

Spokane Transit Authority
1230 West Boone Avenue
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CITIZEN ADVISORY COMMITTEE MEETING

Meeting Minutes for April 11, 2012
Southside Conference Room

MINUTES

MEMBERS PRESENT

Mike Brewer
Ann Campeau
David Driscoll
Victor Frazier
Charles Hansen
Resa Hayes
Dean Lynch
Fran Papenleur
Philip Rudy
Brenda Smits, Chair

STAFF PRESENT

Steve Blaska, Director of Operations
Lynda Warren, Director of Finance

MEMBERS ABSENT

Fyrne Bemiller
Margaret Jones
Nancy Kelly (tentative member)

1. CALL TO ORDER AND ROLL CALL

Mr. Frazier, Acting Chair, called the meeting to order at 5:07 p.m. in Chair Smits' absence and conducted roll call. Committee members were asked to share information about their background and involvement with STA.

5:09 p.m. Chair Smits joined the meeting.

2. MINUTES OF THE CITIZEN ADVISORY COMMITTEE - Corrections or Approval

a. Ms. Smits asked the Committee to address the meeting minutes of March 14, 2012.

Mr. Frazier moved to approve the minutes, Ms. Hayes seconded and the minutes were approved unanimously.

3. PUBLIC EXPRESSIONS

There were no public expressions.

Mr. Blaska reviewed the purpose of the CAC for the benefit of the three new members who most recently served on the Operations & Customer Service Committee. The Board looks to the CAC for feedback on a project by project basis. The CAC is tasked to get a pulse of the community. The CAC has completed the Tariff policy project and the Sustainability program for the agency, the latter of which is now incorporated in the Comprehensive Plan.

Mr. Blaska said that with the reorganization of the Board committees; the Performance Monitoring & External Relations (PM&ER) committee will look at the performance reports of the organization. Commissioner Richard suggested finding out what the community wants to know. The CAC agreed that this would be a good project for them to work on. At the last meeting, Mr. Lynch suggested talking to friends, family and constituents to find out what they want to know about STA.

4. REVIEW OF PLANNING DOCUMENTS

Mr. Blaska gave an over view of STA's planning documents. The Strategic Plan is the capstone; the major plan that STA will accomplish in the current year. The Budget is built to accomplish the Strategic Plan. The Budget is approved by the Board in November or December. The next step down is the Service Implementation Plan (SIP). The SIP is a three year look at what STA is doing related to service. The service plan focuses on the major changes and is published in the summer time. The Capital Improvement Plan (CIP) is a six year plan of capital investments approved in the summer, prior to approving the budget. The Transit Development Plan (TDP) is a seven year projection and is required by Washington State. The TDP is submitted to the Department of Transportation (DOT) in September and pulls in some of the SIP and CIP. Connect Spokane is the Comprehensive Plan. The Comprehensive Plan is the 20-30 year look containing the principles, policies and strategic objectives. This plan focuses on where the organization is strategically going over the long term. All the plans are required to be updated annually, except the comprehensive plan which is updated every three years.

5. REVIEW OF FINANCIAL REPORTS

Ms. Warren said that the current monthly and quarterly reports given to the Performance Monitoring & External Relations (PM&ER) Committee and the Board are in the notebooks for the committee's review. The purpose of the reports are for the Board to make decisions based on accurate, timely, relevant, concise, easy to understand information. The current monthly reports contain Revenue (Operating, Sales Tax, Grant/Other), Operating Expenses (including fuel), Capital Expenditures and Cash Balance. The current quarterly reports contain Capital, Detail of Revenue and Detail of Expenditures by Department, Statement of Net Assets, Federal Grants and Travel. Currently, the Board receives the total information monthly and the detail on a quarterly basis.

One option presented to the PM&ER Committee was to replace all the financial reports with four graphs on a monthly basis. The four graphs show Revenue (excluding Capital Grants), Operating Expenses, the Capital Budget Status & Cash Balance. These four graphs show all the monthly and quarterly financial information in a concise format.

The financial reports run about 1 ½ months behind because the organization does not have an Enterprise Resource Planning (ERP) system currently. Ms. Hayes asked what an ERP system is. Ms. Warren explained that an ERP system would integrate all of the administrative, human resource and financial information into one system thereby making it easier to collect data and produce reports.

The sales tax graph shows sales tax receipts from 2008-2012. Sales tax distributions lag two-months between collection and distribution. March 2012 sales tax receipts are collections from January 2012 taxable sales. In January and February receipts were over budget and in March the receipts were under budget. Ms. Hayes asked about the -1.5% change for Medical Lake. Ms. Warren said that the sales tax receipts were 1.5% less this year than last year at this time. In addition, a new sales tax revenue history graph was added which shows the 12 month rolling revenue.

A quarterly travel & training report has been revised to include training, travel, grant funded travel and registration fees. Previously, the report had only included travel. The report is compiled by Ms. Robar.

Mr. Lynch asked what the difference is between registration fees and training fees. Ms. Warren explained that the registration fees are specifically part of the conference fees, budgeted in a separate place than the travel for the training. Where the cost would fall depends on the activity.

Mr. Lynch asked for clarification regarding which reports were replaced. The new graphs & charts that Ms. Warren discussed today would replace the entire monthly & quarterly reports currently given to the PM&ER committee and Board.

Ms. Smits asked if the revenue and expenses would be broken out in detail. Ms. Warren said that the organization does not do a line item budget and the Board is not required to adopt a line item budget.

Mr. Brewer asked about the ratio of operating costs as compared to income from fares. Mr. Blaska said those are included in the operating reports which will be reviewed next. Mr. Frazier asked if there was a Finance part of the new committee structure. Ms. Warren explained that the PM&ER committee reviews the financials and budgeting falls under the Planning & Development committee.

Mr. Driscoll liked the financial summary and also said that if the summary is too brief it would raise a lot of questions. Ms. Warren mentioned the cover pages which highlight specifics. Dr. Rudy said if there are one or two items out of the normal parameters then he would like to see more detail.

Ms. Smits asked about the cash balance graph and if part was earmarked for something. Ms. Warren said anything above the reserves line is for future operating or capital expenses. Ms. Smits mentioned that it is not readily apparent to the general public that all the cash is designated for future operating or capital expenses. Mr. Frazier said that the general public would not know that there are designated reserves for vehicle replacements or buildings for example, so that the organization does not have to take out loans. Ms. Smits mentioned that the forecast model graph is typically not included in the financials. Ms. Warren said that the forecast model graph is updated annually during the budget process to project out for the future. Mr. Blaska suggested that the cash graph could be extended to include the projected cash reserve over a period of time. Mr. Brewer suggested a list of capital projects along with the cash graph. Mr. Frazier suggested using different colors to show different capital expenditures.

Ms. Hayes asked if these new reports would be presented to the Board at the April meeting. Ms. Warren said the next steps are sharing this committee's ideas with the PM&ER committee. The PM&ER committee is reviewing the same material and their comments will be shared at the CAC meeting next month. The PM&ER committee will make a recommendation to the Board on both the format and frequency of reports.

Ms. Papenleur said the chart showing sales tax projection is excellent. Ms. Warren indicated that financials are actuals and projections are part of the budget process. Mr. Blaska said it could be included in the packet for reference.

6. GENERAL BUSINESS

- a. Mr. Frazier complimented Mr. Blaska and Mr. Phillips on the Compressed Natural Gas (CNG) research and analysis that was presented at last month's meeting.
- b. Mr. Blaska mentioned that the Board meeting will be at City Hall this month, but beginning next month (May 17) the Board meetings will be at STA, the 3rd Thursday of each month at 10:00 a.m. with an exception for the July meeting due to the holiday. The meetings will be available on the STA website on the afternoon of the meeting day and will be broadcast on the following Saturday, Monday and Tuesday on Cable Channel 5. Some public hearings may be held in the evening. Mr. Lynch asked about the public hearing process and Board member attendance during a hearing. Mr. Blaska said that the hearing would be held during a regular Board meeting. Ms. Hayes asked where the public hearing would be held. Mr. Blaska said a public hearing would most likely be held here at STA due to parking availability.
- c. New Chair Nominations: Chair Smits said the primary functions are working through the agenda and keeping the meeting on track. Ms. Papenleur nominated Mr. Frazier to be the new Chair and Dr. Rudy seconded the nomination. All approved unanimously.
- d. Mr. Frazier asked about Plaza updates. Mr. Blaska mentioned that Mobility Training will occupy the old Burger King space. An Award of Contract will be on the April Board agenda.
- e. Ms. Papenleur asked about the new contract with MV Transportation and how that affects the First Transit employees. Mr. Blaska said that essentially they will offer the opportunity for First Transit employees to apply for positions at MV Transportation. MV will assume the labor contract also. A letter will be sent to all Paratransit riders. Ms. Campeau said that current First Transit employees have received very little information regarding the change.
- f. Ms. Hayes asked about the three (3) new buses from Ottawa. Two are here and will be in use for Bloomsday. One is in North Dakota and will need a new engine. It takes about four weeks to transition the buses for use.
- g. Mr. Lynch said that at 1:55 p.m. today, an STA car drove out past the crosswalk into the intersection at 2nd & Sherman and cars were honking at him.

7. SET AGENDA FOR NEXT MEETING

1. Review new concise financial reports

The next meeting will be Wednesday, May 9, 2012 – 5:00 p.m. (Regular Meeting) – Spokane Transit, Southside Conference Room.

8. ADJOURN

With there being no further business to come before the Committee, Ms. Smits adjourned the meeting at 6:26 p.m.

Respectfully submitted,

Merilee Robar
Executive Assistant