

Spokane Transit Authority
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CITIZEN ADVISORY COMMITTEE MEETING

Meeting Minutes for May 9, 2012

Southside Conference Room

MINUTES

MEMBERS PRESENT

Fyrne Bemiller
Mike Brewer
Victor Frazier, Chair
Charles Hansen
Resa Hayes
Fran Papenleur
Brenda Smits

STAFF PRESENT

E. Susan Meyer, Chief Executive Officer
Steve Blaska, Director of Operations
Lynda Warren, Director of Finance

MEMBERS ABSENT

Ann Campeau
David Driscoll
Margaret Jones
Nancy Kelly (tentative member)
Dean Lynch
Phillip Rudy

GUESTS

Bob Pawlowski

1. CALL TO ORDER AND ROLL CALL

Chair Frazier called the meeting to order at 5:04 p.m. and conducted roll call.

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

a. Mr. Frazier asked the Committee to address the meeting minutes of April 11, 2012.

Mr. Hansen moved to approve the minutes, Mr. Brewer seconded and the minutes were approved unanimously.

3. PUBLIC EXPRESSIONS

There were no public expressions.

4. DISCUSSION & FEEDBACK OF FINANCIAL REPORTS

Ms. Warren said that the financial reports were presented to the Performance Monitoring & External Relations (PM & ER) Committee at their May 2nd meeting and discussed some of the ideas that were suggested by this committee. Ms. Warren said that some comments were received from members who are absent today.

Ms. Warren said that financial information needs to be accurate, timely, relevant, concise and easy to understand. Currently, the monthly reports produced are revenue (which includes operating revenue, sales tax and grant/other revenue), operating expenses (including fuel), capital expenditures and cash balance. The current quarterly reports are capital, detail revenue, detail expenditures by department, statement of net assets, federal grants and travel.

Ms. Warren said some of the options that were brought forward last month included graphs and charts. The revenue chart includes operating (fares), sales tax, federal & state grants and miscellaneous. The chart shows that STA is over budget in revenue. Ms. Warren said the PM & ER committee liked the new concise chart. Mr. Frazier said the chart makes sense. Ms. Smits said that because the scale is so large it is hard to see the variance in the columns, but it is explained below where the actual values are written. Ms. Warren said that in other charts the zero basis line has been moved, but due to miscellaneous being such a small value it wouldn't work for this chart. Ms. Meyer mentioned that the difference of \$100,000 would be very hard to see between four categories in a year on a \$15.5M budget.

The operating expense chart is broken out into Fixed Route, Paratransit, Vanpool, Plaza and Administration. The chart shows that STA is under budget in expenses (5.7%). Ms. Warren pointed out that the Fuel Expense Variance is located in the totals box as this is an item that most are interested in. The monthly charts are totals through the reporting month. For example, the March reports include January through March of this year. Ms. Meyer asked if this chart is year to date. Ms. Warren mentioned that at the bottom it specifies 2012 YTD actual. Mr. Frazier asked if the 2012 budgeted fuel was based on a 3% increase, and how does STA project fuel increases? Ms. Warren said that fuel information is obtained from OPUS (Online Piping & Usage Specification). STA's budget is based on year end information and one-half standard deviation. Ms. Warren said last year STA looked at one standard deviation, but felt it was too much and too volatile. Ms. Meyer said that STA would have over budgeted if one standard deviation was used. Mr. Blaska said that a price is obtained from OPUS which is the local market and the projection comes from EIA (Energy Information Agency). Projections for fuel are determined about July, but if it appears significant changes will happen from July to September for the final budget, then adjustments would be made. When fuel numbers change, the trickle-down effect across different funding categories is significant. Mr. Frazier said he is very interested and personally has been tracking the price of oil. Ms. Bemiller asked about being "under budget". Ms. Warren said that if a budget is "under" at year end, cash would not have to be drawn down and therefore the cash balance would be higher at year end than expected.

Ms. Warren discussed the Capital report which shows the budgets from federal, state and local funding and what has been spent to date. The cash balance chart was revised based on the CAC discussion last month. Ms. Warren said the new chart shows the commitments versus cash balance that was created out of that discussion. The PM & ER committee felt that this was not the best way to show this information. Ms. Warren said that different report formats are being discussed. Ms. Warren said that the PM & ER committee thought that seeing the capital and cash report semi-annually would be adequate; during the budgeting process and year end. Ms. Meyer said that 2012 - 2017 is the six year planning horizon that is included in the Transit Development Plan (TDP) and the reason the capital chart extends out to 2017. Ms. Smits asked the reason for cash balance history to 2002. Ms. Warren said it is a ten-year history.

Ms. Warren said sales tax information for April is now available. This revenue is based on February sales. The sales tax pattern does not vary much from one month to the next, and the general patterns during the year are similar to prior years. Quarter & Annual taxpayers could influence this chart. Ms. Bemiller asked how a person is eligible for quarterly tax payments. Ms. Warren said she would find the answer. Sales tax information on all the jurisdictions within Spokane County is included.

Ms. Warren discussed the sales tax revenue gap chart that Ms. Papenleur asked about at last months' meeting. The PM & ER committee saw this as an important projection chart to be looked at semi-annually; during the budget process and annually. Ms. Meyer said that showing the other revenue which has offset the loss from sales tax should be shown. This chart only shows what STA lost in sales tax, but STA has won more grants, fare revenue increased and higher than expected sales tax revenue has been received. Mr. Frazier said that this chart is a valuable public relations opening story line for STA. Mr. Blaska said that local taxpayers actually paid \$23M less in taxes over the last five years for public transportation than they had previously.

Ms. Warren said that the PM & ER committee suggested that the Statement of Net Assets and Federal Grants reports be shown semi-annually. The CFO highlights report is a summary of the same information in the new charts, so this report could be eliminated.

Ms. Warren said the next step is going back to the PM & ER committee with suggestions from the CAC. After that meeting, a recommendation would go to the Board.

Mr. Blaska said that Mr. Lynch had sent feedback on colors of the charts and another point, from these reports, how does the general public know if STA is successful? Mr. Blaska said that the next phase of performance reports to

be reviewed will help answer this question. Ms. Meyer said that the financial reports show progress to budget. Mr. Frazier said he thought they were pretty straightforward and shared the reports with his neighbor.

5. GENERAL BUSINESS

- a. Ms. Hayes asked about the Open House on May 16th. Ms. Meyer said that it is at the Plaza from 4 – 6 p.m. and the purpose is to educate and receive input on the planning process of the High Performance Transit (HPT) Network. This planning process is currently being launched to help prioritize the projects and investments that would be made with additional revenue. Ms. Bemiller asked for more clarification. The HPT includes additional premium bus service, improvements to existing bus service and capital projects which support service, for example, park and ride lots. A survey will be available at the open house or on the web. This survey includes prioritizing the corridors and screening criteria. Ms. Meyer said STA has 652 friends on Facebook. Discussion ensued regarding the HPT and types of modes. Ms. Hayes asked if the mode would be accessible and level boarding. Ms. Meyer said that all of the service has to be accessible and level boarding is an option depending on the vehicle chosen.
Mr. Brewer said that he has always been in favor of a high capacity light rail system of some sort from Coeur d'Alene to Cheney with a connection to Deer Park. The concept of moving people has been a discussion for years. Ms. Meyer said that the conversation has changed because the corridor will be selected first, then the best mode will be selected for that corridor. The goal is to have a network of connected corridors.
- b. Ms. Bemiller said she took part in a phone survey for Paratransit users. Mr. Blaska said that the annual Paratransit survey is occurring now. The survey taker told Ms. Bemiller they have only received good feedback, nothing negative.
- c. Ms. Hayes said that the Paratransit reservation line has a loud beep in the background and asked if the volume could be turned down. Ms. Meyer said that the beep indicates that the line is being recorded and STA will look into why the beep volume appears to be variable in some cases.

6. SET AGENDA FOR NEXT MEETING

- a. Discussion of the High Performance Transit Network – Karl Otterstrom

The next meeting will be Wednesday, June 13, 2012 – 5:00 p.m. (Regular Meeting) – Spokane Transit, Southside Conference Room.

7. ADJOURN

With there being no further business to come before the Committee, Chair Frazier adjourned the meeting at 5:52 p.m.

Respectfully submitted,

Merilee Robar
Executive Assistant