



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

4600 Emperor Boulevard
Suite 100
Durham, NC 27703

Wednesday, April 17, 2024

12:00 p.m.

GoTriangle Board Room

Board members present | Corey Branch, Susan Evans, Brenda Howerton, Vivian Jones, Michael Parker

Board members attending remotely | Sally Greene [left 2:28 p.m.], Patrick Hannah [arr. 12:08 p.m., left 2:43 p.m.], Leo Williams [joined 2:28 p.m.]

Board members absent | Mary-Ann Baldwin, Jennifer Robinson [all excused], Michael Fox, Valerie Jordan

Chair Brenda Howerton officially called the meeting to order at 12:05 p.m. A quorum was present.

I. Adoption of Agenda

Action: A motion was made by Parker and seconded by Howerton to adopt the agenda. Upon vote, the motion was carried unanimously.

II. FY2025 Draft Proposed Budget

Jennifer Hayden reviewed the proposed FY2025 budget workbook, which is attached and hereby made a part of these minutes.

Current GoTriangle budget assumptions for FY2025:

- Operating revenue \$43 million [up from \$40.3 million in FY2024].
- Operating expenditures \$43 million [up from \$38.4 million in FY2024].
- SMAP funding \$2.8 million [flat to FY2024].
- Vehicle Rental Tax revenues \$14.9 million [up from \$13.7 million in FY2024].
- Vehicle Registration Tax revenues \$6.9 million [up 2% from FY2024].
- Fares and GoPass revenues \$1.6 million [suspended since FY2020].
- Plaza building expenses \$600,000; no rental income budgeted.
- Total headcount of 294, including county transit plans [up from 285 in FY2024].
- Average merit 3%; maximum merit 4% [average down from 3.5% in FY2024].
- 7% increase in employee healthcare costs [no change in \$500 annual employee contribution for employee-only coverage].
- Bus revenue hours of 136,607, directly operated and including Durham, Orange and Wake [up from 131,307 hours in FY2024].
- Contracted bus service hours 11,021 [up from 9,899 hours in FY2024].
- Bus service current cost per hour \$174 [up from \$161 in FY2024].
- Capital revenue \$57.2 million [up from \$33 million in FY2024].
- Capital expenditures \$59.6 million [up from \$35.9 million in FY2024].

Assumptions for the Durham Transit Plan - \$6.7 million allocation to fund balance:

- Total revenue \$45.6 million [up from \$42.6 million in FY2024], which includes:
 - Half [1/2] cent sales tax \$43 million.

- Vehicle rental tax \$0.
- \$7 county vehicle registration tax \$1.8 million.
- \$3 regional vehicle registration tax \$0.8 million.

- Total expenses \$38.9 million:
 - Tax district administration \$0.5 million.
 - Transit plan administration \$2.4 million.
 - Transit operations \$16.7 million.
 - Transit infrastructure capital expense \$17.6 million.
 - Vehicle acquisitions capital expense \$1.2 million.
 - Capital reserve \$500,000.

Assumptions for the Orange Transit Plan - \$1 million allocation to fund balance:

- Total revenue \$12.7 million [up from \$10.7 million in FY2024], which includes:
 - Half [1/2] cent sales tax \$11.5 million.
 - Vehicle rental tax \$0.
 - \$7 county vehicle registration tax \$0.8 million.
 - \$3 regional vehicle registration tax \$0.4 million.

- Total expenses \$11.7 million:
 - Tax district administration \$0.3 million.
 - Transit plan administration \$0.7 million.
 - Transit operations \$5.6 million.
 - Transit infrastructure capital expense \$0.7 million.
 - Vehicle acquisitions capital expense \$0.4 million.
 - Bus Rapid Transit capital expense \$4 million.

Assumptions for the Wake Transit Plan - \$5.7 million allocation from fund balance:

- Total revenues \$236.7 million [up from \$222.7 million in FY2024].
 - Half [1/2] cent sales tax \$140 million.
 - Vehicle rental tax \$0.
 - \$7 county vehicle registration tax \$7.1 million.
 - \$3 regional vehicle registration tax \$3 million.
 - Other revenue \$86.6 million.

- Total expenses \$242.4 million:
 - Tax district administration \$0.7 million.
 - Transit plan administration \$6.9 million.
 - Transit operations \$35.4 million.
 - Community Funding Area operating expense \$2.6 million
 - Bus Rapid Transit capital expense \$150.9 million.
 - Bus infrastructure capital expense \$29 million.
 - Bus acquisitions capital expense \$16.5 million.
 - Capital planning expense \$0.4 million.

Board members commented on and discussed:


- Requested a clearer breakdown of Transit Plan dollars allocated to GoTriangle operations and separation of GoTriangle revenues and expenditures from Transit Plan revenues and expenditures.
- Requested information on GoTriangle's employee vacancy rate.
- Discussed efforts to attract and retain operators, including more part-time workers and partnering with the school systems to share drivers.
- Use of financing for bus purchases to relieve pressure on the budget.
- More simplified budgeting, perhaps fewer funds.
- Evaluation of real property holdings by GoTriangle.
- Requested a summary of the major budget categories in FY24 and FY25, projected versus actual, and the year-to-year variance.
- Discussion of budget priorities and tradeoffs.

III. Adjournment

Action: Chair Howerton adjourned the meeting at 2:45 p.m.


Brenda Howerton, Chair

Attest:


Michelle C. Dawson, CMC
Clerk to the Board