

Faribault-Martin County Joint Transit Board
Fairmont Transit Facility Building
1023 North Dewey Street
Fairmont, MN 56031
Tuesday December 27, 2022 9:00 a.m.

The meeting was called to order at 9:00 a.m. by Board Vice-Chair Jim Forshee.

Joint Transit Board members present in person were: Faribault County Commissioners Groskreutz, Roper, and, Loveall, and Martin County Commissioners Belgard, and Forshee. Joining virtually was Faribault County Commissioner Anderson and Martin County Commissioners Flohrs and Koons. Missing was Faribault County Commissioner Young and Martin County Commissioner Smith. Also present in person was Jeremy Monahan, Faribault – Martin County Transit Director.

The Board Vice-Chair asked if there were any other additions to the agenda. There were none. Motion made by Commissioner Belgard, seconded by Commissioner Loveall to approve the agenda as presented. Motion passed unanimously by roll call vote.

A motion was made by Commissioner Groskreutz, seconded by Commissioner Belgard to approve the meeting minutes for the October 19, 2022 Full Board meeting and the November 4 and December 9, 2022 Executive Committee meetings. Motion passed unanimously by roll call vote.

Discussion turned to Old Business and an update on the future MnDOT Operations and Capital Contracts. Monahan explained how he has attended a number of meetings in the past few months with MnDOT staff and leadership regarding future funding and the impact it will have on our local system. For the past couple of years funding was readily available due to the COVID assistance from the federal funds. These funds have been utilized and we are now back to normal federal levels of funds. State funds for rural transit come primarily from Motor Vehicle Sales Tax and Motor Vehicle Lease Sales Tax. With new vehicle sales being so low in the past two years, these funds are projected to be lower than anticipated in the past.

With the lower projections come some difficult decisions for MnDOT and for us. First and foremost MnDOT has notified us to expect our 2024 Operations contract to have a 15 percent local share. We have been at 0 percent local share since March of 2020 and will begin a 5 percent local share in January of 2023. Despite strong pushback from almost all systems regarding the 15 percent local share, MnDOT seems to be firm on this percentage. However discussions still are ongoing. Monahan even noted that there was supposed to be a gradual increase in local share percentage and that if 15 percent is implemented in 2024 he informed MnDOT we would be going from 0 percent to 15 percent in one year and two days. This was not what he considered gradual but rather a very sharp increase.

Monahan continued to explain that should the local share be raised back to 15 percent we would not be able to recover this amount simply through farebox revenue and ad sales any longer. Typically we recover about 7 to 8 percent of our operations expenses per month through the

farebox. The Transit Reserve fund, which has been able to be built up over the past few years can be used to make up the difference but will then be depleted quickly. The solutions would be to reduce service to reduce costs, or work to develop a plan to have county funds involved. Using local funds is common around the state however we have been fortunate to not have to do that other than for capital projects since the merger. In future years this may need to change. There was discussion regarding this news. Commissioner Loveall noted his concerns about using local levy funds for transit operations and said he likely would not be able to support such a plan. Commissioner Belgard noted it was good to get the update now regarding the possibilities and that there is still time to plan and try and figure out all means of revenue for the transit system. There were various other discussion points made regarding the matter. No action was needed at this time.

Discussion turned to New Business regarding the annual increase of Full Time staff. Monahan noted it has been recommended that both Full Time staff receive a step increase in 2023 along with the cost of living adjustment. The policy has been to average the cost of living percent increase used by each county to determine the percent increase used by the Transit Board. In 2022 the percent increase was 2.75 percent based on the average of 3 percent for Faribault County and 2.5 percent for Martin County. The Executive Committee discussed this policy at their December meeting and concluded that for 2023 the percent increase for each county was 5 percent and therefore the Transit Board should also be 5 percent. For 2024 the percent increase for the Transit Board will decrease to 3 percent per policy.

After discussion a motion was made by Commissioner Roper, seconded by Commissioner Belgard to follow the Executive Committee's recommendation of having the Transit Director be elevated to Grade 17 Step 5 and receive a 5 percent increase to \$44.08 per hour (salary exempt) and the Operations Manager be elevated to Grade 10 Step 5 and receive a 5 percent increase to \$25.90 per hour (hourly non-exempt). Motion passed unanimously by roll call vote.

Discussion turned to Ridership Reports. Monahan reported that ridership has remained steady through the fall months. The preschool ridership in Faribault County has been very robust. Martin County routes are becoming more staffed with new drivers which are helping keep ridership levels steady. December will see a decrease with winter breaks and some disruptions in service due to weather. As was stated last meeting, driver recruitment efforts continue but any referrals will be appreciated. The time it takes from application to having someone capable of driving on their own can be months if they do not have their credentials when they are applying.

Discussion turned to the Financial Reports. Monahan presented the Bill Payment List since the October Full Board meeting which was business as usual. He also noted that the Year-To-Date expenses are still being worked on as the year end expenses are being finalized. For the February meeting a much better picture will be able to be displayed. For the most part budget line items were able to be kept under budget with a few exceptions primarily being Fuel and Office Supplies. Fuel had higher costs than expected and Office Supplies had higher need than anticipated. Overall however we will be under the approved annual budget of \$1.351 million dollars. At the end of October we had spent just under \$1 million dollars to date and we usually spend \$100K to \$120K per month. This will put us under by about \$100K for the year. This can be attributed almost entirely to the staffing shortages.

Business turned to election of the Transit Board Officers for 2023. Monahan reviewed the positions and historically what has happened. It was also noted that with Commissioner Young being the Chair in 2022 a Martin County Commissioner should be the Chair in 2023 but that the typical elevation of the Vice-Chair, who is Commissioner Forshee, is not possible due to his retirement.

Motion made by Commissioner Loveall, seconded by Commissioner Koons to nominate Martin County Commissioner Elliot Belgard as Board Chair. Commissioner Forshee asked three times if there were any other nominations. There were none. Motion passed unanimously by roll call vote.

Motion made by Commissioner Roper, seconded by Commissioner Anderson to nominate Faribault County Commissioner Bill Groskreutz as Board Vice-Chair. Commissioner Forshee asked three times if there were any other nominations. There were none. Motion passed unanimously by roll call vote.

Motion made by Commissioner Belgard, seconded by Commissioner Flohrs to nominate Martin County Commissioner - Elect Jamie Bleess as Board Secretary. Commissioner Forshee asked three times if there were any other nominations. There were none. Motion passed unanimously by roll call vote.

Motion made by Commissioner Groskreutz, seconded by Commissioner Anderson to nominate Faribault County Commissioner Greg Young as Board Treasurer. Commissioner Forshee asked three times if there were any other nominations. There were none. Motion passed unanimously.


The newly elected Board Officer's terms will begin on January 1, 2023.

The next Executive Committee meeting will be held on January 6th, 2023. The next Full Board was discussed and will be held on February 22nd in Blue Earth before the Human Services Board Meeting.

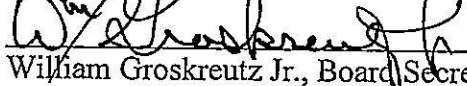
Finally Monahan and the Board congratulated Commissioner Forshee on his retirement and thanked him for his service to the Transit Board and wished his well.

With no further business to wit, the Board Vice-Chair adjourned the meeting at 10:00 a.m.

JOINT TRANSIT BOARD
FARIBAULT MARTIN COUNTIES



Greg Young, Joint Transit Board Chair

ATTEST: 

William Groskreutz Jr., Board Secretary