



**BOARD OF TRUSTEES
SPECIAL MEETING | BUDGET
MEETING MINUTES**

4600 Emperor Boulevard
Suite 100
Durham, NC 27703

Wednesday, May 11, 2022

11:00 a.m.

Virtual | Webex

Board members present | Will Allen III, Corey Branch, Brenda Howerton, Sig Hutchinson, Vivian Jones, Renée Price, Jennifer Robinson

Excused absences | Elaine O'Neal, Michael Parker, Stelfanie Williams

Other Board members absent | Michael Fox, Valerie Jordan

Chair Sig Hutchinson officially called the meeting to order at 9:12 a.m. A quorum was present.

Action: On motion by Jones and second by Allen the agenda was adopted. Upon vote by roll call, the motion was carried unanimously.

Sandra Freeman reviewed the proposed FY2023 budget workbook, which is attached and hereby made a part of these minutes.

Current GoTriangle budget assumptions for FY2023:

- Total Revenue \$57 million [down from \$77.8 million in FY2022].
- Total Expenditures \$61 million [down from \$72.5 million in FY2022].
- Deficit of \$4 million.
- No CARES Act/ARP funds [down from \$15.8 million FY2022].
- SMAP funding \$2.8 million [flat to FY2022].
- Vehicle Rental Tax revenues \$5.6 million [up from \$4.1 million in FY2022] – 50% allocated to Durham-Orange and Wake plans.
- Vehicle Registration Tax revenues of \$6.8 million [up from \$6.3 million in FY2022].
- No fares or consignments revenues budgeted.
- Plaza building expenses \$395,000; no rental income budgeted.
- Total headcount of 288, including county transit plans [up from 281 in FY2022].
- Average merit 3%; maximum merit 4% [no change from FY2022].
- 5% increase in employee healthcare costs [no change in \$500 annual employee contribution for employee-only coverage].
- Bus revenue hours of 142,961, directly operated and including Durham, Orange and Wake [up slightly from FY2022 total of 141,118].
- Contracted bus service hours 11,757 [down from 11,665 hours in FY2022].
- Bus service current cost per hour \$128 [down from \$129 in FY2022].
- Capital requests \$25.7 million [not yet budgeted].

Assumptions for the Durham Transit Plan:

- Total revenue \$39.1 million [down from \$58.6 million in FY2022], which includes:
 - Half [1/2] cent sales tax \$35.5 million.
 - Vehicle rental tax \$1.2 million.
 - \$7 county vehicle registration tax \$1.7 million.
 - \$3 regional vehicle registration tax \$0.7 million.

- Total expenditures:
 - Tax district administration \$0.4 million.
 - Transit plan administration \$2 million.
 - Transit operations \$9.8 million.
 - Transit infrastructure capital expense \$13.7 million.
 - Vehicle acquisitions capital expense \$0.4 million.

Assumptions for the Orange Transit Plan:

- Total revenue \$10.6 million [down from \$14.2 million in FY2022], which includes:
 - Half [1/2] cent sales tax \$8.8 million.
 - Vehicle rental tax \$0.6 million.
 - \$7 county vehicle registration tax \$0.8 million.
 - \$3 regional vehicle registration tax \$0.4 million.

- Total expenditures:
 - Tax district administration \$0.3 million.
 - Transit plan administration \$0.5 million.
 - Transit operations \$4.5 million.
 - Transit infrastructure capital expense \$.6 million.
 - Vehicle acquisitions capital expense \$0.2 million.
 - Bus Rapid Transit capital expense \$1.8 million.

Assumptions for the Wake Transit Plan:

- Total revenues \$121.7 million [down from \$297.8 million in FY2022].
 - Half [1/2] cent sales tax \$107.5 million.
 - Vehicle rental tax \$3.8 million.
 - \$7 county vehicle registration tax \$6.9 million.
 - \$3 regional vehicle registration tax \$3 million.
 - Other revenue \$0.5 million.

- Total expenditures:
 - Tax district administration \$0.6 million.
 - Transit plan administration \$5.5 million.
 - Transit operations \$21.7 million.
 - Community Funding Area operating expense \$2 million; capital expense \$0.1 million.
 - Bus Rapid Transit capital expense \$7.6 million.
 - Bus infrastructure capital expense \$35.7 million.
 - Bus acquisitions capital expense \$3.7 million.

Board members commented on and discussed:


- The need to drawdown from reserves to balance the proposed budget.
- The timing to pull back the vehicle rental tax being shared with the counties. This discussion will continue to include the impact it will have on the county transit plans.
- Indexing the \$5 vehicle registration fee for inflation. This discussion will continue particularly regarding the timing of approaching the General Assembly.

Action: Chair Hutchinson adjourned the meeting at 11:21 a.m.



Sig Hutchinson, Chair

Attest:



Michelle C. Dawson, CMC
Clerk to the Board