

GATRA Audit & Finance Committee Meeting
May 26, 2022 – 1:45 p.m.
Taunton City Hall, 15 Summer Street
Taunton, MA 02780

Mayor Heroux called meeting to order at 1:45 p.m.

A roll call attendance was taken:

Attleboro (5.40) Mayor Heroux
Pembroke (2.53) Joseph Ryan
Franklin ((2.35) Cobi Frongillo
Taunton (5.49) Mayor O'Connell

Also in attendance were: Dan Burgess, Nancy Foley, Frank Gay, Mary Ellen DeFrias

1. Approval of Minutes

Mayor Heroux called for a motion to approve the minutes of November 18, 2021, Mayor O'Connell moved, Joseph Ryan seconded. A roll call vote was taken:

Attleboro (5.40) Mayor Heroux - aye
Pembroke (2.53) Joseph Ryan - aye
Franklin ((2.35) Cobi Frongillo - abstain
Taunton (5.49) Mayor O'Connell – aye

The motion passed.

2. Single Audit

Frank stated that the Single Audit was not available at the last meeting in November. Mayor Heroux asked if any discussion, hearing none Joseph Ryan moved to approve the Single Audit, Mayor O'Connell 2nd, A roll call vote was taken:

Attleboro (5.40) Mayor Heroux - aye
Pembroke (2.53) Joseph Ryan - aye
Franklin ((2.35) Cobi Frongillo - abstain
Taunton (5.49) Mayor O'Connell – aye

The motion passed.

2. FY22 Budget

Frank reported that there has been a proposed increased staffing adjustment in salaries for people that were not recognized and supervision that was picked up during the year. Services, professional and technical are up due to outside accounting work. This reflects Kathyann leaving and some special accounting studies that were necessary.

Miscellaneous expenses are up significantly. Some of that increase is due to added categories to the miscellaneous line item. Insurance is now part of this, both liability and commercial packages as well as utility costs for the terminal and offices. There will be adjustments in that line item for the FY23 budget, so that it will be more transparent. Lastly, there were also a lot of Covid related costs.

The brokerage services line item is up significantly due to software upgrades that we were required to the new HST Contract adding the Cape and Islands service area.

On the operations side there are slight increases due to fuel costs, to get us in line with where we are actually spending money for both fixed route and demand response services.

The biggest change is the Human Services Brokerage operations number. It was originally estimated at 33 million, it will be more than 42 million. This is biggest cost increase in the operating budget revision.

Revenue is up significantly due to the amount of work we are doing with Human service brokerage.

There were minor adjustments to project where we actually are after the first 8 months. We do not project any deficits for the end of the year. We are using some CARES money to carry operations for this year.

Mayor O'Connell asked about restrictions on CARES money. Frank explains that we had to submit a grant and had to identify operating costs. Money requested would then have to go by what we requested. We are funding some Capital projects with CARES Funding.

Mayor O'Connell asked about salary increases reflected in the FY22 Revision and in FY23 Budget and would they be retroactive for the whole year. Frank stated that in some cases it will be retroactive and some will be just going forward.

Joseph Ryan moved to approve, Mayor O'Connell seconded. A roll call vote was taken:

Attleboro (5.40) Mayor Heroux - aye
Pembroke (2.53) Joseph Ryan - aye
Franklin ((2.35) Cobi Frongillo - abstain
Taunton (5.49) Mayor O'Connell – aye

The motion passed.

5. FY2023 Budget Discussion and Vote

Salaries and raises are reflecting a 4% cost of living increase. There is a new position in General Administration of Accounts Receivable Clerk that we are currently advertising for in the Finance Department.

One item of note Frank wanted to make sure everyone was aware of is to eliminate the Deputy Administrator position in this budget. When that position was established it was not done appropriately with Board approval. The position was never advertised. The whole process did not follow past practices. Eliminating this position now will give the new Administrator the opportunity to assess the staff and then come back to the Board if she wants to consider any staff changes.

Professional and Technical services are down as we are projecting these costs to be significantly lower because of bringing staff in house, not using outside accounting as much.

On the Brokerage side we are adding a second Coordinator for program based transportation. Our DDS Dayhab program has grown significantly with the addition of the Cape and Islands. This budget is showing net Administrative costs have gone down about \$100k.

On the operations side both Fixed Route and Demand Response we are estimating about a 5% across the board increase. This is due to the fact that our operator is in negotiations with the Union in Taunton and Attleboro and Frank. Frank expects that will not come out under 5% if not higher.

Mayor O'Connell asked about the union contract. Frank stated that it is a 3 year contract and negotiations are just beginning. The other RTA's have negotiated and salary numbers are high.

On the brokerage side there is estimated to be a significant increase in operating costs and in revenue, up another 4 million dollars over what we are spending at this time

We are projecting a small increase in fare box revenue and a significant increase for brokerage revenue.

GATRA does have a significant amount of CARES money that we are putting towards FY23 budget operating costs. We are not projecting any deficits in FY23.

Colleen Thompson noted that Plympton is not listed in FY23 budget. Frank stated that although currently still working on the most appropriate service a place holder should have been in the budget. Once Plympton service is decided this will be added as a Revision to the 2023 Budget.

Cobi asked about Franklin being listed as demand response. He wanted to know if the Board approves this budget is that permanent. Frank clarified that could change, right now it is funding the micro transit but if we looked at fixed route service we could come back to board for approval.

Joseph Ryan moved to recommend to the Advisory Board approve the FY23 Budget, Mayor O'Connell seconded. A roll call vote was taken:

Attleboro (5.40) Mayor Heroux - aye
Pembroke (2.53) Joseph Ryan - aye
Franklin ((2.35) Cobi Frongillo - aye
Taunton (5.49) Mayor O'Connell – aye

The motion passed.

Mayor Heroux moved to adjourn the Audit & Finance Committee Meeting, Mayor O'Connell, seconded. A roll call vote was taken:

Attleboro (5.40) Mayor Heroux - aye
Pembroke (2.53) Joseph Ryan - aye
Franklin ((2.35) Cobi Frongillo - aye
Taunton (5.49) Mayor O'Connell – aye

The motion passed. The Audit & Finance Committee meeting adjourned at 2:00 p.m.