Greater Portland Metro Finance Committee
Wednesday, September 9, 2026 at 1:00 pm
Meeting Minutes (approved 10.22.26)

Member:	Municipality:	Role:	Status:
Joshua Reny	South Portland	Chair	Present
Paul Bradbury	Portland	Vice Chair	Present
Merrill Barter	Falmouth	Member	Present
Tom Poirier	Gorham	Member	Present
Ed Suslovic	Portland	Non-voting Attendee	Present

Staff Present	Identified Members of the Public
Shelly Brooks – Chief Financial Officer Glenn Fenton – Executive Director Chad Heid – Chief Transportation Officer Megan Hannan – Director of Government Affairs Denise Beck - Marketing / EA	NO members of the public

I. This meeting was called to Order By Josh Reny at 1:00pm.

II. Public Comment:
No members of the public were present.

III. Approval of June 3, 2026 Draft Meeting Minutes:
Merrill Barter motioned, seconded by Paul Bradbury to approve the June 3, 2026 meeting minutes. After a role call vote, the motion passed unanimously of those present.

IV. Micro Transit Cost Allocation
Shelly Brooks reviewed the operating cost of microtransit as it compares to fixed route service. She asked the Finance Committee to make a recommendation to the Board of Directors allocating Microtransit service expenses at 57% of fixed route variable rate per service hour, for the 2027 Operating budget.

(Presentation materials are included in the attachment.)

Merrill Barter made a motion to approve the recommendation, which was seconded by Tom Poirer. After a roll call vote, the motion passed unanimously.

V. 2027 Operating Budget Draft

Shelly Brooks presented a draft of the 2027 Greater Portland Metro Operating Budget of $24.62M, noting a 20% increase (app. $4M) from the 2026 budget.

Operating expenditures include wages, benefits, technology services, ADA Paratransit, recommended new positions, and several cost categories for non-personnel items.

Revenue includes passenger fares, bus/shelter advertising, and federal, state, and municipal funding from member communities. Staff is researching the reasoning behind the decrease in projected state funding, which is down 29% ($220.2K). Ed Suslovic expressed concern about the decrease, asking why there is a decrease with not explanation. Noting that state funding should go up, not down.

Staff will update the budget presentation for review at the October 7, 2026 Finance Committee meeting. A second review (if needed) is scheduled for Oct 22, 2026. The budget will be presented at the October 29, 2026 Board of Directors meeting.

(Presentation materials are included in the attachment.)

VI. FTA Triennial Review

Shelly Brooks presented the results of the FTA Triennial Review covering 2023- 2026. No findings were found in any of the six focus areas reviewed for the Finance Committee. Josh Reny recommended that the Finance Committee review current policies

VII. Future Agenda Items

Committee members may request future agenda items.

- Long Range Financial Forecasting- October
- Funding Strategy for CIP- October
- Fleet Replacement Schedule- October
- Facility Funding Strategy Follow-up- October
- 2027 Operating and Capital Budget- October
- ~~2026 FTA Triennial Review- October/November~~
- ~~Review Financial Policies- October/November~~

- 2027 TAN Financing- November/December
- Advertising Revenue Phase Out- TBD

VIII. Upcoming Meetings

- Mkt/Coms Committee – September 9, 2026 at 3:30 pm
- Plan/Ops Committee – September 16, 2026 at 10:30 am
- Executive Committee – September 30, 2026 at 3:30 pm
- Finance Committee – October 7, 2026 at 3:00 pm
- Finance Committee meeting (if needed): October 22 at 3:30pm
- Board of Directors – October 29, 2026 at 4:00 pm

IX. Adjournment:

Motion to adjourn by Paul Bradbury and seconded by Merrill Barter.
Meeting adjourned by Josh Reny at 2:12pm

AGENDA ITEM 4

Microtransit Rate

Evaluation of the Microtransit Rate for Metro's 2027 Operating Budget

Prepared for the Finance Committee

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

BACKGROUND

Why microtransit needs its own rate

1

2023

Cost allocation formula adopted

Metro's Board approved a cost & revenue allocation formula for member community assessments — built around fixed-route bus operations.

2

JAN 2025

Microtransit launches in Falmouth

New on-demand service begins, fully funded by ARPA grant funding through the 2025 budget year.

3

2026

ARPA funding sunsets

Grant funding is exhausted, requiring microtransit expenses to move into Metro's regular operating budget for the first time.

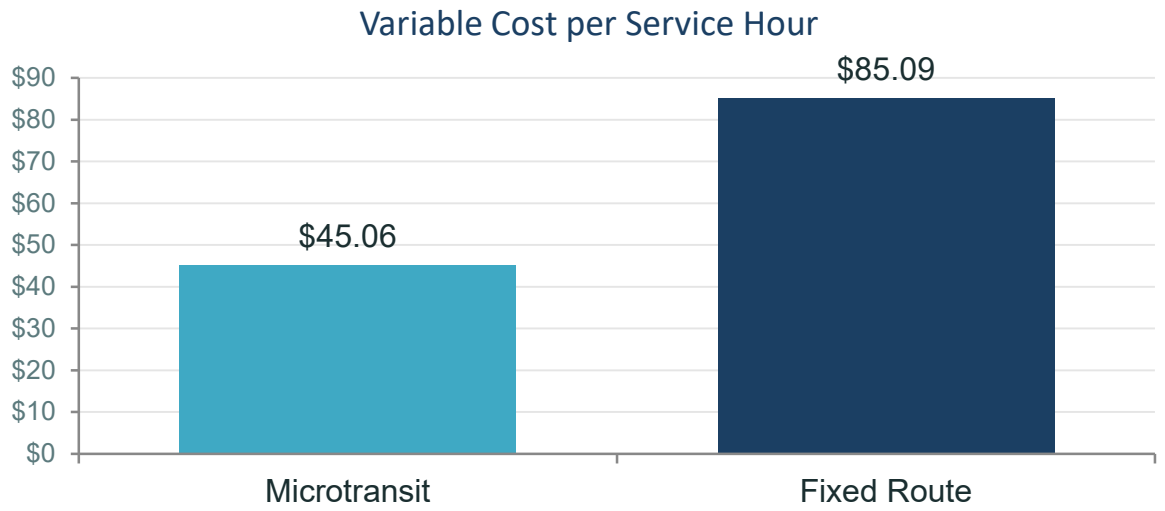
INITIAL ANALYSIS

First look: 8 months of microtransit data

Staff analyzed operating data from January–August 2025 to establish an initial microtransit rate for the 2026 budget.

$45.06 Microtransit — avg. variable cost / service hour

$85.09 Fixed route — variable cost / service hour



52.96% microtransit as a % of the fixed-route rate → staff proposed a rounded **55%** allocation rate for the 2026 budget, adding a modest cushion for ongoing maintenance costs.

UPDATED ANALYSIS

A full year later: the rate for 2027

With a full rolling year of operating data now available, staff refreshed the analysis for the 2027 budget cycle.

SEPT 2025 – AUG 2026

Rolling 12-Month Avg. Cost / Hr

$49.25

= **56.65%** of fixed route

JAN 2026 – AUG 2026

2026 Actual Avg. Cost / Hr (YTD)

$49.81

= **57.29%** of fixed route

Compared against the 2026 fixed-route variable rate of **$86.94** per service hour.

Both data points round to **57%** — the rate staff now recommend for the 2027 Operating Budget.

RECOMMENDATION

Approve a 57% microtransit rate for 2027

Staff recommend the Finance Committee approve allocating microtransit service expenses at 57% of the fixed-route variable rate per service hour, for the 2027 Operating Budget.

FISCAL IMPACT

No impact to Metro's overall budget. The change reallocates revenue and expense responsibility between member communities rather than changing Metro's total costs.

ATTACHMENTS

A — Summary of Cost Allocation Formula

B — Board-Approved Cost Allocation Process (2023)

AGENDA ITEM 5

FY 2027 Draft Operating Budget

A first look at the FY 2027 operating budget draft — service, staffing, revenue, and the gap staff are working to close.

Prepared for the Finance Committee

Working draft — figures presented are staff estimates and subject to change.

FY 2027 budget at a glance

$24.62M

Total FY27 operating budget

+19.74% vs. FY26 (+$4.06M)

$21.27M

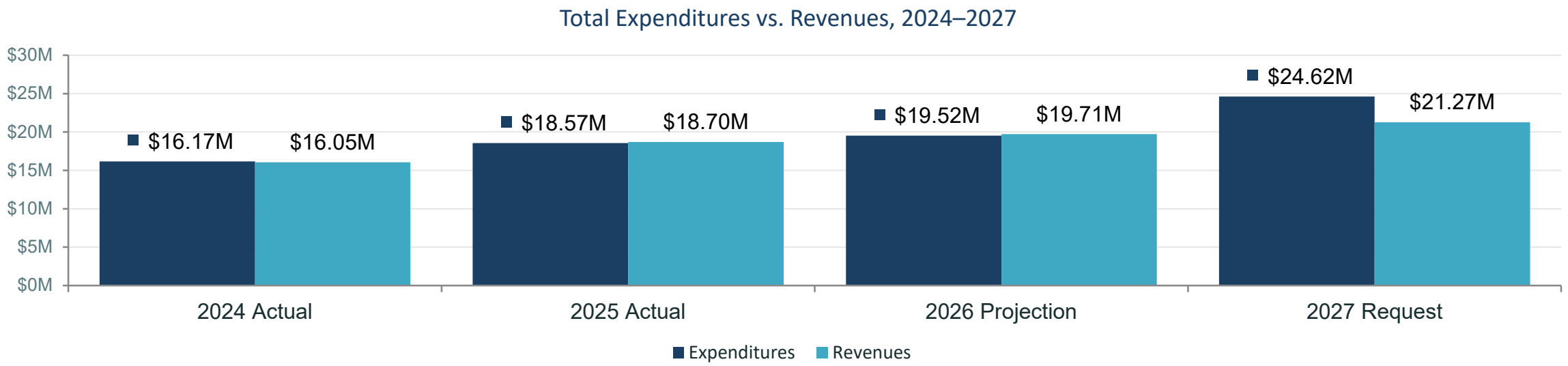
Total FY27 projected revenue

+3.43% vs. FY26 (+$705k)

$3.35M

Preliminary Deficit

Staff continue seeking savings



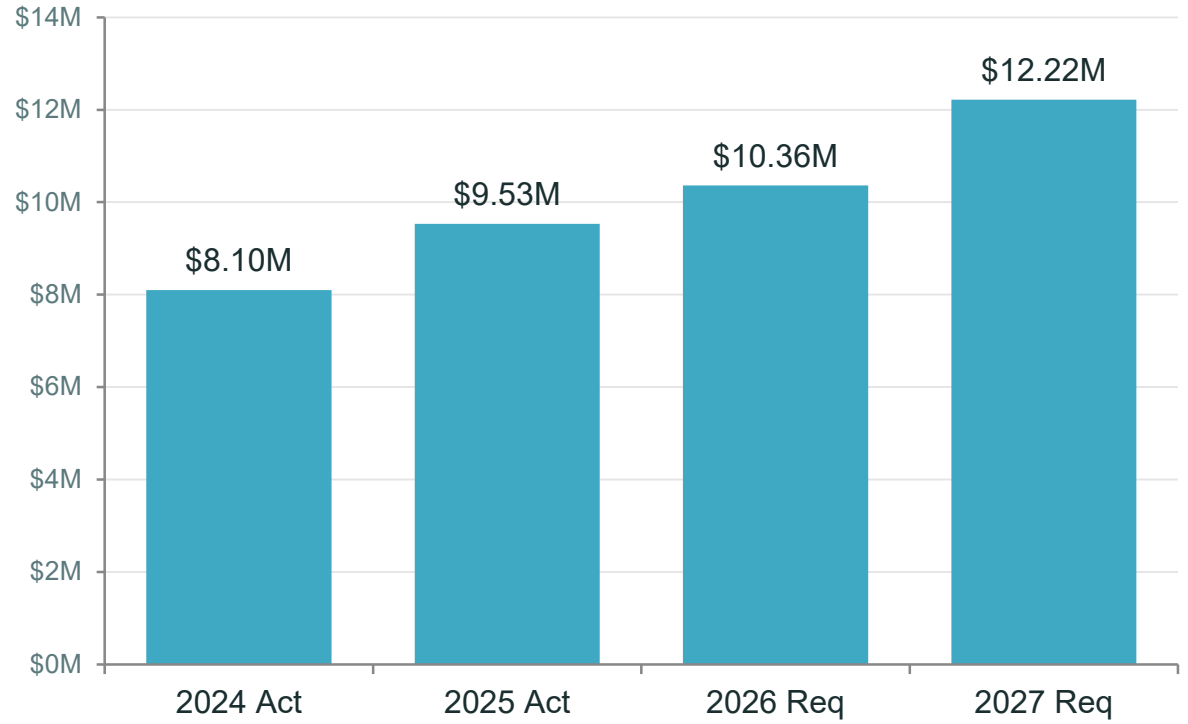
Expenditures: Wages

$12.22M Total Wages

+$1,861,434 increase (+18.0% over FY26 Final Request)

- **Union COLA:** 2% Jan 1 + estimated 5% July 1, per the ATU contract.
- **Non-Union COLA:** 2% Jan 1 + estimated 3% July 1, per the Salary Plan.
- **Service Expansions:** 7 Bus Operators + 5 Non-CDL Drivers (Route 25 & Scarborough).
- **Overtime:** budgeted at ~8–9% of regular operating wages.

Base Bus Wages Growth ($ Millions)



Expenditures: Wage Increase Drivers

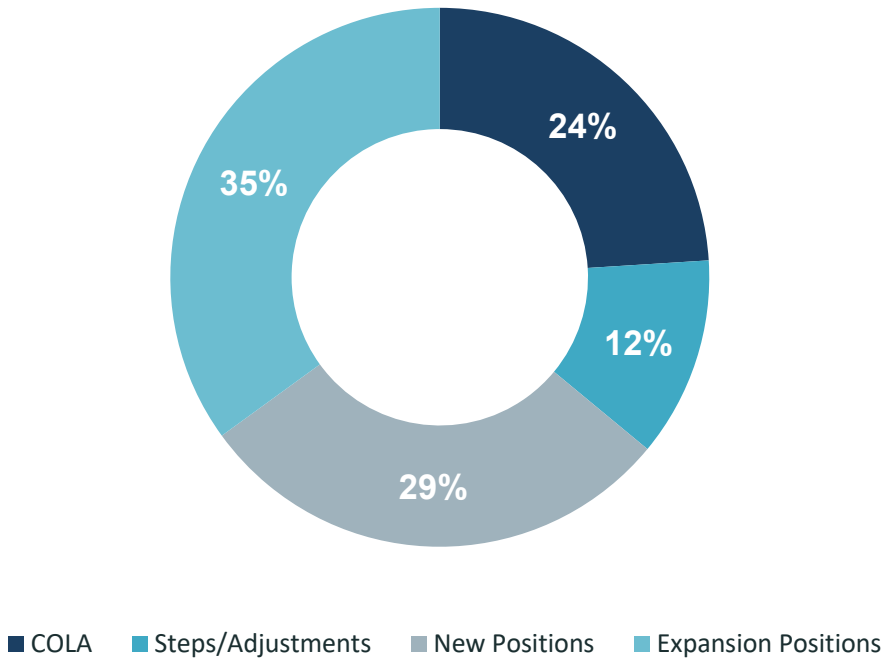
Wages represent 52.4% of total Base Bus operating expenditures.

Total Increase: +$1,861,434

Reconciled to the FY27 wages line across every department.

Contractual COLA Increases	**~$447K • 24%**
Steps / Adjustments	**~$223K • 12%**
New Positions (Non-Service)	**~$540K • 29%**
Expansion Positions (Route 25 & Scarborough)	**~$652K • 35%**

Distribution of FY27 Wage Increases



Expenditures: Benefits

$5.53M Total Benefits

+$1,108,506 increase (+25.05% over FY26 Final Request)

- **Health Insurance (+14%):** agency-wide premium escalation, adding over $420K across departments.
- **Operations Health ($2.06M):** rises 21.3% due to additional operators and drivers.
- **Workers' Comp (~2.75%):** averaged historically across wages; final rates pending renewal.
- **HRA Deductibles (+10%):** driven by deductible adjustments and workforce expansion.

Primary Benefit Growth Categories



COST CATEGORIES

Expenditures: Non-Personnel Overview

Fuel, Fluids & Tires $1,647,829 +32.12% (+$400.6K)	Services & Fees $1,424,233 +18.59% (+$223.3K)	Supplies & Equipment $752,000 +22.34% (+$137.3K)	Utilities (Heat/Power) $555,880 +29.99% (+$128.3K)
Insurance (Auto/Liab/Prop) $538,324- est. +10.00% (+$48.9K)	Debt Service Principal & Int. $298,632 +11.51% (+$30.8K)	Capital & Reserves $220,000 +0.42% (+$911)	Miscellaneous Expenses $126,698 +28.56% (+$28.1K)

Total Non-Personnel Base Bus Expenditures: $5,563,596 — an overall increase of $998,309 (+21.86%).

Expenditures: Technology Services ($298K)

Major SaaS Agreements ($229,572)

Vendor / Platform	Function	Annual Cost
Tyler / Munis	ERP / Payroll / HRIS	$89,800
Optibus	Scheduling & Timekeeping	$48,000
Equans	CAD / AVL Systems	$45,300
Remix	Transit Service Planning	$18,222
VIA	Microtransit On-Demand App	$12,000
Samsara / Others	Fleet Tracking & Web Hosting	$16,250

Infrastructure & Security ($68,626)

- **Google Workspace / Voice:** $20,000 agency-wide
- **Cradlepoint Licenses:** $11,393 bus cellular
- **IT Support Consulting:** $10,000 outsourced support
- **Adobe Enterprise:** $7,800 document licensing
- **Camera & Zoom:** $4,080 boardrooms & meetings
- **Cybersecurity Tools:** $5,353 (Ninjio, Screenly, etc.)

CAD/AVL and VIA microtransit moved from CIP back to operating budget for transparent expense tracking.

Expenditures: Fleet, Fuel & Facilities

Major Contract Renewals Driving Increases

Fuel contracts expiring in 2026 force significant rate adjustments for FY27.

- **Diesel Fuel (+34.6%):** $2.37/gal fixed contract expires Oct 2026; budgeted at $4.00/gal ($1.17M total).
- **CNG Fuel (+34.0%):** natural gas supply contract renewed with a 65% rate increase ($179.7K).
- **Microtransit Gasoline (+153.4%):** rises to $50.4K for Falmouth & Scarborough on-demand fleets.
- **Shelter Supplies (+239%):** jumps to $50.0K to overhaul aging glass, panels, and lighting.

Maintenance Operating Pressures

Diesel Fuel Total

$1,170,000

Bus Replacement Parts

$496,500 (+14.1%)

CNG Bus Fuel

$179,700 (+34.0%)

Staffing: 8 Non-Service Positions Requested

Maintenance +4 FTE

- Body Repair Tech (in-house bodywork)
- 2nd Shift Parts Clerk (night staging)
- ITS Technician (fare/radio tech)
- Additional Utility Staff (bus stops)

Cost: $293.7K Wages + $132.2K Ben

Planning & CS +2 FTE

- Transit Planner (schedules & outreach)
- Customer Service Rep (weekend coverage)

Cost: $125.0K Wages + $56.3K Ben

Marketing +1 FTE

- Marketing Coordinator (public notices & social media)

Cost: $72.7K Wages + $32.7K Ben

Administration +0.5 FTE

- Part-Time Accounting Assistant I (Tap-to-Ride volume)

Cost: $42.8K Wages + $6.3K Ben

Total Cost of 8 Requested Positions: ~$761,600 (Wages + Benefits)

Separate from 11 Service Improvement Operators (Rt 25 & Scarborough)

Expenditures: ADA Paratransit Service

$794,148 Total Budget

+$80,243 increase (+11.24% vs. FY26 Final Request)

- **Service Contractor:** Provided via Regional Transportation Program (RTP) on negotiated net rate per boarding.
- **Rate Contract:** Reflects contracted 3% rate increase for FY27.
- **Ridership Growth:** 2026 ridership rose ~8% to 22,707 trips; growth trend projected into FY27.
- **Funding Structure:** 80% Federal 5307 ($635,319) • 20% Municipal ($158,830).



115 St. John's Street Operations

PROPERTY FINANCIAL NET

+$60,187 Surplus

Projected surplus available to offset operating shortfalls across the District.

Total Revenues: **$571,167**

Total Expenditures: **$510,980**

Net Surplus Contribution: +$60,187

Revenue & Expenditure Drivers

- **Sublease Revenues ($266.1K):** Derived from rental income ($189.8K), tax reimbursements ($49.4K), insurance recoveries ($19.4K), and management fees.
- **State Funding ($207.0K):** MaineDOT subsidy commitment. *Note: FY 2027 is the final year of committed state funding for this property.*
- **Municipal Operating Assessment:** Member towns contribute $98,052 per approved Board resolution.
- **Lease Costs ($511.0K):** Base building rent ($360.0K), property taxes ($49.4K), and CAM ($75.1K).

Revenue: FY 2027 Base Bus Overview

$19.90M Base Revenues

+$1,145,570 (+6.11% vs. FY26 Final Request)

- **Federal Formula (42.7%):** Core 5307 operating & preventative maintenance ($8.50M).
- **Municipal Assessments (32.3%):** Member ops placeholder +5% plus new Scarborough funds ($6.42M).
- **Passenger Fares (16.8%):** Fares, bulk pass agreements, and guarantees ($3.34M).
- **State Funding (6.3%):** MaineDOT & Turnpike service expansion funds ($1.25M).
- **Misc. Income (2.0%):** Advertising, recoveries & fees ($400K).

Base Bus Revenue Distribution



• Federal (42.7%) • Municipal (32.3%) • Fares (16.8%) • State (6.3%) • Misc (2.0%)

DIRECTLY GENERATED

Revenue: Passenger Fares & Advertising

FARE COLLECTIONS

$3,342,375 Total

Regular Passenger Fares:	**$2,191,749**
Organization Paid Fares:	**$747,842**
Route Guarantees:	**$386,278**
Microtransit Fares:	**$16,506**

**Assumes modest growth from the fall 2026 fare increase and DiriGo Tap-to-Ride rollout. Route guarantees lower due to BIW/BREEZ pilot non-renewal.*

MISCELLANEOUS RECEIPTS

$399,700 Total

Transit Advertising:	**$226,200**
Interest Income:	**$80,000**
Claims Recoveries:	**$75,000**
Maintenance & Fees:	**$18,500**

**Advertising revenue contracted in late summer 2026 due to updated contract terms, resulting in a -$17.4K adjustment for FY27.*

Revenue: Federal & State Subsidies

FEDERAL TRANSIT ADMINISTRATION

$8,495,585 Federal

- **5307 Operating Assistance ($5.70M):** standard 2% formula growth factored in.
- **5307 Preventative Maintenance ($2.04M):** core capital formula assistance.
- **Service Improvement Assistance ($713.4K):** Route 25 ($522K) & Scarborough on-demand ($191.4K).
- **ARPA Funds Sunset:** $0 for FY27 (fully exhausted in 2026).

MAINEDOT & TURNPIKE

$1,246,324 State

- **Maine Turnpike Authority ($522K):** dedicated support for Route 25 corridor expansion.
- **State Operating Subsidy ($532.9K):** down 29.2% (-$220.2K); staff actively researching rationale.
- **Microtransit State Subsidy ($191.4K):** dedicated support for new Scarborough on-demand zone.

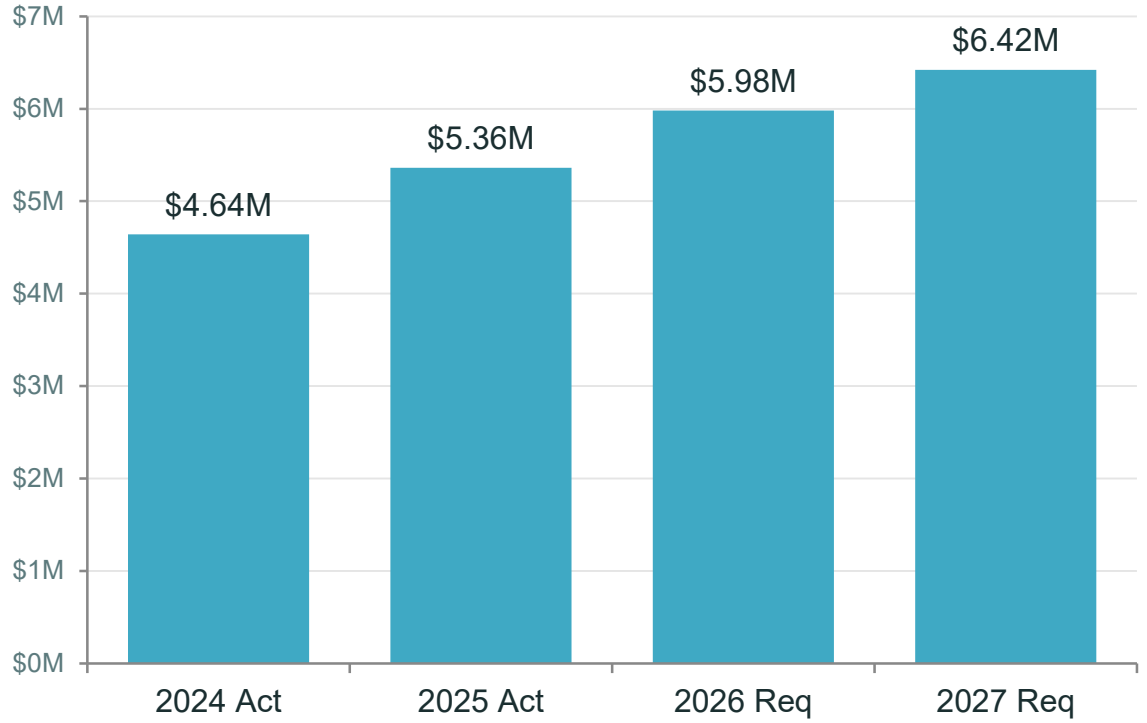
Revenue: Municipal Funding ($6.42M)

+7.27% Overall Municipal Growth

Total municipal support increases by $435,162 to $6,419,333.

- **Member Operations Placeholder (5.0%):** standard formula placeholder generates $6,074,333 (+$289.3K).
- **CIP Local Match Placeholder (0.5%):** $200,000 budgeted pending final 2027–2031 CIP approval.
- **Scarborough Non-Member Contribution:** $145,000 new funding for Route 25 & microtransit launch.
- **Deficit Sensitivity:** each additional 1% municipal increase generates ~$57,851 in operating revenue.

Total Municipal Assessment Trend ($M)



Municipal share of total revenue

Member and non-member municipal contributions as a share of Metro's total revenue, 2024–2027.

2024 Actual

Municipal $4.82M • Total $16.05M

30.0%

2025 Actual

Municipal $5.58M • Total $18.70M

29.8%

2026 Request

Municipal $6.22M • Total $20.56M

30.3%

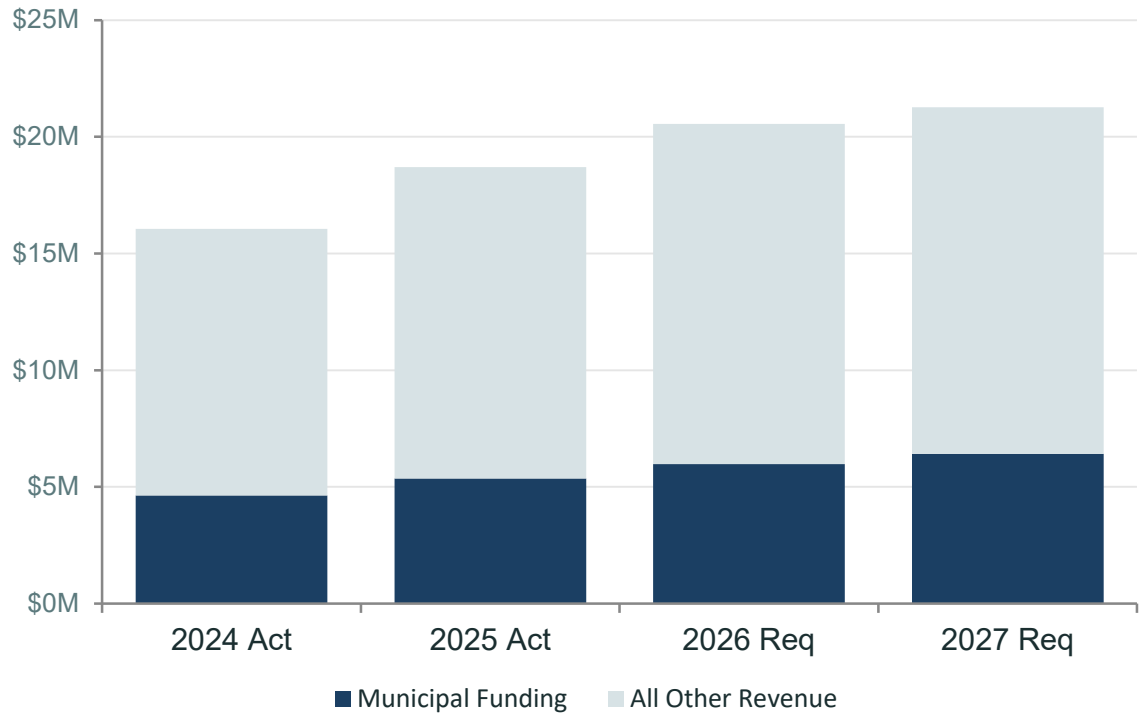
2027 Request

Municipal $6.68M • Total $21.27M

31.6%

Based on the 5% Placeholder Est. (Includes ADA and Lease)

Municipal vs. All Other Revenue ($ Millions)



Expense balancing options

Four areas flagged by staff for possible revisions— illustrative estimates for discussion.

Health insurance estimate

~~14%~~ → 11%

Current budget assumes a 14% increase over the 2026 projected amount across roughly $3.0M in FY27 health insurance costs. Using 11% — the actual 2026 increase — saves an estimated $79,300.

Savings: **~$79,300**

Union COLA — July 1, 2027

~~5%~~ → 3%

Current budget assumes an estimated 5% ATU COLA effective July 1 (vs. 3% for non-union staff). Matching the union estimate to 3% across ~$8.6M in Operations & Maintenance wages saves an estimated $83,500 for the half-year in effect.

Savings: **~$83,500**

Diesel fuel price

~~$4.00/gal~~ → $3.50/gal

The $1.17M FY27 diesel budget is built on an estimated $4.00/gal, up from $2.37/gal, as the current fuel contract expires in Oct 2026. If prices settle nearer $3.50/gal instead, the line saves an estimated $146,300.

Savings: **~$146,300**

Hold the 8 new positions vacant

~~8~~ → 0

8 new positions requested in Maintenance, Marketing, Planning & Customer Service, and Administration — not tied to Route 25 or Scarborough on-demand service. Holding all 8 vacant for FY27 saves an estimated $761,600 in wages and benefits.

Savings: **~$761,600**

~$1,070,700 combined estimated savings → deficit moves from **$3,354,659** to about **$2,284,000** (~32% of the gap).

Illustrative staff estimates. COLA, health insurance, and diesel figures depend on CBA negotiations, insurance renewal rates, and fuel markets; holding positions vacant would reduce planned capacity.

Revenue balancing options

Additional funding avenues— illustrative estimates for discussion.

Municipal funding placeholder

~~5%~~ → 6, 7, 8%

Member Municipal Funding uses a 5% place-holder over the ~$5.79M 2026 base. ~$57,851 per incremental 1%.

Revenue: **~$57,851 - $173,600**

Restore state operating funding

~~$532,924~~ → $713,000

State operating funding dropped 29.2% for reasons staff are still investigating (see Key Unknowns). Restoring it toward the $713K range adds $180,100.

Revenue: **~$180,100**

Passenger fares at 1.25× 2026

~~$2.19M~~ → $2.46M

FY27 already assumes modest growth from the fall 2026 fare increase and tap-to-ride. Pricing passenger fares at 1.25× the 2026 projection adds $267,900 more.

Revenue: **~$267,900**

Federal carryforward funding

+$300,000

5307 prior-year formula funds, if unspent and approved for carryforward through FTA and PACTS' formal review process, could apply est. $300,000 to the FY27 budget.

Revenue: **~$300,000**

~$805,851 - $921,500 in quantified revenue → deficit moves from **$3,354,659** to about **$2,433,200** (~27% of the gap).

Illustrative staff estimates. Combined with the ~$1,070,700 in expense-side options on the prior slide, non-service adjustments close roughly $1.99M — about 59% — of the projected deficit.

Key Unknowns & Next Steps

Critical Budget Variables

- **ATU CBA Renewal:** Current collective bargaining agreement expires June 2027; wage assumptions subject to bargaining.
- **Health Insurance Carrier Rates:** 14% placeholder will be replaced when final health quotes arrive in October.
- **Fuel Market Hedging:** October 2026 diesel contract expiration requires active market tracking ($3.50 vs. $4.00/gal).
- **State Subsidy Resolution:** Clarify MaineDOT operating allocation drop (-$220K) with state partners.

Budget Adoption Timeline

Sept 2026 — **Finance Committee Draft Review**
First look at service expansion, deficits, and mitigation options.

Oct 2026 — **Refine Projections & Rates**
Incorporate final health quotes, CIP local match, and fuel pricing.

Oct 2026 — **Proposed Budget to Board**
Presentation of balanced FY 2027 Operating and Capital Budget.

Discussion & Direction

Feedback from the Finance Committee on balancing options, municipal contribution scenarios, and expenditure priorities.

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

AGENDA ITEM 6

FTA Triennial Review

The Federal Transit Administration's independent compliance review of Metro's management practices.

Prepared for the Finance Committee

Review complete — no findings across all six focus areas.

COMPLIANCE REVIEW

Review complete — no findings

The FTA conducts a Triennial Review of every transit grantee's compliance and management practices once every three years.

Completed last week

Exit conference held

FTA presented preliminary results directly to staff

November 2026

Final report expected

Written report will formally confirm the review outcome

SIX FOCUS AREAS FOR FINANCE COMMITTEE — ALL CLEAR

- ✓ **Financial Management and Capacity** — No findings
- ✓ **Technical Capacity — Award Management** — No findings
- ✓ **Technical Capacity — Program Management and Subrecipient Oversight** — No findings
- ✓ **Technical Capacity — Project Management** — No findings
- ✓ **Satisfactory Continuing Control (capital asset tracking and disposal)** — No findings
- ✓ **Procurement** — No findings

Agency-wide, **the FTA reviewed 18 focus areas in total, with 3 findings** — all within the Public Transportation Agency Safety Plan (PTASP) section, outside Finance Committee's 6 areas above. Staff are correcting these now so they're listed as **closed** when the final report is issued.