank page, the first 5 items are highlighted and total \$148,189.

In regards to fixed route fares, Mr. McNally stated, "we are shooting ourselves in the foot." The perception of the BRTA bus is as an expensive system. The core of BRTA's population uses the Charlie Card and this will have a more negative impact on the system. Mr. McNally discussed the low ridership of the Route 21. Mr. Malnati shared that the public comments received about the fare increase has been more positive (4 positive and 2 negative). He also stated that he doesn't want South County to be alienated. Mr. Gallant said that the Charlie Card fare would still be at a discount. Mr. Malnati explained that at the public meetings customers stated that they could rather pay a little more in fares, than see a service reduction.

Mr. Malnati's recommendation to the Finance Committee is Scenario A. This has the least amount of impact on the public, and used the public comments to create this scenario. He provided a document to the Finance Committee comparing the ridership between Routes 3 and 3S. A lot of people from Williams ride the Route 3 and BRTA could possibly bill Williams through June as there is some use.

Mr. McNally recommended to modify Scenario A removing the fare increase and add the reduction of service for the Route 21 to every other hour on Saturdays. Mr. Gallant asked how much is the Charlie Card fare going to rise. Mr. Malnati shared for reduced fare: a nickel for local and \$0.20 for system-wide and for regular fare: \$0.15 for local and \$0.40 for system-wide. Mr. Gallant stated that customers will still be getting a deal. Mr. McNally countered that people will stop using the service; to which Mr. Gallant replied that this is not a major blow. People will still continue to use the bus and Charlie Card sales will probably remain the same. Mr. Malnati explained that revenue for the current budget is down \$58,000. This is how we could increase revenue and the public opinion is they would rather pay than have cuts. Mr. Malnati said that Scenario A is fiscally responsible discontinuing the Route 21 X's 4:30 run and combining the Routes 5 and 13.

The Route 13 is underperforming, but this option is still covering the geographical area. Mr. McNally asked if the Route 5 and 13 would reverse in the afternoon, to which Mr. Malnati would investigate. Mr. Gallant asked if there are any Saturday routes that have little or no ridership? Mr. McNally said the Route 21 has the least. Mr. Malnati discussed the Routes 5, 13, 15, and 16 combination for Saturday. Mr. Malnati will create another scenario based upon Mr. McNally's concerns. He asked the Finance Committee to vote to send these scenarios to the Board with the creation of Mr. McNally's new scenario. Mr. McNally made a motion to do so, with the modification and Mr. Gallant seconded the motion, which passed unanimously.

Mr. McNally asked to change the priority order and schedule C should be the last. Scenario A would remain; the new scenario would be Scenario B; and then follow suit.

3. **State Budget Update**

Mr. Malnati discussed the State Budget. He proposes to enact the chosen scenario to reduce the deficit on September 1, 2018 to find out the actual funding level the BRTA will receive. BRTA usually finds this out in July. This way we would have time to inform the public. He will be asking the Finance Committee and Board to vote for a balanced budget and choose the scenario. This is how PVTA acted. Mr. McNally asked if the State Budget is \$84,000,000, how much does that mean for BRTA. Mr. Malnati replied \$2.6M as opposed to \$2.5; approximately \$100,000.

Mr. Malnati presented the Finance Committee the Senate's version of the budget. \$88M for the RTAs, however \$84M to the RTAs and \$4M in control of MassDOT to utilize for funding or if there is a deficit. This will be under financial control of that board. There will be a creation of a RTA task force with performance matrix to use. Mr. Malnati explained that the RTAs already use a performance matrix from MassDOT.

4. **FY19 Draft Budget**

Mr. Malnati explained the FY19 draft budget. Both fixed route and paratransit's budget have increased since last year due to adjusted payrolls and increases in the fuel line item. He informed the committee that he went back and forth with the GM's budget. The previous budget was not budgeting enough for paratransit staff and this new budget reflects the new wages.

5. **Old Business**

No old business.

6. **New Business**

Mr. McNally asked if there was any interest in the Chair and Vice-Chair positions. Mr. Malnati said that Ms. Irvin is interested in the Vice-Chair position and Ms. Lamb stated that Mr. O'Grady is interested in the Chair position. Mr. Gallant mentioned that nominations may also come in from the floor.

7. **Next Meeting**

The next meeting will be May 24, 2018 at 2:30 PM, with the Board Meeting to follow. Mr. Malnati will ask the Finance Committee to recommend a scenario prior to the Advisory Board meeting.