

Minutes of the SEVT December 8, 2021 Board Meeting
Via Video 5:00 pm

Chip Stearns called the meeting to order at 5:01 pm. Those in attendance and constituting a quorum were as follows

Board Members:

Willis “Chip” Stearns II, President
Seth Boyd
Randy Capitani
Wendy Harrison
Joel Bluming
Matt Mann arrived 5:04 pm

Members of the Public: None

Staff Present:

Randy Schoonmaker, CEO, SEVT,
Keith Johnson, Finance Manager, SEVT
Christine Howe, General Manager, SEVT

Invited Guests:

Ross MacDonald VTrans
Tim Bradshaw VTrans

Public Input: There was no public input

Amendments of the Agenda: None

Review of Minutes: Correct Chips last name

Set Date for 2021 Annual Meeting and January Board Meeting: Wednesday January 12, 2022, Annual Meeting starting at 5 pm with regular meeting following immediately after. Bylaws have reports of President, Secretary, Treasurer and CEO. President and CEO are in writing, the rest of the reports are oral, by January 12th. The warning will be posted in various towns Thursday December 9th.

ARPA Funding: Wendy discussed that she thinks this should be handed off to staff. Does the board wish to change what was approved at the October Board meeting to hand off to the employees? Randy C made the motion seconded by Seth: Formally the board will dissolve the ARPA committee and hand it over to the staff for recommendations. **Motion passed: 7-0**

Review VTrans/SEVT Request for Funds: There are some information provided through Randy and other information in the packet provided by Ross and Tim from VTrans. Ross explained that the reason VTrans put together their own numbers was because they felt the internal numbers was not quite the picture VTrans had for the 5311 programs. Tim presented VTrans spreadsheet, starting with the VTrans Local Analysis tab, and explained this is not a complete financial position of SEVT but of 5311 funds. Chip asked Tim to clarify that 5311 represents the formula funds and

flex funds to fund operating, so operating costs. The expense is on line item 71. Wendy asked what “local” is from. Tim explained that when all the federal and state money is exhausted the “local” money is used to sustain the program. The local money can be from towns, or partners. Randy explained how certain local routes and the Resort Routes are other routes.

The second tab, State Operating Assistance, was presented. Tim explained VTrans flexibility to use funds for financial assistance. Matt asked if this additional money was above and beyond what SEVT applied for. Tim explained SEVT did not get additional state operating, but it was one hundred percent, so it offset the local match. Randy S explained that row eight is additional money for this fiscal year. However, the original funding for this FY was not all we requested in the application. The additional one hundred thousand is to be earmarked toward mortgage principal. Chip explained that each item in lines two thru six was shown and presented to the board as they came up but the additional one hundred thousand is new to the board. Chip thanked VTrans for the help to SEVT and thanked them for the flexibility to use the funds previously. Matt asked what the plan long term is to continue to pay down the debt. Randy S explained the document in the Board package explained the three-pronged approach. Chip explained there is also more information in the strategic plan for reducing the debt. Randy S gave an update on fundraising. Christine will work toward foundations fundraising. Randy S gave an overview of the SEVT Long Term Debt Overview. Ross discussed how when he asked SEVT to get back into Medicaid he pledged fifty thousand a year to help cut the financial losses SEVT incurred previously in Medicaid. With COVID funds VTrans allowed SEVT to keep more money and same last year, expecting to allow SEVT to pay down the debt. SEVT prioritized capital over debt reduction. Ross explained his difference in opinion on the VTrans spreadsheet regarding the local share, and how he erroneously thought SEVT was putting money toward reducing the debt. Chip reiterated that SEVT is grateful for the help from VTrans, however Chip has never heard from VTrans that we could pay down the debt with funds from VTrans. Matt admitted he took his eye off the debt category, but obviously we need to address. Matt would like to see a plan in place to show that we are paying down the debt a little more every year. Randy S explained the plan is clearly retiring this debt, and will work on a more defined plan, with the basis of trying to come up with the local match that we can. Scott asked about our debt ratio, and Seth requested that information and what it compares to with other transit operators in the state. Scott thanked VTrans as well. Ross thanked the board for the time. Wendy suggested that APRA funding may be available for debt reduction.

Solicit Board input on the by-law changes: At the last meeting Chip reviewed the areas that were changed. Matt asked if there was a way to see the Bylaws with “tracked changes” showing. Chip said it was confusing. Matt asked the tracked changes document to be put into DirectorPoint for Matt to review outside the meeting. Chip asked about Board input to modify the bylaws regarding the size of the board to avoid a split vote. Chip asked for input on removing board members, and if the board wants a super majority. Wendy asked for the committee to review the changes. Chip said this is what we have come up with for the final document. The final draft will be sent to counsel and VTrans. Chip asked Randy S to then bring up the redlined document to present. Board input stated going down to seven members would be adjusted. Randy C asked that we let counsel review the contract dollar amount instead of picking away at it in this meeting. Randy S explained that we reviewed the wording of Title 24 with counsel, explaining that the Board of Directors first chooses someone to nominate then the nominee goes to the town for approval. Discussion ensued regarding bylaw changes. Wendy asked that the committee let everyone on the Board know when the next meeting will be. The committee explained the added language regarding removal of a board member because there was nothing in the bylaws for this provision. Chip stated it should possibly read a super majority, but needs to be defined, typically half plus two. Scott said you can specify the number of

members needed. Seth commented that he would encourage SEVT to keep consistent with what we have as language stating majority votes needed. Scott thanked everyone for the effort thus far.

CEO Job Description: Chip removed from the bylaws for CEO to review Finance Manager and General Manager and share with the Board, and added the reviews to the CEO job description and not share with the Board. Seth and Randy C noted there were very minor changes, mostly format changes. Scott asked for a statement of relationship between the CEO and that Board, for example some boards feels that they are the employer of the CEO. Scott feels there should be more of a statement of a partnership between the board and CEO. Scott will find and send an example of that language to the committee. Chip feels that language would fit best under the description. Chip said there may or may not be something presented on January 8th meeting, just based on time of year.

Ross just stated that he would like to have an opportunity to review the bylaws prior to board approval for input. Chip reiterated that is the SEVT board intention.

Chip asked Ross to give an update on the management review that SEVT will be undergoing in January. Ross gave the update and stated it is just a regular process and looking forward to working with SEVT. Ross stated at least three months from the kick off to the final review information from the state.

Meeting was adjourned at 7:03pm.

Submitted by: Christine Howe, General Manager