



**Missoula Urban Transportation District
Finance Committee Meeting Minutes
March 27, 2025**

APPROVED

MEMBERS PRESENT

Sebastian Strauss
Jason Wiener
Lisa Sheppard

MEMBERS ABSENT

STAFF

Jordan Hess, General Manager
Allison Segal, Finance Manager
Jasmine Blumenbach, Accountant
Teddy Mierze, Accountant
Darlene Craven, Executive Assistant

Call to Order and Roll Call

11:02 a.m. – Wiener called the meeting to order and asked for roll call.

Changes or Additions to the Agenda

Public Comment on Items Not on the Agenda

None

Action Items

3.1 January 23, 2025, Finance Committee Meeting Minutes – Wiener confirmed the language in the January minutes should read “battery-electric fleet” and moved to approve the minutes with that revision. Sheppard seconded the motion, and it passed unanimously.

3.2 February 27, 2025, Finance Committee Meeting Minutes – Strauss moved to approve the minutes, Sheppard seconded the motion, and it passed unanimously.

3.3 January 2025 Financial Statements – Segal pointed out that the compensation budget is approximately \$900,000 under budget based on unfilled positions. 62 operators are currently active with 72 budgeted for them and the administration team is fully staffed, resulting in a continuing compensation budget variance. Maintenance is about \$500,000 under budget. Strauss asked if the agency could operate properly at the current staffing level to avoid chronically over-budgeting the compensation going forward, and if there is a plan to be more aggressive in meeting the targeted head count. Hess responded that the headcount will always be cyclical due to attrition and that operations staff will need to weigh in on the proper budgeted headcount for the FY26 budget.

Sheppard shared that at her agency (Missoula Aging Services), the intent is to staff at the budgeted level to keep those positions in the budget. Hess said the goal is to be flexible in planning for attrition. Strauss said it would be more expedient to not budget the half million dollars (representing the unfilled positions) and establish a more realistic proforma. Wiener said if the compensation budget is almost \$1 million lower, it pushes the negative cashflow two years ahead in the proforma.

Segal suggested consulting the operations and administrative directors to better manage the headcount and attrition rates. The increase in paratransit runs continues to affect overtime expenses. Hess suggested that vacancy savings planning would be a good process to establish.

Wiener asked if the simulator grant is still not allocated. Segal said it is part of the larger FY2022 Low-No grant, and that the simulator would not be purchased until the Federal Transit Administration approves the grant for obligation.

Hess related that Congress passed the continuing resolution, providing the agency's full year operating funds apportionment through September 30. Segal noted that the staff has applied for the FY25 federal operating assistance funds.

Segal noted that property tax revenues are lower than anticipated but may not continue throughout the fiscal year. The investment income also continues to post lower returns as well. Wiener suggested asking Missoula County Finance Office for an explanation as to why the revenues are lower. Strauss concurred that setting a realistic expectation based on those figures would be a worthwhile effort. Wiener stated that he would follow up with the Missoula County Commissioners regarding property taxes and how delinquencies were addressed. Wiener moved to recommend approving the financial statements as presented to the full board, Strauss seconded, and the motion passed unanimously.

5.1 FY26 Budget Calendar Review – Hess reported that the compensation analysis revealed that some staff members are underpaid, and some are paid above the target market level. As a public entity, the goal is to maintain a balance between recruiting and retaining quality employees through competitive compensation while remaining a good steward of public funds. The staff will bring the report that addresses the under- and over-compensation to the board for review at the May board meeting as part of the FY26 budget. Segal reported that capital improvement projects budget had been updated, and the draft will integrate the compensation analysis which will be reviewed in April.

5.2 FY26 Pro Forma Assumptions – Segal stated the 3% property tax increase to the proforma is a conservative estimate. Hess said it is important to consider operating at the projected 3% or reducing the projection to previous levels before the Infrastructure Investment and Jobs Act funds were awarded. Estimating operational growth and expenses as the new facility project progresses will be necessary. The increased costs associated with the new facility and inflation need to be captured in some capacity. Wiener remarked that continuing to refine specific numbers in the proforma based on future projects will be necessary to keep up with actual organizational growth.

Adjournment

11:48 a.m. – Wiener adjourned the meeting.

Submitted by Darlene Craven, Board Clerk