

MART Finance Committee Meeting Minutes  
March 24, 2015

The meeting was called to order at 2:24 p.m.

**MEMBERS PRESENT: (constituting a quorum)**

Keith Bergman (Chairman)	Littleton
Mayor Lisa Wong	Fitchburg
Ken Troup via phone	Bolton

**MEMBERS ABSENT:**

Shaun Suhoski	Athol
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**STAFF PRESENT:**

Mohammed Khan, Bruno Fisher, James Sluss, Ray Garcia, Donna Landry, Jessica Lashua, Adam Gromelski, Keary Connors

**GUESTS PRESENT:**

Trevor Bayard-Murray, MassDOT  
Thomas Schiavone, MassDOT  
Phil Rocca, Management of Transportation Services  
George Kahale, Montachusett Regional Planning Commission

- Approval of Meeting Minutes April 15, 2014, April 28, 2014, October 14, 2014 and January 13, 2015.  
Mayor Lisa Wong from Fitchburg moved to approve the minutes from 15, 2014, April 28, 2014, October 14, 2014 and January 13, 2015. The motion was seconded and passed unanimously.
- Introduction to James Sluss, MART Controller effective March 16, 2015  
Keith Bergman introduced James Sluss and welcomed him to the Finance Committee.
- Hiring of a Financial Planner and Analyst  
Bruno Fisher also let the Board know that we hired Benilda Martinez as a General Accounting Manager.
- Review of 7 Month Expenditures and Revenue  
James Sluss informed the Board the current loss is \$159,000 at this time the projected deficit for the year is \$300,000-\$400,000. We have only achieved 6 months of improvements. We have reached into all departments to help the company realize and understand cost savings.

K. Bergman wanted to know what the loss leaders were. James informed the Board that MART has structural issues in regards to over head salary. We also need to rebid certain consumables to help improve costs.

M. Khan informed the Board that reducing services will be the last effort.

K. Bergman asked the State if an RTA has a deficit what happens under the new funding structure.

Thomas Schiavone informed the Board that MART cannot borrow money for resolve the deficit because of forward funding. That would be a question to ask the Administration. What is MART's game plan for covering a deficit.

M. Khan stated we will have to look into two areas we will have to look at the revenue side or reduce FY2016 budget to recoup the money. We are working on getting State Contract Assistance for Athol. Also we will be working with MBTA in regards to 5307 allocation for UZA Boston which is about \$130,000 that we never received before but going forward we will be looking to get our share.

Thomas Schiavone stated he would look into what the protocol will be if an RTA has a deficit and he will report back to the Board.

- FY2016 Draft Budget

M. Khan went over the draft budget with the Board and answered their general questions concerning the draft budget.

K. Bergman and L. Wong stated they were not willing to make any recommendations to approve this budget to the full advisory board until we get more information from the State in regards to a how we will handle a deficit.

- Proposed Fare Increase/Public Hearing

M. Khan informed the Board that the proposed fare increase should generate about an additional \$110,000 annually in revenue. We will have 3 public hearing one in each of the 3 cities. (Fitchburg, Leominster and Gardner)

Mayor Lisa Wong from Fitchburg moved to go forward with the fare increase and public hearings. The motion was seconded and passed unanimously.

- Executive Compensation Plan

D. Landry informed the Board that the Finance Committee needs to meet independently and look at the executive compensation package. The Finance Committee also needs to determine who is an executive and the compensation package for employees. I will email everyone all the information they will need including an organizational chart and payscale.

- General Comments

- Adjournment

The meeting adjourned at 3:38 p.m.