

Faribault-Martin County Joint Transit Board – Executive Committee
FM Transit Facility
1023 North Dewey Street Fairmont, MN 56031
July 7, 2023

The meeting was called to order at 8:00 a.m. by Board Chair Elliot Belgard. Joint Transit Board Executive Committee members present in person were: Faribault County Commissioners Young and Martin County Commissioner Belgard and Bleess. Missing was Faribault County Commissioner Groskreutz who had Commissioner Roper attend in his place. Also present in person was Jeremy Monahan, Faribault – Martin County Transit Director.

Board Chair asked for any changes to the agenda. Monahan noted that since he had sent out the tentative agenda earlier in the week he had added under the financial report for the Bank Statement a Discussion regarding the 2020 -2021 Operations Contract per diem issue and then under New Business he added a Discussion regarding the Hours of Operations Span of Service. Motion made by Commissioner Young, seconded by Commissioner Bleess to approve the amended agenda. Motion passed unanimously.

Monahan produced an Unpaid Bills report totaling \$35,490.26 and noted that there will still be a number of regular and recurring bills arriving in the coming days and weeks that will be due before the next Executive Committee meeting. This is especially true this month due to the delay in mail delivery due to the shortened week for the July 4th holiday. There was brief discussion regarding a few of the bills and explanation of some new vendors.

Motion made by Commissioner Bleess, seconded by Commissioner Roper to approve payment of the Unpaid Bills as presented and to approve giving the Transit Director authority to continue to pay other regular and recurring bills at the discretion of the Transit Director upon receipt. Motion passed unanimously.

Monahan produced a Bank Statement for the Transit Board. It showed that as of June 30, 2023 the Transit Board had \$463,836.90 for a bank balance. Monahan noted the 4th Quarter from 2022 Operations Contract payment from Federal share in the amount of \$148,497.88 made on June 12th and noted that this was funds reimbursing expenses as far back as October 2022 and it is being received in June of 2023. Monahan reiterated this is one reason there is possibilities of cash flow shortages is the delay of reimbursements for such a large amount of expenditures. Monahan also noted that on June 27th MCIT deposited \$5,543 which was a refund for the Workers Compensation premium. So that money will not be counted as revenue rather it will act as an expense reduction when reporting to MnDOT. Lastly the bank interest earned was \$740.25 for the month of June and Commissioner Belgard noted that the Year to Date is just over \$2,800 which is a great source of revenue for the Transit Board.

Monahan moved into another financial discussion regarding the 2020 – 2021 Operations Contract in which Commissioner mileage and per diems were paid for 7 of the 8 fiscal quarters before MnDOT informed all transit systems that it was ruled that per diem and mileage reimbursement expenditure was not allowable under our Operations contract. The expenses had to be backed out of our 2020-2021 Operations reporting to MnDOT so that it was not charged to

the contract. However the money was still spent and a remedy to even that out had to be figured out eventually. Monahan had been waiting to see if perhaps there had been some kind of error made by MnDOT or the FTA and that the per diems that were paid at least would be allowed but that moving forward they wouldn't or something along those lines. Months passed and nothing changed. The logical solution for the funds to even out would be for the Counties to pay back the Transit Board the per diem and mileage reimbursements made that were not allowed. For Faribault County that amount totaled \$7,528.17 and Martin County the amount was \$4,948.14 in total. Combined that amount due is \$12,476.31 total. A solution recently presented itself that Monahan wished to explain to the Executive Committee for consideration. Certain funds received by the Transit Board are not to be considered for Transit use alone. These funds are obtained through donations, or other means not directly related to the operation of the transit system. Monahan explained that in December 2021 they received a \$500 donation from the Fairmont Senior Center as it dissolved its assets and wished to donate the money to organizations they felt helped them out. Monahan deposited the money in the one checking account but did not report this money as revenue nor did he report the money for the Transit Reserve Fund after discussions with the MnDOT Transit Project Manager. Instead the money would just be there to be able to be used for other needs not necessarily normally allowed by transit operations funds but Monahan did not utilize the money for anything. In July 2022 an insurance claim was paid out for vandalism on one of the Transit Board's disposed vehicles located at the Faribault County Highway department. Since the vehicle was disposed of and MnDOT no longer had any interest in it, the insurance claim money could not be considered when Monahan tried to add it to the Transit Reserve Fund recently. MnDOT said the claim money was not received while in the operation of a transit vehicle. It was a disposed vehicle but still insured. The claim money would need to be added to the separate non-transit generated revenue fund along with the Senior Center money. The claim totaled \$12,139.24 which now made the non-transit related fund \$12,639.24 in total. Monahan proposed that those funds be used to cover the 2020-2021 per diems that were paid to the County commissioners. The amount is sufficient and leaves \$162.93 in the non-transit related fund. This way the fund is not large and out of control, the Counties do not have to make the payments to the Transit Board for and expense it was not budgeting, and there is still a small amount remaining for some incidental expenditure potential. After discussion there was consensus agreement from the Executive Committee members that this solution should be brought to the Full Board in August for consideration and approval.

There was no Old Business to discuss at this meeting.

Discussion turned to New Business and a Holiday pay and wage analysis completed by Monahan. After the June Full Board meeting where the 2024 proposed operations budget was presented, there was discussion regarding both the possibility of increasing the part-time staff wage increase from 3 percent to a larger amount that would get that closer to a dollar per hour increase. Also it was discussed to see the cost impacts to the budget if the staff that are working on the recognized Federal Holidays throughout the year in which the transit system is in operation, such as MLK Jr Day, President's Day, or Christmas Eve, if there could be a bonus wage system in place for those working such as time and a half or double time. Monahan had completed the impact analysis of all these possibilities and presented them in a chart which showed the impact as the additional amount of dollars over the MnDOT announced award amount of \$1,513,200 for 2024 that the Transit Board is going to receive. Monahan explained

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that regardless of how much we budget for internally, for the application, despite what the Full Board passed at their June meeting, we will only be allowed to apply and budget for the award amount. So any amount over that is simply going to be a local responsibility. If we feel we can sustain that much of an overage, should all budget items come to fruition, then we can move forward. After discussion and many questions a motion was made by Commissioner Young, seconded by Commissioner Bleess to move forward with the application for the award amount but present to the Full Board for approval a 6 percent increase for part-time staff which includes the wage of all probationary employees, and to have all staff working on the current recognized holidays to receive 1 ½ times their regular wage for their hours worked that day. Motion passed unanimously.

Discussion turned to a question regarding Hours of Operation and span of service. Monahan reported that the Gold Route which runs between Fairmont and Blue Earth multiple times a day begins in Fairmont at 5:00 am and is supposed to pick up people in Fairmont traveling to Blue Earth for work. It is designed to pick up people in Blue Earth at 5:40 am and bring them to Fairmont for work. However since the pandemic there really hasn't been much more than one rider during the 5:00 am hour going from Fairmont to Blue Earth with nobody returning. We have also learned that person is retiring in August and will no longer need the ride. Monahan noted that moving the route to begin at 6:00 am and end at 9:30 am instead of ending at 8:30 am would likely actually gain riders of people wishing to get to Fairmont from Blue Earth for early doctor appointments but didn't want to leave at 7:00 am and be dropped off at 7:30 am at the clinic, when it might not be open yet. Moving the route up an hour fits much more into the clinic's hours and people's needs. Also, staffing the 5:00 am shift has been very difficult. Commissioner Belgard asked if this change needs public input like previous changes and if Board approval is even needed. Monahan noted that he had talked with MnDOT and public input can be obtained through online methods, not necessarily an open house. As for Board approval, these are done so infrequently Monahan thought it'd be best to at least bring it before the Executive Committee to get their thoughts. The consensus was that it should not be up to the Board to dictate these types of technical changes. However to be certain that all processes are covered, a motion was made by Commissioner Young, seconded by Commissioner Bleess to approve changing the Gold Route AM to run from 6:00 am to 9:30 am in the service design. Motion passed unanimously. It was noted that by the time the Full Board meets in August, the change will not have been implemented yet and they can weigh in with any objections. Also at that time Monahan can bring the public input that has been received on the matter, if any.

Discussion turned to the ridership report. There were the predicted drops in June for both counties, especially Faribault County routes due to the ending of preschool service. However there are still steady increases over previous year amounts each month which, along with the increase staffing causing increased capacity, has caused Monahan to have optimism in regards to the ridership outlook.

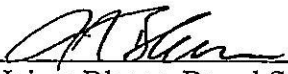
The next Executive Committee meetings are scheduled for Friday August 4th and September 8th at 8:00 am at the Fairmont Transit Facility. The next Full Board meeting will be on Tuesday August 22nd at 9:00 am also at the Fairmont Transit Facility.

With no further business to wit, a motion was made by Commissioner Young and seconded by Commissioner Bleess, to adjourn and the Board Chair adjourned the meeting at 9:20 a.m.

JOINT TRANSIT BOARD
FARIBAULMARTIN COUNTIES



Elliot Belgard, Joint Transit Board Chair

ATTEST: 

Jaime Bleess, Board Secretary