

VTA Audit and Finance Subcommittee

Meeting Minutes

December 3, 2019

The Martha's Vineyard Transit Authority Advisory Board Audit and Finance Subcommittee met Tuesday, December 3, 2019 at 9:00 AM in the offices of the Transit Authority, 11 A Street, Edgartown. Present were Lenny Jason (Chilmark) and Elaine Miller (Tisbury). Also present were Angela Grant (VTA), Lauren Thomas (VTA) and Suzanne Cioffi (VTA).

The meeting was called to order at 9:13. Mr. Jason welcomed Ms. Miller to the Finance and Audit Subcommittee.

Mr. Jason approved the minutes from March 15, 2019. Ms. Miller abstained.

Mr. Jason made a motion to appoint Ms. Miller as the Chair of the Audit and Finance Subcommittee. Ms. Miller 2nd. m/s/c

Audit

Ms. Grant presented the subcommittee a copy of the final FY19 Audit. She informed the board that there were no changes from the draft copy that they had previously received. She stated there is also the Single Audit that needs to be reviewed, as required to be in compliance with the Federal Regulations. Ms. Grant provided copies to members. The subcommittee asked questions about the audit and Ms. Grant provided answers. Ms. Grant advised the subcommittee that the auditor will present the final draft to the advisory board on December 13, 2019 at 9:40am and management will leave the room for the Auditor to speak to the board via telephone. Mr. Jason stated that there are no management issues.

Financial Update

Ms. Grant presented the subcommittee a four month comparative of FY19 and FY20. She stated that 67.48% of revenues were collected in first four months of FY19 and FY20 that number is 47.48% stating that the VTA if look at fare box revenues we are up \$100,000 from last year due to all the fare increases. However, she stated that our expenses have increased and will still have a shortfall of \$500,000 in the budget. She discussed the service hour

projections and discussed the current schedule has significantly cut layover times and was able to gain more revenue service. Ms. Grant stated that there is no service on Route 2, 4, 10A, and 8. She stated we have gained back approximately 6,000 hours of service based on winter service reductions. She stated there will be less service in April, May and June with a potential to cut more depending on actual expenses and funding. She stated that April will be at approximately 2100 hours of service FY20 to 4100 hours in FY19.

Ms. Miller stated she believes to make up for some of the deficit is for the VTA to go to the towns for additional funding. Ms. Grant stated she has spoken to West Tisbury and Mr. Jason said he has had conversations in Edgartown and Chilmark. Ms. Miller stated need to present the towns with data of showing them what we can offer for riders and what can provide if the towns provided more money. Ms. Grant stated for this current year, service must be cut to ensure a balanced budget, as required by our MOU but we do need to focus on additional funding for FY21. She stated ridership will be monitored. Ms. Grant stated if the VTA does not receive additional funding that summer service may have to be reduced in FY21.

Airport Lease

Ms. Grant stated she was told the Airport is allowing tenants five years to roll up to the higher rate. The proposed lease would have an automatic increase of 4% annually for the remainder of the lease term. She stated she is unsure if the Registry of Motor Vehicles will stay as tenants. Ms. Grant stated per FTA standards rental income cannot be the main source of income to the airport. Ms. Grant informed the subcommittee that the airport business park tenants have a meeting later today to discuss the airport leases.

10:46 Mr. Jason made a motion to adjourn; Ms. Miller 2nd. m/s/c

Date

Signature