

GoTriangle Board of Trustees
Budget Work Session Meeting Minutes
April 21, 2021
Held Remotely via WebEx

Board Members Present Remotely:

Will Allen III	Vivian Jones
Corey Branch	Valerie Jordan
Michael Fox (arr. 12:30 p.m., left 1:00 p.m.)	Michael Parker, Chair
Brenda Howerton	Renée Price
Sig Hutchinson	Steve Schewel

Board Members Absent:

Jennifer Robinson	Stelfanie Williams
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Chair Michael Parker officially called the meeting to order at 12:02 p.m. A quorum was present.

Action: On motion by Allen and second by Schewel the agenda was adopted. Upon vote by roll call, the motion was carried unanimously.

Sandra Freeman reviewed the proposed FY 2022 budget workbook, which is attached and hereby made a part of these minutes.

Current GoTriangle budget assumptions for FY22:

- Total Revenue \$72.9 million (up from \$51 million in FY21).
- Total Expenditures \$71.2 million (up from \$53 million in FY21).
- Surplus of \$1.7 million, excluding estimated \$548,000 in recommendations from classification and compensation study.
- Relief funds \$10.7 million from DCHC (up from \$7.9 million FY21); CAMPO funds pending.
- No SMAP funding for the second year (just over \$2 million).
- Vehicle Rental Tax revenues \$4.1 million (down from \$5.2 million in FY21) – 50% allocated to Durham-Orange and Wake plans.
- Vehicle Registration Tax revenues of \$6.3 million (down from \$6.6 million in FY21).
- No fares or consignments revenues budgeted.
- Plaza building expenses \$572,000; no rental income budgeted.
- Total headcount of 280, including county transit plans (up from 270 in FY21).
- Average merit 3%; maximum merit 4% (no change from FY21).
- No increase in employee healthcare costs (no change in \$500 annual employee contribution for employee-only coverage).
- Bus revenue hours of 141,118, directly operated and including Durham, Orange and Wake (up slightly from FY21 total of 134,568).

- Contracted bus service hours 11,724 (down from 11,744 hours in FY21).
- Bus service current cost per hour \$129; adding in recommendations from compensation study, \$132 (\$132 in FY21).
- Cost per hour including contracted services \$128, adding in recommendations from compensation study, \$131 (\$131 in FY21).
- Capital requests \$36.5 million (not yet budgeted).

Assumptions for the Durham Transit Plan:

- Total revenues \$34.4 million (up from \$32 million in FY21), which includes:
 - Half (1/2) cent sales tax \$31.2 million. Trending remarkably well!
 - Vehicle rental tax \$0.9 million.
 - \$7 county vehicle registration tax \$1.7 million. flat
 - \$3 regional vehicle registration tax \$0.7 million. flat
- Total expenditures:
 - Tax district administration \$0.4 million.
 - Transit plan administration \$1.9 million.
 - Transit operations \$8.1 million.
 - Capital Projects \$9.2 million, including vehicle acquisitions of \$4.7 million and \$4.2 million in transit infrastructure.

Assumptions for the Orange Transit Plan:

- Total revenues \$8.9 million (up slightly from \$8.8 million in FY21), which includes:
 - Half (1/2) cent sales tax \$7.4 million.
 - Vehicle rental tax \$0.4 million.
 - \$7 county vehicle registration tax \$0.8 million. flat
 - \$3 regional vehicle registration tax \$0.3 million.
 - Other revenue \$0.8 million.
- Total expenditures:
 - Tax district administration \$0.25 million.
 - Transit plan administration \$0.54 million.
 - Transit operations \$4.2 million.
 - Capital Projects \$3 million, including vehicle acquisitions of \$0.9 million and BRT of \$1.8 million.

Freeman reviewed assumptions of the Wake Operating Fund for FY22:

- Total revenues \$155.4 million (up from \$110.8 million in FY21).
 - Half (1/2) cent sales tax \$98 million. Significant increase conservative last year
 - Vehicle rental tax \$2.8 million.
 - \$7 county vehicle registration tax \$6.7 million.

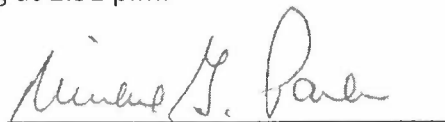
- \$3 regional vehicle registration tax \$2.9 million.
- Other revenue \$45 million.
- Total expenditures:
 - Tax district administration \$0.5 million.
 - Transit plan administration \$4.7 million.
 - Transit operations \$20.5 million.
 - Community Funding Area \$1.4 million.
 - Capital Projects \$81.2 million, including BRT of \$12 million, bus infrastructure of \$55.5 million and bus acquisitions of \$12.8 million.

Board members commented on and discussed:

- Relief funds estimated from CAMPO are typically much less than what is received from DCHC based on the 5307 allocation method which utilizes population.
- Allocating a greater share of Vehicle Rental Tax revenues to GoTriangle. Lattuca stated he would like to see this done over a two to three year period.
- The sustainability of GoTriangle's funding sources and a strategy for approaching the Legislature for increasing current revenues and/or adding new sources.
- The reinstatement of SMAP funding.
- Request for more information about GoTriangle's compensation practices.
- Request for a comparison of bus fares charged throughout the region.

Freeman stated that staff would continue to look for additional areas for reductions in departmental and capital spending and any revisions will be discussed with the Operations & Finance Committee in May.

Action: Chair Parker adjourned the meeting at 1:51 p.m.



Michael Parker, Chair

Attest:



Michelle C. Dawson, CMC
Clerk to the Board