

Finance Committee

April 2, 2025 | 4:00 pm – 5:00 pm



Onsite:

Greater Portland Transit District
114 Valley Street, Conference Room A | Portland, ME 04102

Remote:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/85631151700?pwd=yrEg1G6gcM33iqD4CPMY1eleeyLgsb.1>

Passcode: 101710 | Webinar ID: 856 3115 1700

Phone: (646) 558-8656 | Telephone participants: *9 to raise hand, *6 to unmute

MEETING AGENDA

AGENDA ITEM	PRESENTER	ACTION or INFORMATION
1. Call Meeting to Order (4:00)	Paul Bradbury, Committee Chair	N/A
2. Public Comment (4:00-4:05) The Finance Committee welcomes public comment. For items NOT listed on this agenda, the chair will recognize speakers at this point on the agenda. For items on the agenda, the chair will recognize public comment following the staff presentation. There is a 3-minute time limit per speaker.	Paul Bradbury, Committee Chair	Information
3. Approval of Meeting Minutes (4:00-4:05) The committee will be asked to approve minutes from the February 27, 2025 meeting of the Finance Committee.	Paul Bradbury, Committee Chair	ACTION
4. State and Federal Funding Update (4:05-4:15) Staff will review pending and recently passed state and federal legislation affecting public transit.	Glenn Fenton, Executive Director	Information
5. CIP Local Match Policy (4:15-4:30) Staff will present a draft CIP Local Match policy for the Committee's review and approval.	Shelly Brooks, Chief Financial Officer	Information/ Possible Action
6. Committee Goal Setting (4:30-4:55) Committee will review Metro's strategic plan and current goals. Committee will discuss a strategy to revise goals to inform the	Paul Bradbury,	Information

committee's workplan.	Committee Chair	
7. Future Agenda Items (4:55-5:00) Committee members may request future agenda items. <ul style="list-style-type: none"> • 2024 Financial Audit- May 2025 • Update of Metro's DBE Program- May 2025 • Goal Setting/Workplan Development (Strategic Plan)- Ongoing • Review Financial Policies (Fund Balance/Procurement)- TBD • Long Range Financial Forecasting- Ongoing • Electric Buses- KPIs and Cost Analysis- TBD • Microtransit Cost Analysis- TBD • Federal and State Funding Outlook- Ongoing 	Paul Bradbury, Committee Chair	Information
8. Upcoming Meetings (4:55-5:00) <ul style="list-style-type: none"> • Market/Coms Committee – April 9, 2025 at 3:00 pm • Plan/Ops Committee – April 16, 2025 at 10:30 am • Advocacy Committee – April 16, 2025 at 4:30 pm • Executive Committee – April 23, 2025 at 3:30 pm • Finance Committee – May 7, 2025 at 4:00 pm 	Paul Bradbury, Committee Chair	Information
9. Adjournment (5:00)	Paul Bradbury, Committee Chair	ACTION

As of November 9, 2022 Greater Portland METRO is holding meetings of the Board of Directors (and its committees) in hybrid format, both in person at METRO's offices and via webinar. The remote portions of all meetings are conducted in accordance with the requirements of [METRO's Remote Participation Policy](#) (adopted August 25, 2022) as well as LD 1772, PL 2022 Ch. 666, and 1 MRSA Chapter 13, Subchapter 1.



Greater Portland Metro Finance Committee
Wednesday, February 27, 2025 4:45pm
DRAFT Meeting Minutes:

Member:	Municipality:	Role:	Status:
Paul Bradbury	Portland	Chair	Present
Josh Reny	South Portland	Vice Chair	Present
Merrill Barter	Falmouth	Member	Present
Tom Poirier	Gorham	Member	Not Present

Staff Present	Identified Members of the Public
Shelly Brooks – Chief Financial Officer	Ed Suslovic – Board President

- I. With a Quorum in place, this meeting was called to Order By: Paul Bradbury at: 4:45 pm**
- II. Public Forum:**
No members of public present.
- III. Approval of October 15, 2024 Meeting Minutes:**
Merrill Barter made a motion to approve the October 15, 2024 meeting minutes. Josh Reny seconded the motion. After a roll call of the members present, it was unanimously approved.
- IV. Suggested Committee Items:**
Shelly Brooks introduced the following topics for future review by the Finance Committee:
 - Review of Metro Financial Policies
 - Fund Balance
 - Procurement
 - Local Match
 - Long-Range Financial Planning
 - DBE Program Review and Update
 - Advocating for Additional Funding
 - Building Ridership

The committee discussed the following additional items they would like to see:

- Electric Buses- KPIs and Cost Analysis
- Micro transit cost
- Strategic Plan Goal Setting
- Fare payments- Contactless Payment Options/Marketing on DiriGo Pass

V. Committee Goal Setting:

The committee discussed goals and strategic priorities of the Finance Committee. Possible goals included;

- Cash Management
- Long Term Financial Sustainability
- Achieving the industry benchmark by increasing fare revenue to 25% of budget

VI. Future Agenda Items:

- Review board policies pertaining to procurement (TBD)
- Comprehensive review of board policies (TBD)
- Federal Grant Awards/Activity (TBD)
- Long Range Financial Forecasting (Ongoing)
- Transit Asset Management Plan (TBD)
- Cash Flow and TAN Borrowing (TBD)
- State Funding: baseline and recurring (Ongoing)
- Fare Policy and Potential Increases
- PACTS Funding Formula – Post-merger change in split

VII. Upcoming Meetings:

- Market/Coms Committee – March 12, 2025 at 3:00 pm
- Plan/Ops Committee – March 19, 2025 at 10:30 am
- Advocacy Committee – March 19, 2025 at 4:30 pm
- Executive Committee – March 26, 2025 at 3:30 pm
- Finance Committee – April 2, 2025 at 4:00 pm

VIII. Adjournment: Josh Reny motions, Merrill Barter seconds. Paul Bradbury adjourns at 5:52 PM.



FINANCE COMMITTEE

AGENDA ITEM 4

DATE

April 2, 2025

SUBJECT

State/Federal Funding Update

PURPOSE

Staff will provide an update on the status of State and Federal budgets and how they might impact Metro.

BACKGROUND/ANALYSIS

State Funding Outlook

On March 21, 2025 the Maine State budget was passed. The approved budget is expected to include the \$770,153 that Metro has budget in State revenue for 2025.

The Public Transit Advisory Committee identified the statewide need for transit funding (bus) to be \$8.9m. The 2025 MaineDOT budget include \$5m for bus transit with an additional \$1.1m in discretionary funding. The Maine Transit Association released a press release pointing out the disparity noted in the PTAC report.

Federal Funding Outlook

The approved federal budget included a 0.4% increase in transit funding. The PACTS region budgets for a 2% increase each year. Final apportionments by region won't be released until late April. At that time, we will learn the impact on the amount of federal funding distributed to our region.

If there is a shortfall in federal funding for 2025 to the region the transit agencies will need to agree to a funding split based on the shortfall. One solution might include reducing or eliminating the 12% set-aside that is provided annually for new projects. Metro currently has a request for \$1.3m in funding from the set aside to pay for additional service in Scarborough and South Portland that could be impacted if the set-aside is reduced.

If Metro does not receive its full budgeted amount of federal funding, Metro's current carry forward balance (federal funding balance from previous years) is \$2.1m and could be used to backfill a hole.

FISCAL IMPACT

Possible need to use carry forward funding. No impact on local assessments is expected.

RECOMMENDATION

Continue to monitor federal funding closely and report back once Metro's federal funding amount for 2025 is finalized.

CONTACT

Glenn Fenton

Executive Director

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FINANCE COMMITTEE

AGENDA ITEM 5

DATE

April 2, 2025

SUBJECT

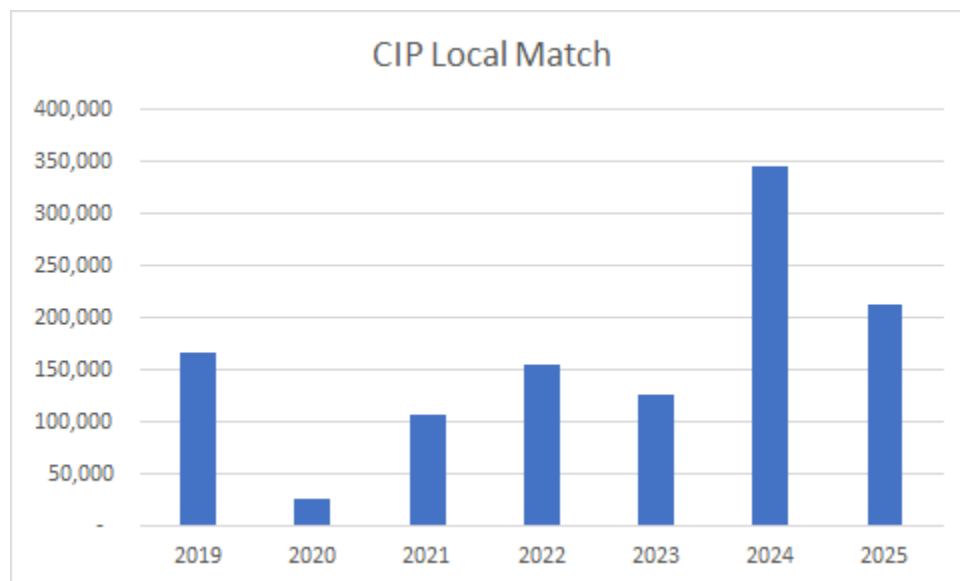
CIP Local Match Policy Draft

PURPOSE

Staff will present a proposed policy for Metro's annual CIP local match for the committee review, input and possible approval.

BACKGROUND/ANALYSIS

Historically, local match for capital projects is presented to the Board through the budget process in the 5-year Capital Improvement Plan. Metro's member communities local match assessment is based on the Federal/State funding match required to receive and expend those funds for capital projects planned in the upcoming fiscal year. CIP local match funding amounts for previous years can be seen in the graph provided below;



As demonstrated above, the request for local capital match funds can vary greatly from one year to the next.

Currently, local capital match funds collected in previous years require Board action to be used for other projects, even if those projects have been approved through the 5-year CIP budget process.

For the reasons discussed above, staff are proposing an escalator-based methodology for determining the capital local match assessment to Metro’s member communities. The proposed policy would provide predictability for member communities for local capital match funds, and flexibility for Metro staff to adjust to changing priorities in approval capital projects.

Staff are presenting a baseline amount, in which this policy would allow for 3% escalators year over year. However, this amount would be presented to the Finance Committee during the annual budget process. Additionally, the policy provides an avenue to modify this amount should there be a need for increased capital match needs, or decreases related to funding or operating budget constraints.

Staff are proposing the initial baseline amount to be the average of the last three years local capital match, which can be seen in the chart below.

Budget Year	2023	2024	2025	Average
Local Capital Match	\$125,960	\$345,100	\$213,560	\$228,207

The proposed policy would also allow staff to reallocate previously collected local capital match funds to other approved capital projects as needed. Currently, local capital match is collected on a project-based approach, and additional Board action is required to apply the funding to another use. Some circumstances in which reallocation would apply:

- Local capital match collected, grant funds not applied for or awarded
- Local capital match collected, Federal grant amended for new, approved purpose
- Local capital match collected, project complete but funds remaining.

Finally, all local capital matching funds collected would remain in restricted status, as reported on Metro’s Financial Statements, and corresponding cash would be restricted as well.

This policy is intended to provide a more predictable and flexible framework for local match contributions to Metro’s capital improvement program. By implementing a baseline funding methodology with annual escalations and allowing for discretionary reallocation of local match funds to approved CIP projects, Metro can better respond to the evolving needs of the transit system.

FISCAL IMPACT

As described.

RECOMMENDATION

Committee approval of the policy and move to the Executive Committee for approval.

CONTACT

Shelly Brooks
Chief Financial Officer
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sbrooks@gpmetro.org

**Greater Portland Metro
Capital Improvement Program Local Match and Reserve Policy**

Purpose

The purpose of this policy is to establish a framework for assessing and administering local match funding for capital improvements within the Greater Portland Transit District (GP Metro). This policy outlines an escalator-based methodology for determining the local match contribution from communities, replacing the previous project-by-project match assessment. Additionally, the policy provides flexibility for the use of previously collected local match funds at the discretion of GP Metro staff for approved CIP projects, which may not be their originally intended purposes.

1.1 Local Match Assessment

To simplify and streamline the process of determining local match contributions from participating communities, the GP Metro will utilize a baseline amount, which will be increased annually by 3%.

1.2 Annual Adjustments and Notifications

Each year, the GP Metro will present the communities their updated local match assessments, reflecting the 3% annual escalation during the annual budget process. This will provide the communities with transparency and predictability in their contributions.

Any adjustments to the funding requested above or below the 3% increase set by this policy will require approval by the Finance Committee and the Board of Directors through the annual budget process.

2. Use of Prior Collected Local Match Funds

2.1 Flexible Use of Funds

Local match funds collected by GP Metro from previous years will not be restricted to their originally designated capital improvement projects. Instead, GP Metro staff will have discretion to allocate these funds to other capital improvement projects within the GP Metro system, as long as such reallocations are to projects that have been approved through Metro's CIP.



2.2 Reallocation Based on Changes in Priority of Capital Projects

Funds previously allocated to specific capital projects may be reallocated to other approved capital projects based on changes in the priorities of GP Metro 's capital improvement program.

All capital projects that funds are reallocated to must be approved by the Board of Directors either through the annual budget process or through separate action from the Board.

2.3 Local Capital Match Funding Reserve

Local capital match funding collected and not used will be kept in a restricted cash account and reported annually on GP Metro's Financial Statements as Restricted Net Position.

3. Capital Improvement Program Submission

3.1 Annual Capital Improvement Program Submission

The GP Metro will continue to submit an annual 5-year capital improvement program to obtain approval for the planned capital projects. This process will ensure that the communities are informed of the upcoming projects and the planned use of local contributions.

4. Implementation and Oversight

4.1 Implementation

The new baseline-based local match formula will take effect with the budget process for the next fiscal year, and this will be set as the baseline amount. The capital match will be presented to the Board of Directors during each fiscal year's budget process.

4.2 Ongoing Review and Adjustments

The GP Metro will review this policy periodically, including the local match formula and fund reallocation practices, to ensure they remain effective and equitable. Adjustments to the policy may be made based on feedback from communities, changes in transit needs, or shifts in economic conditions. Any proposed revisions to this policy will be submitted for Committee and Board approval before implementation.





FINANCE COMMITTEE

AGENDA ITEM 6

DATE

April 2, 2025

SUBJECT

Committee Goal Setting

PURPOSE

Committee will review Metro's strategic plan and most recent goals. Committee will discuss a strategy to revise goals to inform committee's workplan.

BACKGROUND/ANALYSIS

Metro's Mission, Vision and Values statements were approved in 2023. The next step in updating Metro's Strategic Plan is to add goals that support the Mission, Vision and Values. Each of Metro's committees has been tasked with identifying key goals related to the committee's charge to be incorporated into the strategic plan.

During the Finance Committee's February meeting there was discussion around three initial goals for the committee:

1. Long Term Financial Sustainability
2. Cash Management
3. Achieve the industry benchmark by increasing fare revenue to 25% of total revenue budget

The committee may choose to update previous priorities and goals or create new goals and priorities.

FISCAL IMPACT

None.

RECOMMENDATION

Committee continue to refine and prioritize its primary goals.

CONTACT

Shelly Brooks
Chief Financial Officer
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STRATEGIC PLAN

OUR VISION (2023)

Be the mobility option of choice that connects people to each other and all the places that make for a full life;

OUR MISSION (2023)

Provide a public transportation experience that is frequent, fast, safe, and simple.
Serve as a foundation for regional prosperity, growing communities, and a healthy environment.

CORE VALUES (2023)

- **Safety** – our highest priority is the safety of our riders, employees, and the public.
- **Service** – we serve our riders and communities; we support our employees; we act in the public interest.
- **Simplicity** – we do the hard work to make transit easy for all.
- **Sustainability** – We commit to responsible and equitable practices today to ensure a sustainable and better future.
- **Innovation** – with imagination and determination we never stop building a better public transportation experience for riders.

STRATEGIC PRIORITIES (2016)

Priority 1 – Maintain what we have

Protect today's service through a well-equipped and developed staff and properly maintained and managed physical assets.

Priority 2 – Increase service levels in Metro's core service area

Improve frequency and hours of operation where ridership demand reasonably warrants within the current service area.

Priority 3 – Improve the Customer Experience

Introduce enhancements that improve the customer experience including (for example) an electronic fare collection system, smart cards, mobile payment, automatic on-board voice announcements, on-board Wi-Fi, and upgraded bus shelters/transit centers.

Priority 4 – Expand the Metro Service Area

Based on demonstrated ridership demand, add service to areas within the Metro service area that lack transit service or introduce service to jurisdictions outside the current Metro service area.

MAJOR GOALS AND OBJECTIVES (2016)

Provide High Quality Operations

1. Develop and implement performance and asset management systems. **Partially complete**

Achieve Long-term Financial Sustainability

1. Complete fare policy review and implement Board approved fare adjustments and policies. **Complete**
2. Continue to seek new funding sources and diversify sources of revenue **Ongoing**
3. Implement concrete methods and benchmarks as part of an ongoing effort to contain costs. **Partially complete**

Strengthen Metro's Organizational Capacity

1. Continue to develop and support staff professional development, provide the resources to be successful and ensure sustainable work-loads. **Ongoing**
2. Develop and implement plans to extend Metro's capacity through effective partnerships with member communities, partner agencies, and private/non-profit sector organizations. **Ongoing**
3. Develop capacity to assist communities in prioritizing transit supportive policies through the community planning and property development processes. **Ongoing**

Improve Transit Network Performance

1. Develop and submit a transit agency consolidation plan to the City of South Portland. **Complete**
2. Continue to advance and support regional strategies to make the transportation network more seamless for passengers. **Ongoing**

Build Ridership

1. Optimize bus routes and service levels based on smart transit planning principles balanced with local needs. **Complete**
2. Seek funding and local commitments for improvements to route frequencies, span of service and expansions where it makes sense. **Ongoing**
3. Procure and install an electronic fare payment/collection system. **Complete**
4. Advance transit pass program initiative with University of Southern Maine. **Complete**
5. Develop plans and secure funding to improve bus stops and overall transit accessibility. **Ongoing**
6. Invest in creative branding and marketing approaches to raise awareness and excitement around expansion service, real-time bus arrival technology deployment and transit service generally. **Complete**