

Seth Boyd called the meeting to order at 10:32 am. Those in attendance and constituting a quorum were as follows:

**Board Members:**

Seth Boyd  
Jason Rasmussen  
Sue Fillion  
Dan Thoemke  
Chris Company

**Members of the Public:** None

**Staff Present:**

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

**Invited Guests:**

Tim Bradshaw, VTrans

**Public Input:** None

**Amendments to the Agenda:** None

**Review February 21, 2023, Minutes:** Reviewed with a correction needed in second line “we do not use it infrequently” should read “use it frequently”.

**Review March 9, 2023, Finance Committee Executive Summary and Ridership:** Randy C summarized the meeting, and pointed out the discussion about the windfall of money that will be discussed later in this meeting. Seth asked Keith what the line of credit balance is. Keith answered it is zero, however we will be pulling from it this week. Keith stated we are in a better position this year compared to last year due to timing of reimbursements from grant funding. The Medicaid funding information will be presented.

Christine presented ridership all the fixed routes. Rockingham is on the increase with the exception of the Springfield In-town route which is off slightly. Jason asked if there was a specific reason why. We will dig into it a bit deeper to see if we can identify the cause. The Okemo route after restructuring has a great increase in ridership. Demand response looks like it is easing with less rides, however the lack of volunteers is forcing more riders onto buses and the rides are longer in miles. Rockingham is up by eighteen percent. In Wilmington the fixed routes are showing great growth, with the exception of the West Dover route. We will watch to see if that rebounds this spring, we are hoping it may have something to do with preschool activities. The winter routes are doing great as well. Stratton-Manchester, in its second year, has shown good growth as well. Randy will have a break out at a later meeting to show if this has more public riders on it than last year. Christine explained this is the last weekend of full winter service scheduled, however that may change if any associations call early next week for an extension. Jason asked for an update on the Windsor Microtransit. Randy S explained it is going pretty well, but weather has affected it. We are averaging in the twenties for riders per day. We are hoping the nicer weather will help pick up the riders. SEVT overall is up sixteen percent.

**Medicaid funding and options:** Randy S presented the information on the Medicaid windfall payment of \$287,000 for FY21-22. There are four options for the board to discuss and possibly vote on today. The voting can wait until the April meeting if the board wishes, but it would definitely

need to be voted on in April, if it is not voted on today. Randy S. presented what the outstanding loan balances interest rates and monthly payments were, per request from Sue at the finance meeting. This money was not specifically requested by SEVT but rather was the result of a DVHA audit. The KeyBank loan has a variable rate and is higher than others. Randy C. said that if there was any consensus as to which one to pay off, that high interest rate would be the priority. Once the options were explained, Randy S. reviewed the Medicaid income adjustments for FY23 and FY24. During the budget adjustment session at the legislature, an additional \$1.7 million was appropriated for FY23. This money will be disbursed through VPTA and the disbursement methodology to members has not been discussed. A rough calculation based on the current methodology would have a conservative estimate of \$300,000 to SEVT. FY24 will start out with underfunded Medicaid income, and that is being negotiated now with the Legislature. Randy S. presented the wage increase plan that will also be discussed and possibly voted on today. Seth asked the timing of these decisions. The decision on the \$287,000 could be made today, as well as the wage increase. Discussion ensued among the Board regarding the choice of option two or option four. Keith explained the difference between option two and four. Option four provides more money to replace operating losses, while option two places the majority of the funding into paying off debt. Tim Bradshaw noted it seems beneficial to eliminate a mortgage with a high interest rate. Randy C. agreed that at bare minimum eliminate the mortgage with high interest. Keith reminded that the difference with option two means less money going toward the cash deficit by paying off more small loans in addition to Key Bank, and that option four leaves more cash for operating and still removes the high interest mortgage. **Motion 1:** Chris Campany motioned to approve option four, Jason seconded. Seth asked for staff recommendations. Randy S. chose option two, Keith chose option four, and Christine leaned toward option two based on concern for funds coming in at a later date. Chris amended his motion to choose option two, Jason seconded. Keith asked if the reserve account noted in option two would require board approval for use of the funds. Staff will propose use of funds to the board for approval, and that will be discussed in April. **Motion passed 6-0.**

Randy S. presented the wage increase proposal for FY23 starting May 1, 2023 carried into FY24. SEVT is no longer competitive in the labor market. Our starting rate is not high enough to retain or attract drivers in Rockingham for year-round drivers. Expense savings from FY23 plus wage adjustments for the remainder of FY23 would require \$44,870 from the \$1.7 million to keep the bottom line of this year's approved \$78,172 surplus. If the Board does not vote on this today, it will need to be voted on at the April board meeting. Seth pointed out that he supports the wage increase, but this may not be the magic bullet to solve staffing. Christine noted that there are specific cases where we had great candidates in Rockingham that we wanted to hire but they declined due to not a high enough wage. Dan stated the importance of approving this sooner rather than later to show the staff that we appreciate all they do and support them. Sue asked if we are aware of other transit providers are paying. Randy S. we are only ahead of the Northeast Kingdom but not by much, and other providers are union and starting at \$25 or more per hour. Sue noted that also the three percent cost of living wage is low, and her concern is moving forward how is this funded. Randy C. said that anyone with a CDL is in high demand. Randy C. asked if the approval could be contingent upon additional funding. Randy S. agreed. Jason asked if SEVT can afford this moving forward. Randy S. said we must make it work. We can't continue to leak staff and we are starting to deny rides because we don't have the resources to cover those rides. Tim Bradshaw reiterated wage increases are happening with all the transit providers. He said there are challenges with funding, and a very competitive process but VTrans will do everything they can to support SEVT. Chris said we need to be competitive and pay what CDL licenses demand. Chris said that he supports the understanding that there is some risk being able to support the costs moving forward. Randy C. also noted that volunteer drivers are needed as well. **Motion 2:** Randy C. motioned to support the wage increase effective May 1, 2023 contingent on a minimum distribution of three hundred thousand dollars from the VPTA disbursement, Sue Fillion seconded. **Motion passed 6-0.** Randy S. thanked the Board for their support.

Randy S. announced this is our last meeting with Tim Bradshaw as our grant coordinator as he is moving to GMT as Operation Manager. SEVT thanked Tim for all that he has done for this company, and we are grateful!

**Strategic Plan:** No updates as of today. Can this be discussed at the next board meeting along with the financial plan.

**SWOT discussion with Staff:** Seth explained that he and Christine have gotten together to discuss possible staff to participate and timing. We are thinking that April will have people on vacation after the winter, so possibly into May sometime. More will be discussed as things progress.

**Executive Session if Necessary:** None

**Motion to adjourn by motioned to adjourn by Sue Fillion motioned to adjourn seconded by Chris Campany at 11:50am.**

Submitted by: Christine Howe, General Manager