

GRTC Finance Committee

Meeting Date: June 11, 2026

Meeting Time: 3PM

Meeting Location: GRTC Third Floor Boardroom

Committee Members:

Tyrone Nelson
Odie Donald
Dan Schmitt

Staff Participants:

Sheryl Adams
Adrienne Torres
Kevin Hernandez
Frank Adarkwa
Anthony Carter
Joe Dillard
Patricia Robinson
Tonya Thompson
Lora Toothman
Bogdan Cirjeu
Leah Harrison
Jackie Pearce

Call to Order

Integrated Enterprise System Procurement

Staff discussed the proposed integrated enterprise system and the need to modernize existing systems and improve communication among them. Apps Associates was identified as the proposed vendor, and a three-year base term was discussed.

Action: A motion was made and seconded to recommend the procurement to the full Board. The motion carried.

SMART SCALE Applications

Staff reported that GRTC used seven of its ten SMART SCALE slots for pre-applications coordinated with the City of Richmond, Henrico County and the Virginia Passenger Rail Authority. North-South BRT applications included a northern segment from Brook Hill/Azalea to North 8th Street, a central segment from North 8th Street to Southside Plaza, and a southern segment from Southside Plaza to Stonebridge.

The southern segment was screened out because it lacked independent utility. Staff planned to submit a combined central and southern segment application, in addition to the northern application and the City's separate central segment application. The downtown transfer hub pre-application was also screened out.

Other applications addressed the Pulse Western Extension, a Willow Lawn transfer center and nearby park-and-ride, and a rail layover facility near Fulton Yard. Full applications were due August 3, 2026, with governing-body resolutions of support required at submission.

Action: A motion was made and seconded to recommend Board approval of the SMART SCALE applications and supporting resolutions. The motion carried.

Liability Insurance Renewal

Staff presented renewal of excess liability coverage through the Virginia Transit Liability Pool. The renewal reflected an approximately 5% increase, attributed to newer and additional vehicles and general insurance market conditions. Members discussed the annual renewal, the pool's coverage of Virginia transit agencies and the continued use of the existing broker.

Action: A motion was made and seconded to recommend the renewal to the full Board. The motion carried.

Workers Compensation and Related Insurance Renewal

Staff presented renewal of workers compensation and related crime, machinery and property coverage through the Virginia Risk Sharing Association. Staff reported a slight reduction in the workers compensation rate despite an increase in the experience modification factor.

Risk management discounts helped offset increases in other coverage. Staff noted favorable recognition of GRTC's training simulator and training program.

Action: A motion to approve was made, and a voice vote was conducted with no opposition recorded. The exact motion, second and disposition should be confirmed against the official record.

Brokered Insurance Renewals

Staff presented renewals of brokered insurance coverage, including cyber, professional liability, crime, fiduciary and employment practices coverage. Six policies were discussed, with an overall increase of approximately 3.31%, from approximately \$171,000 to \$177,000.

Members also discussed excess automobile liability coverage of \$20 million and a self-insured retention of \$325,000 under the liability pool policy.

Action: A motion was made and seconded regarding the renewals. The motion carried.

April Financial Report

Staff presented the income statement, fiscal-year forecast, balance sheet and cash flow projections. Actual expenses were approximately \$12 million below budget, with favorable variances in equipment and facility maintenance, transportation, planning and scheduling, and other operating areas. Approximately \$8.8 million related to postponed planning and consulting projects. Unfavorable expense variances included self-insurance losses and increased paratransit demand.

Actual revenues were approximately \$7.6 million below budget. Staff explained that delayed projects reduced related funding use and that the budgeted GRTC fund balance contribution of approximately \$4.1 million had not been needed. The change in net position through April was approximately \$4.3 million.

Staff forecast a fiscal year-end change in net position of approximately \$1.7 million, compared with approximately \$1.4 million previously projected, primarily due to lower anticipated operating expenses. Members commended staff for incorporating responses to prior questions and explaining the forecast assumptions.

The balance sheet discussion focused on liquidity, increased accounts receivable and delayed federal funding draws. Approximately \$9 million in anticipated receipts had shifted from June to August, requiring use of other available funding and capital transfers to support operating cash flow.

Projected cash balances were approximately \$2 million in June and July. Staff also discussed payroll timing, including three July payrolls, and upcoming vehicle-related capital disbursements.

No action was required. Staff planned to present the financial report to the full Board.

Legislative Update

Staff reported limited changes in the federal legislative outlook and continued monitoring of surface transportation reauthorization. At the state level, staff discussed legislation affecting possible continued state support for zero-fare service beyond the original five-year grant period.

Staff also discussed bus lane and bus stop enforcement legislation, potential partnerships with local governments and the financial implications of enforcement. A study identified more than 1,200 infractions. Staff emphasized uncertainty in collection rates and discussed future equipment grant requests and financial forecasts.

No action was taken.

Full Board Agenda Review

Staff indicated that no additional review was needed because the committee had discussed the consent agenda items.

New Business

Litigation Overview: Staff proposed an overview of litigation processes and aggregate information following a newspaper article concerning lawsuits. Members recommended consulting legal counsel to determine whether the full Board briefing should occur in closed session, particularly if questions addressed individual cases. Staff agreed to consult counsel.

July Service Updates: Patricia Robinson presented proposed July service changes, including layover adjustments on Routes 4A and 4B near Oakwood Cemetery; runtime adjustments on Routes 5 and 20 to improve on-time performance; formalization of safety-related layover changes on Routes 7A and 7B near Richmond International Airport; and stops in both directions at the Brightpoint Community College loop on Route 95.

Improved operator availability supported restoration of selected trips. Route 5's 30-minute service would extend from 9 p.m. to 10 p.m. and Routes 7A and 7B's 30-minute service would extend from 7 p.m. to 9 p.m. Staff estimated restored service would benefit approximately 35 daily riders on Route 5 and 72 daily riders on Routes 7A and 7B, based on ridership before the reductions.

Members requested a comprehensive chart showing prior reductions, July restorations, remaining reductions and the rationale for service not being restored. Staff agreed to provide the materials to Janice for inclusion in the Board packet before the upcoming meeting.

Staff also reviewed the Broad Rock microtransit zone, which replaced Route 88. The new service recorded 802 riders in the preceding month, compared with approximately 930 average monthly riders during Route 88's final six months. Trip concentrations included the Philip Morris area and Southside Plaza. Demographic slides comparing Pulse, local and express riders were included in the presentation.

Closed Session

A motion was made and seconded to convene a closed meeting to discuss the status, terms and scope of a memorandum of understanding relating to the use of real property at 500 North 10th Street, because open discussion would adversely affect GRTC's bargaining position. The motion

carried. The statutory citation was unclear in the transcript and should be confirmed against the official motion.

After returning to open session, the committee considered certification that only public business lawfully exempts from open meeting requirements and only matters identified in the motion to convene the closed meeting, had been heard, discussed or considered. Directors Nelson, Donald and Schmidt voted affirmatively. There were no negative votes, and the certification carried.

Adjournment

There being no further business, the meeting was adjourned at 3:50 p.m.