

Berkshire Regional Transit Authority
Finance/Audit Committee

March 2, 2023

In Person

BRTA Boardroom, 2nd Floor, 1 Columbus Avenue, Pittsfield, MA

Berkshire Regional Transit Authority Finance/Audit Committee Members present:

Sandy Lamb, North Adams; Sheila Irvin, Pittsfield; and Doug McNally, Windsor.

Also present: Robert Malnati and Sarah Vallieres, BRTA and Brittany Polito, iBerkshires.

R. Malnati called the Finance/Audit Committee meeting to order at 10:03 AM.

1. **Approval of Minutes for September 26, 2022 -VOTE**

The Finance Committee members reviewed the minutes of the September 26, 2022 meeting. D. McNally made the motion to accept the minutes, was seconded by S. Lamb, and was approved by all.

Town	(1) Minutes of September 26, 2022
North Adams	Yes
Pittsfield	Yes
Windsor	Yes

2. **FY 24 Draft Budget Assumptions**

R. Malnati provided a high-level overview of the FY 24 budget assumptions. BRTA has started working on the budget and will look for cost savings in all areas. He started the discussion with revenue. The RTAs collectively asked for the Massachusetts State Contract Assistance to be \$150M, which is 10% of the MBTA State funding apportionment from FY22. This amount was not included in the Governor's House 1 budget released yesterday. He will have more information after a review of the House 1 funding levels. The Federal apportionment has increased to \$2,933,647. Ridership has been increasing to near pre-COVID 19 levels. February's ridership level looks very promising and will find out shortly. The free Try Transit event boosted ridership and is continuing to eclipse the monthly amount from last year. There was a discussion of the ridership. The routes 1, 2, and 34 saw increased riders and ridership numbers continued to be similar throughout the month, rather than a trickle down as the month progresses. BRTA rent revenue remains stable.

R. Malnati discussed the expenses and are expecting double digit growth. Insurance will be 10-15% higher. Fuel is projected to be over \$100 per barrel by summer and the fuel market is very volatile. Last year no company would provide a contract for fuel.

Operations is researching to see if a 6 month or a yearly contract would be available this year. There was a discussion on alternative fuel vehicles both electric and hydrogen, particularly for the mini buses. R. Malnati shared MassDOT is working on a smaller vehicle solicitation for alternative fuels. This is the final year of the union contract, so the budget is known. Social Security cost of living is 8.7% and the CPI is 6.4%, so there is a proposed staff increase of 4% minimum, but is dependent on state funding. The annual borrowing in July is projected to have interest rates increased. Currently they are 4.75%, with 2 possible increases. It will probably be over 5%. The pension contribution will remain at \$200K. The approved budget is due at the end of May. There was a

discussion of the Governor's budget and will have to wait for more information to come. There was a discussion of BRPC's Long Range Transportation Plan Survey which supports BRTA's idea of interconnectivity to PVTA and FRTA via Route 9 through Windsor.

3. Pension- Investment Review

R. Malnati discussed the LPL Financial Overview document, which showed a \$1000 gain today. At the Pension Committee meeting in February, the agreed upon contribution was made. This was split up into 2 guaranteed funds at 4%. There is still \$280K in the insurance side of the pension. The pension is currently on track and LPL Financial is utilizing the voted upon Investment Plan. Shire Wealth provides good guidance and is currently reviewing BRTA's status and options for the next meeting.

4. Next Meeting

The next meeting will tentatively be April 13, at 10 AM if needed. Otherwise, May 18, at 10 AM.

S. Irvin and S. Lamb called to vote for the Finance Committee meeting to adjourn at 10:36 AM and was approved by all.

Meeting Materials

- **BRTA Finance/Audit Committee Agenda**
- **BRTA Finance/Audit Committee Minutes- September 26, 2022**
- **FY2024 BRTA Budget Assumptions**
- **LPL Financial Overview Dated March 1, 2023**