



**Missoula Urban Transportation District  
Finance Committee Meeting Minutes  
March 28, 2024**

**APPROVED**

**MEMBERS PRESENT**

Sebastian Strauss  
Jason Wiener

**MEMBERS ABSENT**

**STAFF**

Corey Aldridge, General Manager  
Allison Segal, Finance Manager  
Jasmine Blumenbach, Accountant  
Colin Woodrow, Director of Projects,  
Planning, Procurement & IT  
Teddy Mierze, Accountant  
Jen Sweten, Director of Operations

**Call to Order and Roll Call**

Strauss called the meeting to order at 11:04 a.m. and asked for roll call.

**Changes or Additions to the Agenda**

None

**Public Comment on Items Not on the Agenda**

None

Strauss observed that there was no quorum to approve the minutes and confirmed that his requested changes had been made. He recommended tabling the minutes until the next finance committee meeting.

11:07 a.m. – Wiener joined the meeting.

**Action Items**

**4.1 – February 22, 2024, Draft Meeting Minutes** – Because there was a quorum, Strauss moved to approve the February meeting minutes as revised. Wiener seconded the motion and it passed unanimously.

**4.2 January 2024 Financial Statements** – Based on Strauss’s question of revenue timing in the February meeting, Segal pointed out that the federal operating assistance has been budgeted and is an active award in TrAMS. She just needs to put in a draw in the MUTD system and the funds are there. A majority of the awarded \$3 million can be requested. Strauss asked if the draws came out proportionately throughout the fiscal year, or was it drawn at the beginning of the fiscal year. Segal responded that the draws were based on eligible expenditures. It will be drawn on this fiscal year.

Strauss said the miscellaneous revenue amount of \$109 thousand seemed high. Blumenbach explained that it was a workers' compensation divided from FY22. Blumenbach confirmed that the dividend was a result of lower-than-expected claims.

Strauss asked about the amount budgeted for concrete with respect to the lift. Segal said yes, there was both concrete and asphalt at the shop. Sweten added that MUTD had received quotes for redoing the asphalt at the shop that would be added to the spring construction schedule. Sweten noted the amount was much less than budgeted.

Strauss motioned to approve the January financial statements, Wiener seconded and the motion carried unanimously.

## **Discussion Items**

**5.1 FY2025 Budget Calendar Progress Check In** – Segal said the FY25 budget worksheets she handed out to the staff were due on March 29, and a draft budget would be presented at the April board meeting. The FY25 capital improvements projects (CIP) review process started in February is ongoing. Strauss asked if the CIP had progressed sufficiently enough to feed into the proforma. Segal responded that Woodrow scheduled a check-in on the MOAB for early April. ERP will take another piece of the operations reserves. Strauss remarked that hard numbers for the MOAB and ERP will have to be plugged into the proforma. Aldridge said MUTD has to be more thoughtful about what projects it takes on in any specific year. Segal said that since the CIP affects reserves, she earmarked funds based on the projects currently in CIP to ensure sufficient funding for operating in FY25.

Strauss asked if the fiscal policy dictated a minimum limit for CIP. Segal stated the policy states seven years of capital funding need to be on hand. Aldridge added the seven-year stipulation gives the board flexibility without requiring a minimum limit. Woodrow clarified the proforma budget for the MOAB is \$45 million for constructing the facility and paying the construction manager's fee. It does not include land acquisition, design fees, charging infrastructure, appraisal costs, environmental review costs, or any long-term operational deadhead costs. In whole, project costs will be around \$60 million. \$39.1 million will come from a discretionary low-no funding award, \$11-\$12 million will come from facility reserves funds and \$15 million will come from the Build America/Transportation Infrastructure Finance and Innovation Act (TIFIA) credit assistance program. Depending on the site selected and keeping to the scheduled timeline, the \$60 million is appropriate. Strauss thanked Woodrow for the information and noted the TIFIA loan payments would have to be included in future proformas based on the five-years after completion requirement. Segal mentioned that there are some 5339 award funds that MUTD will apply toward the architecture and engineering (A&E) portion.

Strauss brought up the business property insurance renewal. Segal said a pre-renewal meeting with the insurance agents to get a scope on costs had been scheduled though preliminary numbers won't be available until May. Strauss observed insurance premiums significantly increased last year. Sweten noted the premium increased due to switching insurance from MACO (Montana Association of Counties) to Travelers Insurance as MACO no longer covered special districts.

Segal said there hasn't been any movement on the proforma update. She hasn't been able to get interest rate numbers from the county yet but will touch base.

Wiener said he had looked at the property tax spreadsheet the county sent over and wanted to review the historical figures. Segal said she had seen historical figures in the spreadsheet. Once the draft budgets are done, the proforma can be completed. Strauss said the expected property tax increase will not go as low as the projected three percent. He requested to review a draft budget and proforma at the April finance committee meeting for refining and presenting at the May board meeting with final approval at the June board meeting. Segal said MUTD should receive benefit rate changes from Missoula County in May that could increase an estimated ten percent. Strauss commented that the benefits are a relatively small portion of the budget so even a ten percent increase should not substantially impact the budget but he wanted to understand how an increase could change other budget elements. He pointed out disconnects across some of the departments between compensation and benefits with respect to whether they were above or below budget. Segal said Blumenbach prepared the FY25 draft compensation budget by choosing random sample pay periods. The disconnect happens when an operator's compensation changes depending on whether they are driving fixed route or paratransit that causes the percentage to change throughout the year. Strauss said there's a fixed allocation for benefits versus a variable allocation for labor and asked if there was a way to find a more representative way of putting it into the budget.

Strauss requested a separate proforma presentation in the next finance committee meeting.

### **Adjournment**

The meeting was adjourned at 11:35 a.m.

Submitted by Darlene Craven