

GoTriangle Board of Trustees
Meeting Minutes
Budget Work Session – April 17, 2018
Board Room, The Plaza, 4600 Emperor Blvd., Suite 100
Durham, NC

Board Members Present:

Will Allen III	Michael Parker
Mary-Ann Baldwin (arr. 11:22 a.m.)	Ellen Reckhow
Sig Hutchinson (arr. 11:55 a.m.)	Jennifer Robinson
Wendy Jacobs	Steve Schewel
Vivian Jones	Nina Szlosberg-Landis
Mark Marcoplos	

Board Members Absent:

Valerie Jordan (excused)	Andy Perkins Jr. (excused)
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Board Chair Jennifer Robinson called the meeting to order at 10:06 a.m.

Sandra Freeman presented the proposed FY 2019 budget and distributed an overview handout. Both are attached and hereby made a part of these minutes.

Freeman reviewed the budget assumptions for FY19:

- Deficit of \$17,000;
- Total Revenue \$31.1 million (down from \$32.5 million in FY18);
- Total Expenditures \$31.1 million (down from \$32.7 million in FY18);
- GoDurham management expenses and reimbursement of \$1 million (up from \$901,479 in FY18);
- Vehicle Registration revenues of \$6.3 million up from \$6.1 million in FY18);
- Vanpool transition to Enterprise \$0 fares, \$400 subsidies, 1 FTE retained (2 year lag in Federal 5307 funds);
- Plaza building expenses \$633,000 and building lease income of \$494,000 (assumes half year vacancy);
- Vehicle Rental Tax revenues \$12.2 million (up from \$10.8 million in FY18);
- Total headcount of 289.5, including county transit plans (up from 281 in FY18);
- Average Merit for non-bus personnel 3%; Bus Operators, 4% (maximum for all 5%);
- Bus service cost per hour \$124 (up from \$119 budgeted in FY18);
- Bus service cost per hour including contracted services \$122 (down from \$123 budgeted in FY18);
- Estimated 10% increase in employee healthcare costs (employee \$500 annual contribution for employee-only coverage);

- Bus revenue hours of 132,986 (directly operated, including Durham, Orange and Wake) up from FY18 total of 128,128;
- Contracted bus service hours 16,214 (down from 16,250 hours in FY18); and
- Bus capital project spending \$3.2 million; advanced technology \$760,000.

Freeman highlighted assumptions of the Durham and Orange transit plans:

- Total revenues \$44.1 million (down from \$44.9 million in FY18), which includes:
 - Half (1/2) cent sales tax \$38.1 million;
 - Vehicle rental tax \$1.9 million;
 - \$7 county vehicle registration tax \$2.6 million;
 - \$3 regional vehicle registration tax \$ 1.1 million;
- Total expenditures \$95.4 million (down from \$103 million in FY18), comprised of:
 - Consultant spending \$70.3 million;
 - Personnel \$5.2 million;
 - ERP \$1.1 million;
 - Capital Projects \$4.5 million;
 - Property acquisition/ROW/demolition \$4.68 million;
 - Transit Services \$7.9 million;
 - Vehicle acquisitions \$1.7 million.

Freeman reviewed assumptions of the Wake Operating Fund for FY19:

- Total revenues \$100.6 million (up from \$94.3 million);
 - Half (1/2) cent sales tax \$86.7 million;
 - Vehicle rental tax \$4.1 million;
 - \$7 county vehicle registration tax \$6.2 million;
 - \$3 regional vehicle registration tax \$2.6 million;
 - Farebox \$942,000;
- Operating expenses \$17.7 million;
- Capital expenses \$33.6 million.

Baldwin arrived.

Freeman then reviewed specifics related to individual GoTriangle departments.

Hutchinson arrived.

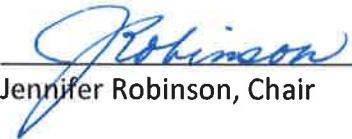
Freeman stated that finance staff would continue to review the numbers and talk with the department about opportunities for reductions. The Operations & Finance Committee will receive an update in May.

Szlosberg-Landis asked about ways to share the positive economic impact that GoTriangle's budget and spending provide for the community.

W. Jacobs asked for a list of DBE contracts on the light-rail project.

Schewel asked about a plan for closing the revenue gap. Mann stated that he would bring a table of revenue sources other transit agencies use in May.

Action: Chair Robinson adjourned the meeting at 12:05 p.m.



Jennifer Robinson, Chair

Attest:



Michelle C. Dawson, CMC
Clerk to the Board