

Finance Committee

August 13, 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 June 4, 2025 meeting of the Finance Committee.	Paul Bradbury, Committee Chair	ACTION
4. Metro 2026 Budget Process Overview (4:05-4:15) Review of the process and timeline for developing and seeking approval for Metro's 2026 operating budget and Capital Improvement Plan.	Shelly Brooks, Chief Financial Officer	Information
5. Local Match Policy (4:15 – 4:30) Staff will present proposed changes to Metro's procurement policy regarding the way that locally sourced matching funds are applied to capital projects.	Shelly Brooks, Chief Financial Officer	Information/ Possible Action
6. Committee Workplan Development (4:30-4:50) Committee will review Metro's approved strategic plan. Committee will discuss how to the committee's workplan should be developed based on the approved strategic plan.	Shelly Brooks, Chief Financial Officer	Information

7. Future Agenda Items (4:50-4:55) Committee members may request future agenda items. <ul style="list-style-type: none"> • 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"> • Plan/Ops Committee – August 20, 2025 at 10:30 am • Advocacy Committee – August 20, 2025 at 4:30 pm • Executive Committee – August 27, 2025 at 3:30 pm • Finance Committee – (Tenative) September 10, 2025 at 4:00 pm • Market/Coms Committee – September 10, 2025 at 3:00 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, June 4, 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
Ed Suslovic	Portland	Non-voting Attendee	Present

Staff Present	Identified Members of the Public
Shelly Brooks – Chief Financial Officer	Casey Leonard, RKO
Glenn Fenton – Executive Director	Zachery Srader, RKO
Chad Heid- Chief Transportation Officer	
Megan Hannan, Director of Government Affairs and Community Relations	

- I. With a Quorum in place, this meeting was called to Order By: Paul Bradbury at: 4:01 pm**
- II. Public Forum:**
No members of public present.
- III. Approval of April 2, 2025 Draft Meeting Minutes:**
Merrill Barter motioned, and Josh Reny seconded to approve the April 2, 2025 meeting minutes. After a roll call of the members present, it was unanimously approved.
- IV. 2024 Financial Audit:**
Casey Leonard and Zachery Srader of RKO presented Metro’s 2024 Financial Audit Highlights. The audit produced no material weaknesses or findings. Shelly Brooks, CFO and Chad Heid, CTO discussed the two audit comments related to IT controls and recording of subscription-based technology agreements. Paul Bradbury confirmed that Metro has insurance to cover cyber related events. Josh Reny motioned, Merrill Barter seconded to move the 2024 Financial Audit to the Board of Directors for acceptance and approval. After a roll call of the members present, it was unanimously approved.

V. Committee Goal Setting:

The committee continued to refine the discussed goals and strategic priorities of the Finance Committee from the April 2nd meeting. Goals and corresponding measures of success identified are;

1. Plan for Long Term Financial Sustainability

- i. Achieving the industry benchmark by increasing fare recovery to 25%
- ii. Develop, maintain and monitor long-term financial forecast
- iii. Maintain clean audit reports with no material weaknesses
- iv. Develop long-term plan to achieve targeted Fund Balance
- v. Carefully evaluate service expansion for fiscal sustainability

2. Diversify Revenue Sources

- i. Identify new funding sources
- ii. State operational support advocacy
- iii. Identify new opportunities for Pass Programs
- iv. Evaluate revenue caps, minimum revenue guarantees, and annual contributions for route support
- v. Increase non-fare miscellaneous revenue

3. Asset Management

- i. Ensure assets are replaced on a coordinated, properly funded schedule
- ii. Plan for major capital expenses and budget accordingly

VI. Future Agenda Items:

- 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

VII. Upcoming Meetings:

- Board of Directors – June 26, 2025 at 4:00 pm
- Finance Committee- August 13, 2025 at 4:00 pm
- Market/Coms Committee – August 13, 2025 at 3:00 pm
- Plan/Ops Committee – August 20, 2025 at 10:30 am
- Advocacy Committee – August 20, 2025 at 4:30 pm
- Executive Committee – August 27, 2025 at 3:30 pm

VIII. Adjournment: Josh Reny motioned, Merrill Barter seconded. Paul Bradbury adjourned the meeting at 5:06 PM.



FINANCE COMMITTEE

AGENDA ITEM 4

DATE

August 13, 2025

SUBJECT

2026 Budget Process Timeline and Overview

PURPOSE

To review the timeline and milestones for the 2026 Operating and Capital budget process

BACKGROUND/ANALYSIS

Formal Budget Adoption Timeline

The following are the key steps and dates related to the approval of Metro's 2026 Operating and Capital Budget:

October 31: Preliminary operating budget must be approved by the Board, including the local contribution formula and specific member assessments.

November 1: Metro must submit the preliminary budget and contribution information to municipal officers of each member community.

November 30: Member municipalities must notify Metro if they reject the assessment formula. A rejection triggers mediation through the Public Utilities Commission.

March 1: Deadline for Metro to approve the final operating budget.

April 1: Metro transmits formal tax warrants to member municipalities.

July-August: Local contributions are due to Metro within 30 days of each municipality's local tax due date.

The Finance Committee's guidance and feedback during the September and October meetings will be critical to ensuring the timely development and approval of a balanced, strategic budget aligned with Metro's priorities.

Finance Committee Involvement

The Finance Committee will play a central role in reviewing and shaping the preliminary FY2026 budget prior to its presentation to the Board of Directors. Two key working sessions are scheduled as follows:

September 10th – Initial review of draft budget framework and assumptions. Staff are proposing to move the regularly scheduled meeting from September 3rd to September 10th to allow for additional time to prepare the first draft preliminary 2026 budget.

October 1st – Follow-up review and possible action of the preliminary budget for further Committee review or Board consideration.

October 15th – Additional Meeting (Only if Needed) Final review of the preliminary budget and action to move to the Board of Directors for consideration and approval at the Board's October meeting.

Following the Committee's final October review, Metro staff will present the preliminary budget to the full Board of Directors for approval at the October 23rd Board meeting.

Anticipated FY 2026 Budget Challenges

As Metro prepares the FY 2026 budget, staff anticipate several financial challenges that will require careful consideration by the Finance Committee and the Board of Directors. These include:

Decreasing fare revenue, reflecting ridership trends that have been reported throughout this year.

Declining miscellaneous revenue, particularly from reduced advertising income.

Expiration of ARPA funding, which, along with CARES funding, has supported service improvements and operational flexibility since the pandemic.

Increasing Expenditures, including normal pricing increases. Additionally, staff have asked Directors to take a critical look at budgeted line items, along with historical trends, to formulate an accurate initial request for operational expenditure line items.

Additional Positions, staff will be presenting a listing of positions that are necessary for operational support, along with a plan for adding those positions into the budget requests for 2026 and future years.

In light of these challenges, staff will bring forward a fully loaded budget that reflects the true cost of maintaining and continuing the ARPA service improvements. The Finance Committee will be asked to provide guidance on Metro's tolerance for increasing local contributions in order to fund these improvements beyond the expiration of federal relief funding.

Staff will also explore cost containment strategies and alternative funding options, but a clear policy direction on community investment levels will be critical to finalizing the FY 2026 budget.

FISCAL IMPACT: As described.

RECOMMENDATION

This item is for information purposes.

CONTACT

Shelly Brooks

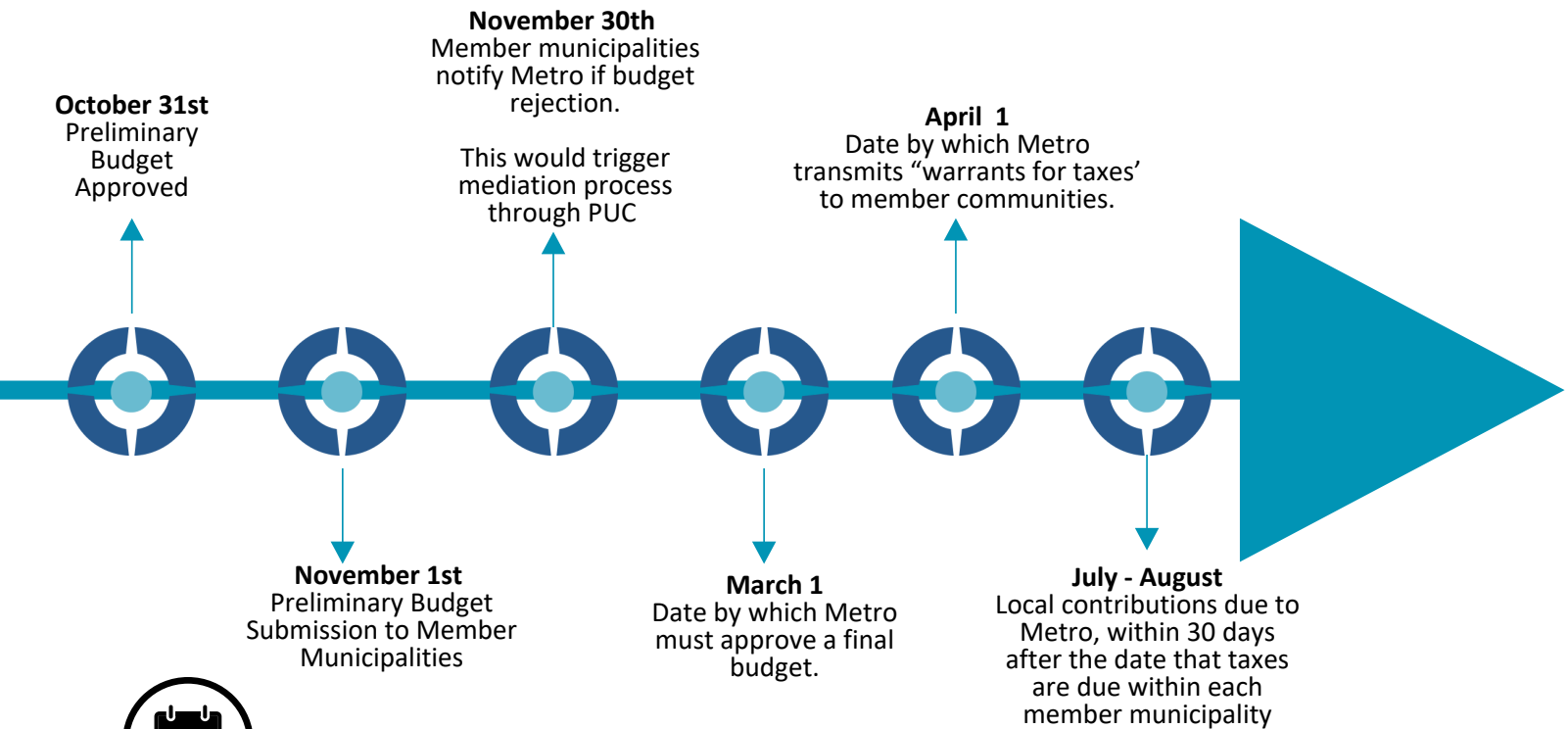
Chief Financial Officer

207-221-8710

sbrooks@gpmetro.org



Greater Portland Transit District Budget Adoption Timeline



Budget Adoption Calendar:

October 31

- Date by which the preliminary operating budget must be approved along with the formula by which local contributions are determined and the local contribution amounts.

November 1

- Date by which Metro is required to submit the preliminary budget, local contribution formula, and the local contribution amounts to the 'municipal officers' (i.e, the city/town councils) of the member municipalities

November 30

- Date by which city/town councils are required to notify Metro of a rejection of the formula by which local assessments are determined. A rejection would trigger a mediation process through the Public Utilities Commission.

March 1

- Date by which Metro must approve a final budget.

April 1

- Date by which Metro transmits "warrants for taxes" to member municipalities.

July - August:

- Local contributions are due to Metro within 30 days of taxes being due in each member municipality.



FINANCE COMMITTEE

AGENDA ITEM 5

DATE

August 13, 2025

SUBJECT

Capital Improvement Program Local Match Policy Draft

PURPOSE

To present an updated Capital Improvement Program (CIP) Local Match Usage Policy for review and recommendation by the Finance Committee.

BACKGROUND/ANALYSIS

Metro collects local capital match contributions from its member communities to leverage federal and state funding for capital projects. Historically, local match funds have been tied to specific projects at the time of collection. As project priorities and funding timelines evolve, Metro requires flexibility to reallocate local match funds while maintaining transparency and accountability.

The revised policy establishes a consistent framework for the use and reporting of local capital match funds. Key objectives include:

Flexible Use: Permit reallocation of prior and future local match funds to any capital project approved through the CIP process. Permit reallocation of remaining local match funding, when, although rare, a project is completed without exhausting the available funds; leaving a portion of local match unspent.

Governance Oversight: Ensure all projects receiving reallocated funds are Board-approved through the annual budget or specific Board (or designated Committee) action.

Financial Integrity: Maintain unspent local match in a restricted cash account and report annually on Metro's financial statements as Restricted Net Position.

FISCAL IMPACT: As described.

RECOMMENDATION

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

CONTACT

Shelly Brooks, Chief Financial Officer
207-221-8710 - sbrooks@gpmetro.org

**Greater Portland Metro
Capital Improvement Program Local Match Usage Policy**

1. Purpose

This policy establishes a framework for the use of locally sourced matching funds to support capital improvement projects at Greater Portland Transit District (Metro). It provides flexibility for Metro staff to utilize previously collected, remaining and future local match funds for any approved capital project, regardless of the funds' original intended purpose, as long as the project has been approved through Metro's Capital Improvement Program (CIP).

2. Use of Capital Local Match Funds

2.1 Flexible Use of Previously Collected Funds

Local match funds collected in prior years may be reallocated to any capital improvement project that has received formal approval through Metro's CIP process. These funds are not restricted to the specific projects for which they were originally collected.

2.2 Reallocation Based on Evolving Priorities

Metro staff may reassign previously designated local match funds to other approved projects if the priorities within the CIP change. All reallocations must be consistent with projects approved by Metro's Board of Directors—either through the annual budget or separate board or committee action.

2.3 Accounting and Financial Reporting

Unspent local match funds will be maintained in a restricted cash account. These funds will be reported annually on Metro's financial statements under Restricted Net Position, ensuring transparency and compliance with financial management standards.

3. Annual CIP Development and Approval

Metro will prepare and submit an annual five-year Capital Improvement Program for review and approval by the Board of Directors. This submission will outline planned capital investments and associated funding sources, including the use of local match contributions. The process ensures public accountability and provides member communities with advance notice of capital plans and related local funding needs.



FINANCE COMMITTEE

AGENDA ITEM 6

DATE

August 13, 2025

SUBJECT

2025 Strategic Plan- Workplan Development

PURPOSE

To initiate the Finance Committee's process for developing a targeted workplan based on the goals established in the 2025 Strategic Plan, and to discuss a timeline for prioritizing and implementing the committee's objectives.

BACKGROUND/ANALYSIS

The 2025 Strategic Plan, adopted in June 2025, outlines goals for each of Metro's standing committees. For the Finance Committee, the plan focuses on financial sustainability, revenue diversification, and asset management. As part of the implementation phase, each committee is tasked with developing a specific workplan to advance its assigned goals.

STRATEGIC GOALS – FINANCE COMMITTEE

Plan for Long-Term Financial Sustainability

- Increase fare recovery to 25% industry benchmark
- Maintain and monitor long-term financial forecast
- Ensure clean audit reports with no material weaknesses
- Develop a long-term plan to achieve targeted Fund Balance
- Evaluate service expansion for fiscal sustainability

Diversify Revenue Sources

- Identify and pursue new funding sources
- Advocate for increased state operational support
- Expand and evaluate pass programs
- Review and optimize route support formulas (e.g., revenue caps, guarantees)
- Increase non-fare miscellaneous revenue

Asset Management

- Coordinate and fund asset replacement schedules
- Plan and budget for major capital expenses

At the upcoming committee meeting, members will be asked to provide input on:

- Prioritization – Which goals should be prioritized based on urgency, available resources, and potential impact?
- Timeline – What is a realistic timeline for addressing near- and long-term actions?
- Progress Tracking – How often should staff report progress on workplan implementation?

NEXT STEPS

Staff will work to develop a draft Finance Committee Workplan for presentation at the November 2025 meeting for committee review and refinement.

The finalized workplan will guide committee activities and ensure accountability in advancing Metro's financial objectives.

FISCAL IMPACT

Not applicable

RECOMMENDATION

This item is for Discussion

CONTACT

Shelly Brooks
Chief Financial Officer
207-221-8710
sbrooks@gpmetro.org

ATTACHMENTS:

Attachment A – 2025 Strategic Plan



STRATEGIC PLAN

(Rev. June 2025)

OUR VISION

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

OUR MISSION

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

- **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.

COMMITTEE GOALS

MARKETING AND COMMUNICATIONS COMMITTEE

Capitalize on and improve Metro's public image and brand

- Earned media
- Third-party inquiries for Metro service (Back Cove Fest, etc)
- Campaigns highlighting completed improvements to service/infrastructure
- Survey results relating to satisfaction with Metro (lagging indicator)

Provide outstanding public communications

- Number of campaigns related to upcoming changes (leading indicator)
- Survey results relating to customer communication (lagging indicator)

Provide excellent customer service

- Number of complaints per 100k boardings
- Number of positive feedback interactions
- Survey results relates to customer service

ADVOCACY COMMITTEE

Influence Policy Change to Support and Expand Public Transit

- Monitor, evaluate, and respond to legislation at all levels that impacts public transit, providing timely recommendations and mobilizing advocacy in support of pro-transit policies.
- Collaborate with policymakers to craft and advance legislation that ensures sustainable, long-term funding and prioritization of public transit infrastructure and services.
- Build coalitions with other transit agencies, advocacy organizations, and community stakeholders to amplify influence and strengthen collective advocacy efforts.

Build and Maintain Strategic Relationships Across Government

- Establish and nurture active, ongoing partnerships with municipal leaders, county officials, state lawmakers, and Maine's federal delegation to advocate for transit priorities.
- Ensure Metro's priorities are consistently represented in regional and statewide planning, transportation, and budget discussions.
- Engage in regular dialogue with government officials to provide expert insight and feedback on transportation initiatives and policy proposals.

Position Metro as Maine's Leading Authority on Public Transit

- Assert Metro’s leadership role by proactively sharing data, innovations, and expertise with policymakers, media, and the public.
- Represent Metro in key transportation forums, coalitions, and advisory groups to shape statewide transit strategy and raise the agency’s profile.
- Highlight Metro’s success and position the agency as the go-to source for transit operations, planning and policy.

Strengthen and Elevate Metro’s Public Image

- Promote Metro as an essential, modern public service that supports economic development, equity, environmental sustainability, and community wellbeing.
- Launch public education campaigns that highlight the benefits of transit for all residents and businesses, using data and real-life stories to build broad-based support.
- Challenge outdated narratives by reframing transit as a critical, forward-looking investment for thriving cities—not just a social safety net.

PLANNING AND OPERATIONS COMMITTEE

Increase Ridership and Service Utilization

- Total Ridership
- Ridership per Revenue Hour (by route)
- Ridership Recovery Rate (compared to 2019)

Meet or Exceed Standard for Service Reliability

- On-Time Performance
- Missed Trips
- Mean Distance Between Failure (or) Interruption
- Preventative Maintenance On-Time

Prioritize Safety by Reducing Preventable Accidents

- Non-Preventable and Preventable Accidents

Increase Customer Satisfaction and Accessibility

- Customer Complaints Addressed
- Customer Complaints per 100,000 riders

FINANCE COMMITTEE

Plan for Long Term Financial Sustainability

- Achieving the industry benchmark by increasing fare recovery to 25%
- Develop, maintain and monitor long-term financial forecast
- Maintain clean audit reports with no material weaknesses

- Develop long-term plan to achieve targeted Fund Balance
- Carefully evaluate service expansion for fiscal sustainability

Diversify Revenue Sources

- Identify new funding sources
- State operational support advocacy
- Identify new opportunities for Pass Programs
- Evaluate revenue caps, minimum revenue guarantees, and annual contributions for route support
- Increase non-fare miscellaneous revenue

Asset Management

- Ensure assets are replaced on a coordinated, properly funded schedule
- Plan for major capital expenses and budget accordingly