DASH

5 YEARS FARE FREE

Meeting Will Begin Soon

Board of Directors

September 09, 2026

DASH ALEXANDRIA TRANSIT

Calling of the Roll

David Kaplan

Chair

Jesse O'Connell

Vice-Chair

Ajashu Thomas

Matt Harris

Kursten Phelps

Jamal Schoby

Arish Gajjar

Praveen Kathpal

Hillary Orr

Kevin Greenlief

Arthur Wicks

DASH ALEXANDRIA TRANSIT

Welcome & Introductions

Board of Directors Meeting

September 09, 2026

Public Comment

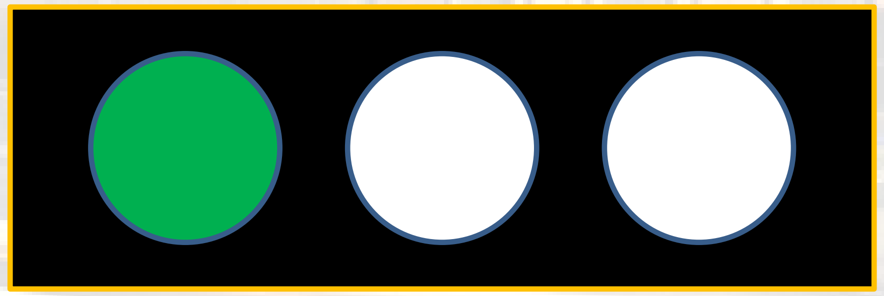
Those wishing to speak during the public hearing may pre-register at dashbus.com/ and join via Zoom. Alternatively, attendees may use the “RAISE HAND” feature to be recognized for comment.

Public Comment

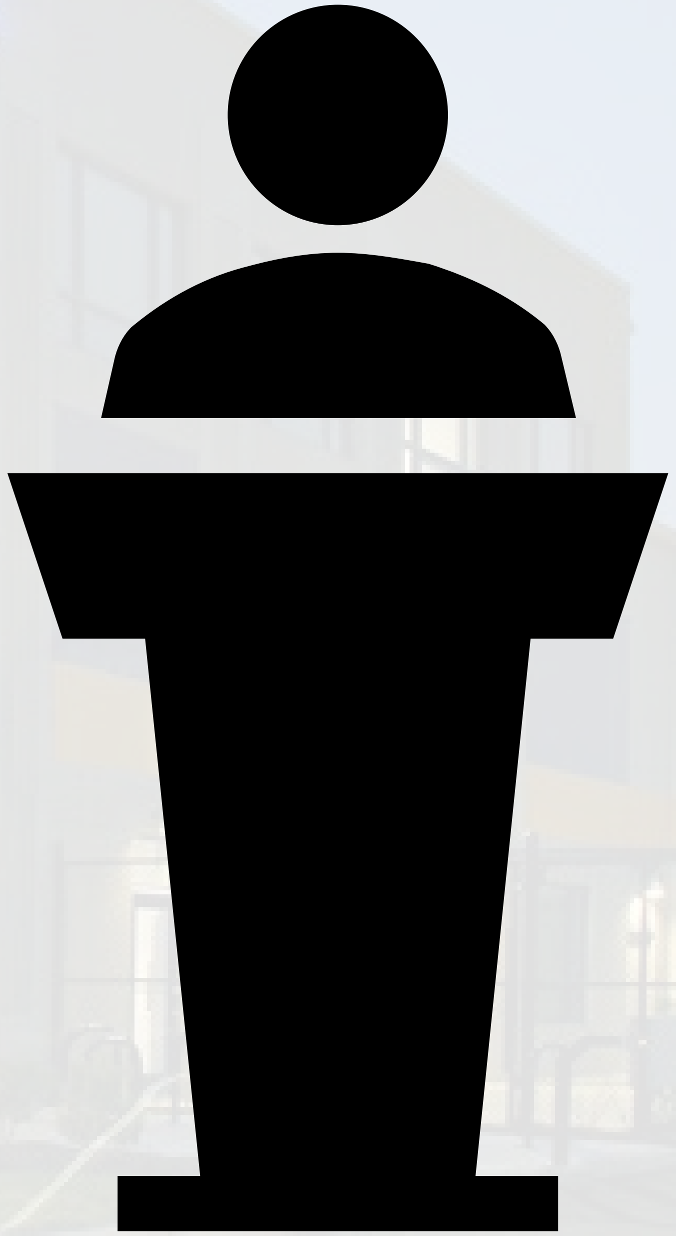
Each speaker is permitted 3 minutes for the public hearing.

When the YELLOW light appears, 1 minute remains.

When the RED light appears, you are out of time.



Time Has Expired
Wrap Up
Speak Now



Collaboration & Engagement

2b. Chairs Report

David Kaplan – Chair of the Board

2c. T&ES Report

Hillary Orr, Deputy Director, Transportation & Environmental Services

2d. DASH Rider Advisory Committee (DAC) Updates

(as needed - DAC Chair or DASH Staff)

2e. Other Member Reports

All

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Regular Business

3a. Consideration of Approval – Meeting Minutes

Action Item: Consideration of approval of June 2026 Meeting Minutes

Staff Reports

4a. FY 2026 Budget Debrief and FY 2027 Budget Discussion

Josh Baker, General Manager

4b. Collective Bargaining Update

Josh Baker, General Manager

4c. Ridership Report

Stevie Mathews, Director of Planning & Scheduling

DASH ALEXANDRIA TRANSIT

FY26 Financial Overview

What Happened, and Why

- FY26 closed with an estimated ~$3.7 million unfavorable variance. Revenue finished essentially on target.
- A $3.2 million error in DASH's internal financial tracking workbook overstated the projected year-end position. It is the primary reason the deficit was not identified sooner.
- The shortfall was largely driven by expenditures required to maintain service, combined with a breakdown in forecasting, reconciliation, and financial monitoring.
- Maintenance services and operator labor were the largest cost pressures; the same categories now shape the FY27 outlook.

FY26 Variance at a Glance

Revenue vs. budget	**$0.01M fav.**
Operating over budget (net)	**$2.97M**
Capital over budget (net)	**$0.72M**
Total unfavorable variance	**~$3.71M**

Figures from the June 2026 report (run 8/31/26); subject to the City's final close, expected end of September.

What we know: the drivers of the overage and the tracking-workbook error that masked it.
Still being finalized: the City's FY26 close (end of September); the final figure may settle modestly differently.

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The Road Ahead

Timeline: **Sept 9 (today)** briefing & discussion → **Sept 23** Joint City Council / DASH Work Session → **October** Board action

Tackling FY27 (for action in October)

- Resolve the gap entirely through service reductions.
- Service reductions combined with eliminating the “DASH Difference” investments.
- Remove the “DASH Difference” investments and submit an SAO to the City for the remainder.
- Submit a new budget proposal entirely as an SAO to the City.

Recommended Board Actions

- Stand up a Board Finance Committee for ongoing oversight.
- Endorse a monthly joint City / DASH finance working group.
- Discuss the auditor's role and authority going forward.

External support — William Greene (WSP).
Senior transit-finance expertise conducting a forensic analysis of FY26 and the FY27 budget as built, with findings reported to the Board.

Today's purpose: give the Board a complete picture, align on what happened and what is being done, and frame the October discussions and decisions. Scenarios and actions above are for discussion only.

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FY26 Postmortem: Why the Deficit Was Missed

Interim CFO — Donna Herring

Contributing Factors

Internal forecasting error

A $3.2M hard-coded entry in the tracking workbook overstated the year-end position — the primary reason a near-balanced result was projected.

Incomplete fund visibility

Fund 93 (operating) and Fund 94 (grants) activity were not combined into a single recurring view of DASH's full position.

Insufficient reconciliation to Munis

Internal reporting was not consistently refreshed with Munis actuals or reconciled to City records, so differences went unresolved.

Limited visibility into commitments

Finance lacked timely visibility into outstanding obligations, so incurred and anticipated costs were not always reflected in projections.

Limited independent validation

The forecasting workbook lacked a secondary review of formulas, sources, and manual entries, allowing the error to go undetected.

No rolling forecast or escalation

Results were not translated into an updated year-end forecast with thresholds to escalate material changes to leadership.

EXECUTIVE CONCLUSION

The central failure was not revenue underperformance. It was the absence of timely, reconciled, and independently validated financial reporting, and a failure to escalate rising operating costs to leadership in time to enable oversight and analysis of the organization's cost trajectory.

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Corrective Actions & FY27 Rebuild

Corrective Actions Underway

Actuals-based FY27 rebuild.

- Full rebuild from FY26 actuals, with consolidated Fund 93 and Fund 94 activity and known FY27 cost pressures.

Monthly reconciliation to Munis.

- Preliminary and final statements each month, with independent validation of formulas, sources, and assumptions.

Executive and City oversight.

- Monthly ELT variance and forecast reviews; monthly meetings with the City's Finance and Budget teams.

Stronger financial visibility and controls.

- Timely visibility into outstanding commitments; remediation of purchasing, year-end close, vendor, and purchase-card controls; multi-year fleet and workforce plans; an independent internal-control review.

Early Look at FY27

- FY27 is being rebuilt from FY26 actuals, not adjusted from the prior plan.
- The rebuild will reflect the true, sustainable cost of current service.
- Known pressures carried forward: Maintenance Services and operator labor.
- Consolidated Fund 93 and Fund 94 view for a complete financial picture.
- The rebuild will define the FY27 funding gap the Board will address in October.

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Maintenance Services: Performance & Drivers

Maintenance Services was the single largest contributor to the FY26 deficit.
Over budget by $1.43M — budgeted $341K, actual $1.77M.

What the Spending Delivered

- On-time performance improved by about 1% on average over FY25.
- Missed trips fell to 0.5% on average, down from a FY25 peak of 1.88%.
- Buses out of service for defects declined steadily to their lowest levels in years.
- Safety events held steady even with increased ridership and service.

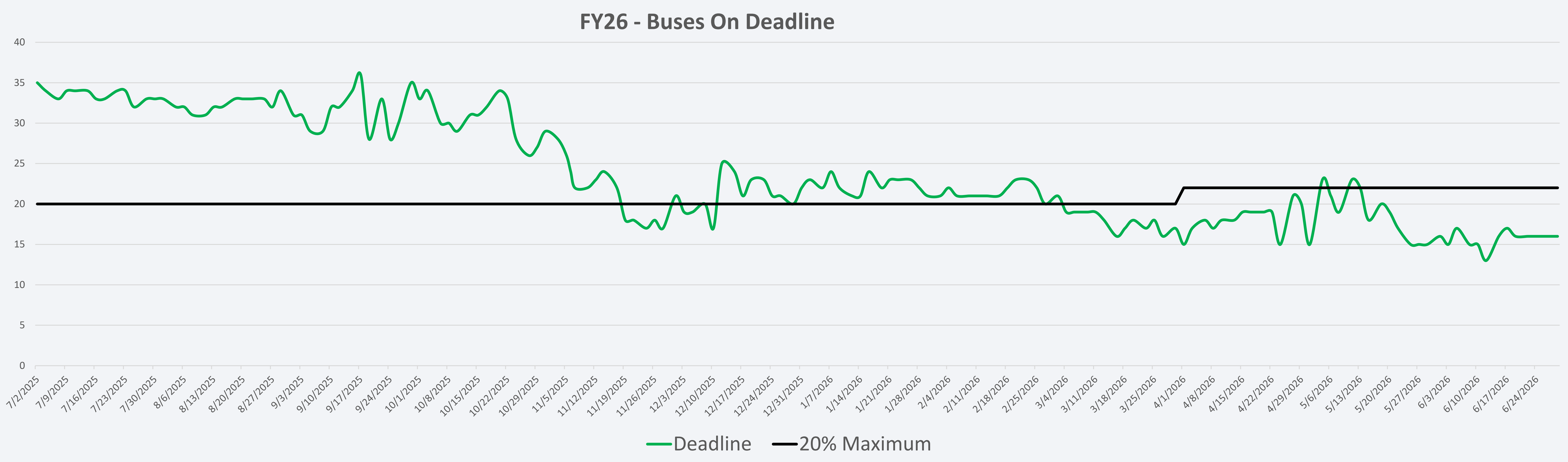
What Drove the Spending

- Most spending went to outsourced repair labor: technician headcount and skillset have not kept pace with a growing, aging fleet (turnover since 2020, hard-to-fill roles, a competitive labor market).
- 86% of the spending went to buses aged six years and older; 10% went to seven Proterra units, only two of which remain in service today.
- 35 buses have a Cummins engine model with a known manufacturing defect (“*cylinder block porosity*”) that causes premature engine replacement.

Maintenance Services: What we Delivered

COO — Stephanie Salzone

How increased spending positively affected the fleet deadline – improving fleet availability



Maintenance Services: What we Delivered

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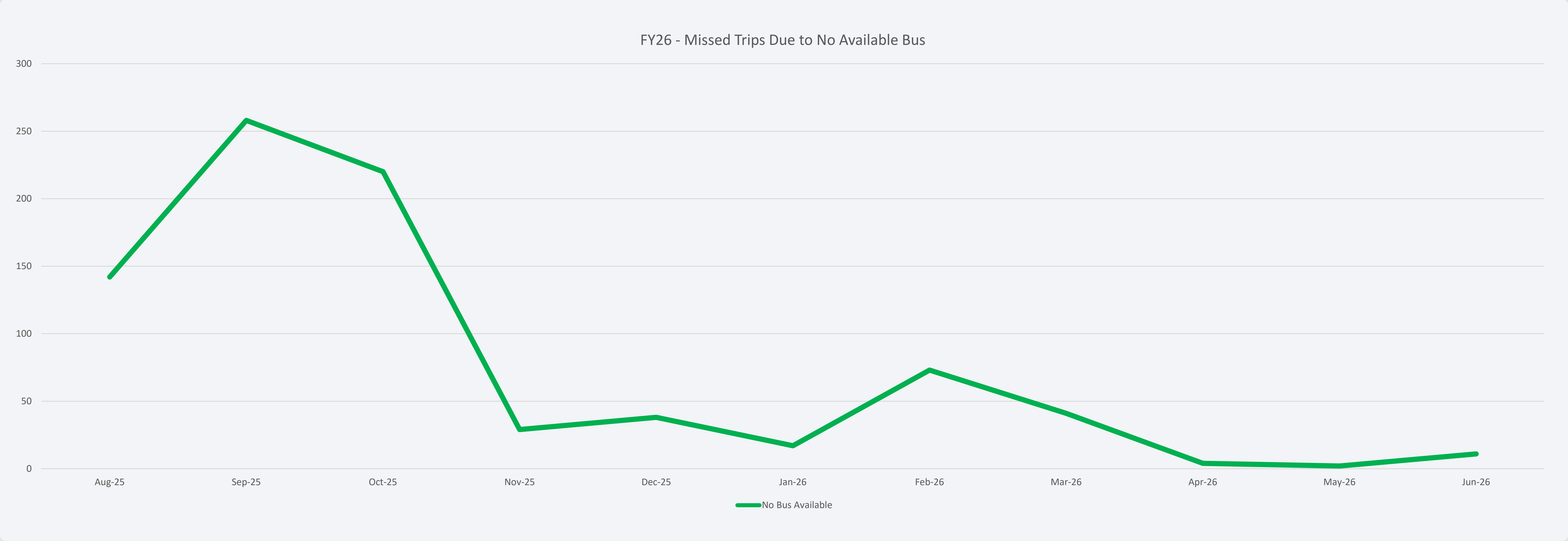
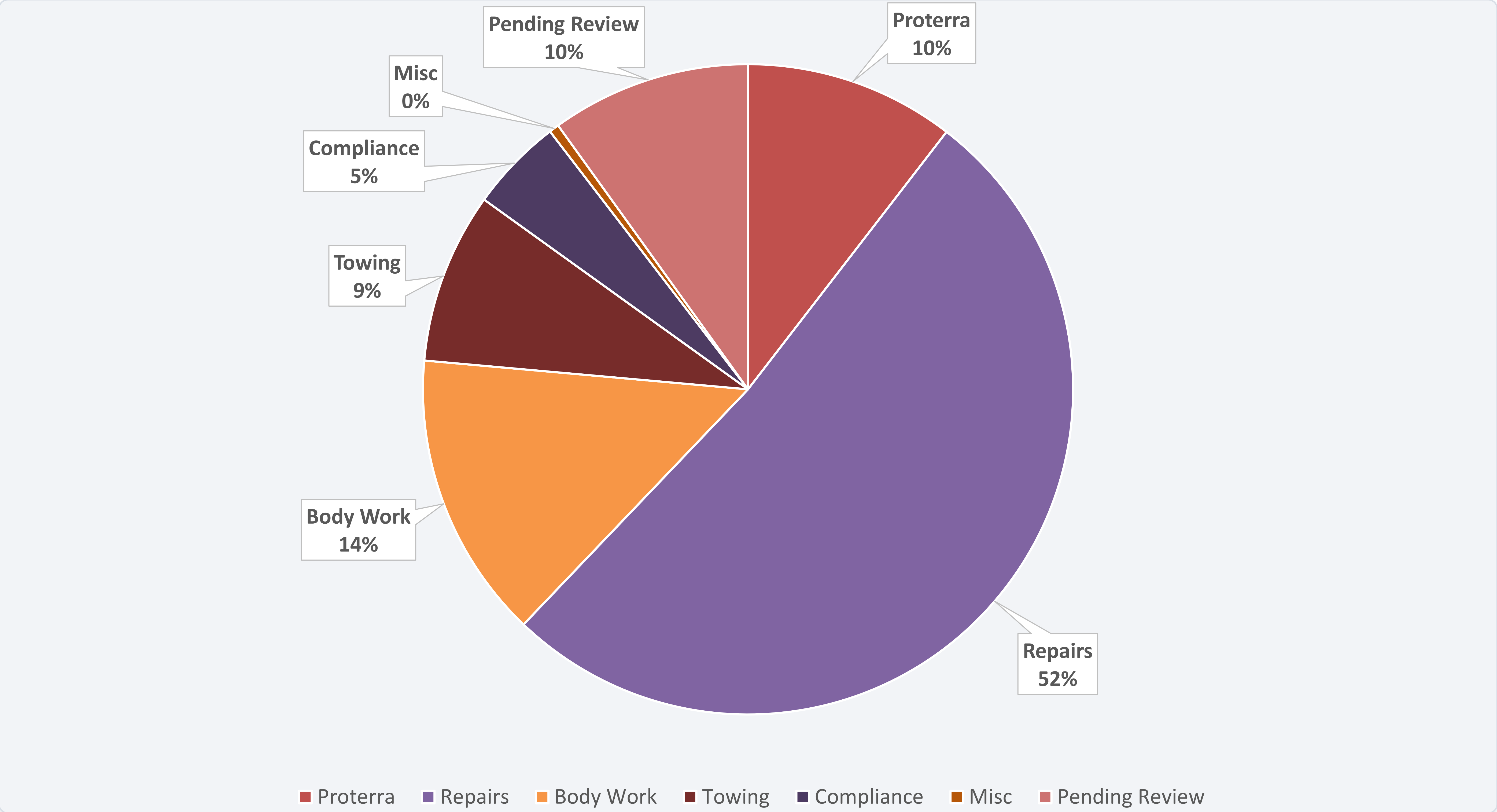
Substantial reduction in missed trips due to bus availability



Maintenance Services: Expenditures

How the $1.77M was spent:



Slowing Spending: What are we doing?

How We Are Slowing Spending *(and the impact)*

Paused overtime coverage for open operator work.

Impact: Missed service when an operator reports off, until coverage is identified.

Paused all outsourced maintenance services.

Impact: A growing number of vehicles unavailable, and additional missed service.

Paused all charter services to focus on core service.

Impact: Lower charter revenue, but improved availability for core fixed-route service.

What FY27 Will Require

- Perform maintenance in-house wherever possible by closing the technician gap to reduce outsourced services.
    - Certain work (body repairs, engine rebuilds, and replacements) will always be outsourced due to facility and equipment constraints.
- A dedicated team is rebuilding FY27 Budget from FY26 data to reflect the resources needed to deliver planned service levels.

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The DASH Difference

How our vision and values show up in practice — introduced on day one, and reflected in how we serve customers, support the workforce, and show up for the City.

Community & City Partnerships

- 30+ public events a year to raise awareness and gather feedback
- Buses support City emergencies (cooling/warming, evacuation)
- Ribbon cuttings for expansion & zero-emissions infrastructure

Reliable Service & Innovation

- Recovery time built into schedules for reliability
- Operations technology such as digital mirrors
- Real-time info, passenger counters, signal priority

Pride in Fleet & Facilities

- Cleanest fleet in the DMV
- Wellness spaces and a modernized fitness studio
- Year-round facility investment for 24/7 operation

Recognition & Belonging

- Service awards for tenure, safety, and attendance
- Peer recognition and employee-of-the-year honors
- Connection events: appreciation days, culture, Roadeo

Listening, Learning & Growth

- Engagement surveys, listening sessions, stay interviews
- Town halls and industry conferences
- Certifications and development at every level

DASH Scheduling Efficiencies

Chief Infrastructure & Development Officer — Raymond Mui

How Scheduling Works

Aside from service levels, scheduling sits on a spectrum. DASH has operated toward quality and resiliency; these changes move us modestly toward maximum efficiency, but not to the extreme.

Quality / Resiliency — **Efficiency**

more recovery time, more operating cushion — least recovery time, maximum utilization

Recovery time is the cushion built into schedules to absorb delays, ensure on-time performance, and ensures operators have adequate time for their breaks.

Trimming this improves efficiency but reduces resilience.

What Is Changing

A temporary, limited reduction in schedule recovery time (which includes operator breaks) to reduce costs.

- Represents a 13% reduction in total recovery time.
- Effective November 15, 2026.

Will not impact service levels.

- A moderate step, not everything we could do, chosen to minimize adverse impacts.

Estimated ~$700,000 in annualized savings.

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DASH Scheduling Impacts

Max Quality / Resiliency *(more recovery time)*	Max Efficiency *(least recovery time)*
Pros • Best workplace quality for operators • Lower stress and greater morale • More opportunity to take care on the job • Reduced likelihood of accidents and incidents **Cons** • Requires the most investment	**Pros** • Lowest cost to operate • Maximizes use of each dollar **Cons** • Lower workplace quality and morale • Operators feel constantly rushed • Lowest service resiliency (covering interruptions) • Lowest service reliability (staying on schedule)

Impacts of Moving Toward Max Efficiency

- Buses will be more susceptible to delays.
- Operators will have fewer opportunities for breaks.
- Employee morale may decrease.
- On-time performance will likely decrease.
- Safety performance may decrease in time.

Not a new norm. These actions are temporary and can be revisited as our financial position stabilizes.

In short: *a modest, reversible efficiency step that protects service levels while capturing meaningful savings, with real but manageable tradeoffs for riders and the workforce.*

DASH ALEXANDRIA TRANSIT

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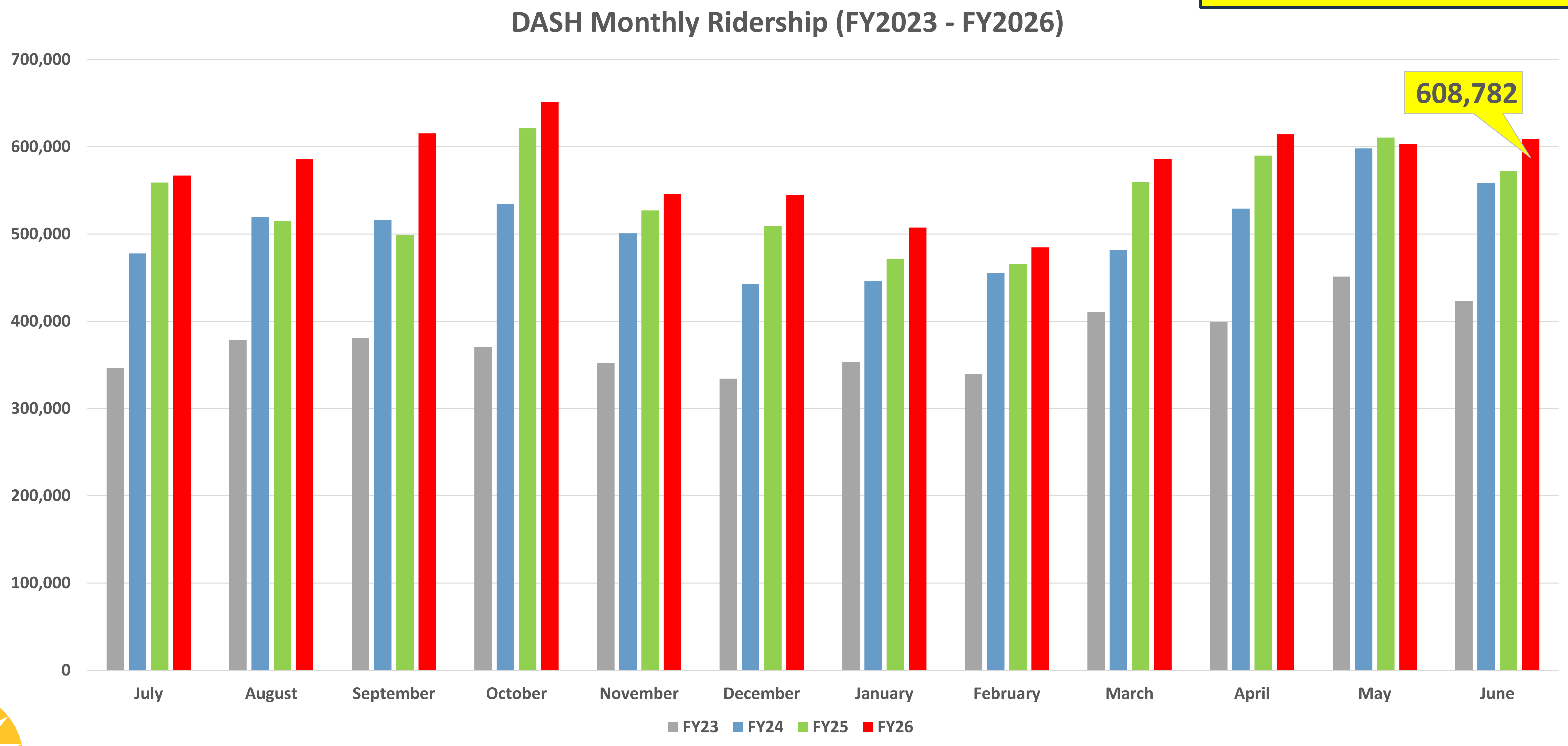
Ridership Report

FY26 Ridership Total:
6.9 million
ALL TIME RECORD!



Joint City Council/DASH Board Work Session Agenda

I. Welcome & Brief Overview of DASH (5 min)

a. Overview of DASH's mission, service area, and role in the City's transportation network

II. Current Operating Conditions (25 min)

A review of DASH's performance, finances, service programs, infrastructure, and accessibility efforts.

a. Performance & Ridership
b. Service & Programs
c. Facilities & Infrastructure

III. Finances & Budget (30 min)

a. Capital program update
b. Funding overview: State funds, local subsidies, federal funds, NVTA, and NVTC
c. Operating budget overview and breakdown
d. Budget volatility: DASH FY 26 budget shortfall and future FY 27 shortfall mitigation strategies

IV. ATV (Alexandria Transit Vision) Overview (15 min)

a. Brief Presentation on the ATV and program update
b. Rightsizing our operation – what it takes for DASH to show up tomorrow as strong as it does today.
   i. How DASH allocates resources
   ii. How DASH handles priorities, constraints, and our focus on service

V. Participation, Feedback & Discussion (45 min)

Goal: inform Council and Board members, gather input, and reach agreement or direction on next steps.

a. Open discussion with Council and Board members
b. Questions and input on priorities

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November 11, 2026 Meeting

The current date for the November 11, 2026 Board of Directors meeting falls on Veterans Day.

Alternative dates for consideration include:

- **Thursday, November 12, 2026 (or)**
- **Wednesday, November 18, 2026.**

Board Members are asked to provide their availability for an alternative November meeting date so that the Board Secretary may reschedule the meeting and provide proper notice.

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Next Meeting: September 23, 2026

5:30pm – Location DASH HQ

Executive Session

Motion to Enter Session:
"I ________ (name) move that the Alexandria Transit Company Board of Directors convene an Executive Session for the purpose of discussing matters, pursuant to Section 2.2-3711 (A.6 and A.8) of the Code of Virginia"

The Board is currently in Executive Session

Reconvene Public Session & Certification of Exec Session

Motion to Exit Session:
"I ________ (name) move to reconvene the public meeting of the Alexandria Transit Company Board of Directors."

Motion to Certify Session:
"I ________ (name) move to certify that, pursuant to Section 2.2-3711 of the Code of Virginia to the best of each member's knowledge only public business matters that were identified in the motion by which the executive session was convened, and that are lawfully exempted by the Freedom of Information Act from the Act's open meeting requirements, were heard, discussed or considered by the Board during the executive session."

Approval of Recommendation in Exec Session (*if needed*)

Motion to Approve Recommendation in Executive Session:
"I ________ (name) (name) hereby move to approve the recommendations and decisions discussed during the Executive Session of the Alexandria Transit Company Board of Directors, pursuant to Section 2.2-3711 (A1) of the Code of Virginia."

Wrap Up & Adjournment

Next Meeting: September 23, 2026
5:30pm – Location DASH HQ

Meeting Adjourned

September 9, 2026

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