

MINUTES OF THE BAT ADVISORY BOARD
AUDIT AND FINANCE COMMITTEE AND
COMPENSATION COMMITTEE

May 25, 2023 10:00 AM

In Attendance:

Frank Hegarty, Town of Avon
Dottie Fulginiti, Town of Easton
Michael Lambert, Administrator
Linda Sacchetti, CFO
Glenn Geiler, Grants Manager
Kathy Riddell, BAT

The virtual meeting was called to order by Mr. Hegarty, for the purpose of discussing business brought before the Audit and Finance Committee and Compensation Committee in accordance with the agenda presented and the notice sent out on May 22, 2023. The meeting was held virtually and streamed live on BAT's YouTube channel to meet the public meeting engagement requirements.

Mr. Hegarty welcomed the group and called the meeting to order. He asked if there were any public comments. Mr. Lambert stated there were no public comment at this time.

The minutes from the meeting of April 13, 2023 were reviewed. Ms. Fulginiti made a motion to accept the minutes as presented. Motion was seconded by Mr. Hegarty. There was no discussion and motion passed.

Mr. Lambert provided an update to federal and state funding. The federal funding has been secured and a split letter agreement consistent with last year has been signed. It was discussed among the parties that next year the document will be revisited to come up with allocation changes based on ridership. The state funding picture is a little more muddled. The governor's budget is very well defined and provides the RTAs with a 9% increase based on inflation and some shortfalls from the previous administration. However, the House and Senate budget is level funded with additional funding provided through the MA Fair Share Amendment. The exact amount of that funding is not clear at this time. He asked if there were any questions. There were none but Mr. Hegarty thought the outlook was very optimistic.

Ms. Sacchetti provided the group with an overview of the FY23 Amended Budget. BAT is just under \$1,000,000 under budget. Fixed route and paratransit expenses have been reduced by \$569,999. Fuel is amended down \$320,000. These reductions are consistent with service levels and the fuel contract. Fleet insurance and commercial insurance has been reduced \$88,000 as a result of actual expenditures at the end of the year. Interest expense increased drastically by

\$68,000 and farebox revenue for fixed route and paratransit were amended down by \$365,000. BAT's free fare period was subsidized by a state grant of \$294,000. The state contract assistance line item is shown as level funded but additional funds are included in other state funding. Assessments increased 2.5% over last year. Federal operating assistance was reduced. BAT has plenty of funding available in emergency relief funds.

Mr. Hegarty asked why the BAT Centre line item was reduced 40%. Ms. Sacchetti explained that the line item was utilized for everyday wear and tear on the facility but in FY23 no one time projects, such as touch up painting, were performed. Ms. Fulginiti asked about the COA maintenance line item. Ms. Sacchetti explained that the COAs were provided funding for routine preventive maintenance expenses performed by BAT's maintenance department. This year fewer COAs came in for service mostly because they provided less service and did not have the vehicle miles accumulated for the p.m. services. From time to time a COA will come in for service after an accident and if the funds are available in the budget, have been charged to the line item. Mr. Hegarty made a motion to accept the FY23 Amended Budget as presented. Ms. Fulginiti seconded the motion. All were in favor.

Next the group was presented with the FY24 Draft Budget. Ms. Sacchetti stated that the FY24 budget has been increased by 10% as compared to FY23 levels. She stated that a lot of thought went into the document. It reflects inflation, increased levels of service, borrowing, new types of service and full staffing. Also taken into consideration is a shifting of BAT to post COVID operations of more frequency and a new labor contract. BAT anticipates applying for a Community Transit Grant for Rockland Flex service in the amount of \$412,000. Revenue is expected to increase. Federal operating funds will be utilized to balance the budget regardless of where the state contract assistance amount ends up. There were no questions. A motion was made by Ms. Fulginiti to approve adoption of the FY24 Draft Budget. Mr. Hegarty seconded the motion. All were in favor.

A meeting of the Compensation Committee was called to order by Mr. Hegarty. Mr. Lambert provided the Committee with the Administrator's Report. Mr. Lambert stated that BAT has been having a good year with March and April setting ridership records post quarantine. BAT is at 78% of pre-COVID ridership. He expects the current trend to continue and reach 80% to 85% in the next 6 to 12 months. At that point ridership will likely plateau until new service is added. There has been a slow and modest increase in Ashmont ridership; however, Boston is seeing reduced foot traffic particularly on Mondays and Fridays. BAT has taken a few approaches to increase service including doubling Route 9 service to accommodate Signature Healthcare's Urgent Care Centre at 110 Liberty St. since the fire at Brockton Hospital. BAT has also doubled service on the Route 10/11 and added some trips to the Route 1 service. BAT will continue to fill in the gaps implementing more frequency over the next fiscal year and look to have more frequency on Saturday and implement Sunday AM service. BAT is also exploring innovative ways to meet other demands. The Rockland Flex service, although still in the soft launch phase, has been doubling its ridership every other month. BAT will keep a watchful eye on the level of efficiency and may be able to replicate this type of service elsewhere, particularly for 2nd and 3rd shift workers with

Uber/Lift to supplement service to places like Ikea, Home Depot, Amazon Distribution Center, etc. In addition to the above, BAT is laying the ground work for electrification of the bus system. He asked if there were any questions. Mr. Hegarty suggested BAT get in contact with the town of Stoughton where a “mill” facility is being built on the Stoughton/Avon/Randolph line. The project has not been widely advertised but Mr. Hegarty has been informed that about 400 trucks per day are expected to deliver to that location. Additionally, the facility is expected to run 24 hours a day and hundreds of jobs will be located there. The facility is in the permitting phase now but opening is imminent. Mr. Lambert said he would reach out.

Mr. Lambert informed the group of the hiring of a Safety Manager at Risk. This individual will have broader responsibilities including safety of the facility, communications with State Police to ensure BAT has adopted the latest safety regulations.

BAT has also implemented a real time complaints system which is being advertised on the buses and website which allows individuals to express their concerns via fax, email or phone call. All the information goes to one inbox so issues can be dealt with in a timely, efficient manner.

Next, Mr. Hegarty is recommending compensation for the Administrator and CFO in the form of an increase of 3% beginning 7/1/23 and 2% beginning 1/1/24. He feels this is conservative but appropriate in rewarding senior management for its outstanding leadership. Ms. Fulginiti thanked the staff for its approach to safety and keeping it at the forefront for both consumers and staff. She also complimented them on the innovative approach to consider the needs of 2nd and 3rd shift workers. She pointed out that BAT is a leader both locally and regionally, staying ahead of the curve on electrification. She appreciates watching the project move along proving their professionalism and knowledge. She fully supports the 3% and 2% increase and made a motion to provide the increase as stated above. Mr. Hegarty seconded the motion. All were in favor.

There was no Old or New Business to bring before the Committee. Ms. Fulginiti made a motion to adjourn and it was seconded by Mr. Hegarty. Meeting adjourned.

Respectfully submitted,

Kathy Riddell, BAT

List of handouts for 5/25/23 meeting:

1. Agenda
2. Minutes – 4/13/23
3. FY23 Amended Budget
4. FY24 Draft Budget