

ESTUARY TRANSIT DISTRICT
REGULAR MEETING

THESE MINUTES ARE SUBJECT TO APPROVAL AT THE NEXT ESTUARY
TRANSIT DISTRICT MEETING

November 20, 2009

CALL TO ORDER

The regular meeting of the Estuary Transit District was called to order by Chair Richard Cabral at 9:04 a.m. at the Old Saybrook Town Hall in Old Saybrook, Connecticut.

ROLL CALL

A Quorum was established. Those in attendance included: Virginia Zawoy, Dick Smith, Jack Spangler, Noel Bishop, John Forbis, Richard Cabral, Ralph Eno, Mike Pace and Leslie Strauss.

Staff: Joe Comerford, Halyna Famiglietti and Paul Tyrrell

Also in attendance were Pat Trotta, Auditor and Catherine Iino, Killingworth First Selectwoman.

PLEDGE

Richard Cabral led the Pledge of Allegiance.

VISITOR'S COMMENTS

None.

AUDIT

Joe Comerford distributed a summary of the Audit Report for the ETD.

The Operating Statistics indicate that revenue hours and miles have increased, due to new services in place; however, passenger figures have decreased. This decrease was apparent when the 1/2 fare for seniors was instituted. Since the new free pass program for seniors was initiated, these figures have been increasing.

Joe continued that due to the current economy, ridership nationwide is down 5.5%. Locally, riders who previously rode the bus 5 days per week are down due to a cut in their work hours.

Joe Comerford reported that the Unrestricted Net Assets of the District increased by over \$94,000. Several initiatives are responsible for this increase including: the one time payments by towns of \$46,470, the increase in assessments, the sale of buses, the new allocation plan, and the increased efficiency of the Dial a Ride services.

Joe Comerford reported that the Total Net Assets decreased \$10,492 from FY2008. He continued that the Total Net Revenue decreased in the areas of Operating Revenue (-\$27,976), Federal, State & Local Asst (-\$140,659) and Federal, State & Local Capital (-\$271,356).

The District realized a growth in the Total Expenses. Significant increases were seen in: Depreciation (\$48,233), Professional and Technical Services (\$39,425), Telephone and Utilities \$4,223), Insurance (\$1,997), Printing and Advertising (\$15,802) and RTAP (\$3,098). However, this increase was partially offset by meaningful declines in Fuel (-\$8,358), Other (-\$27,121) and Special Item (-\$83,132{insurance payment/past legal settlement}).

Joe Comerford reported that the audit finding included that lack of a purchase order system. As of the June ETD meeting, a Purchasing Policy was approved and this policy was put into effect as of July 1, 2009.

Pat Trotta, Seward and Monde Auditor, thanked staff for their cooperation during his audit work.

Mr. Trotta commented that the objective of an audit is to give the ETD an opinion on their financial statements. Once again, the ETD has received a "Clean Opinion".

Mr. Trotta distributed an Analysis Chart showing the member town's share of operating and administrative costs. This chart indicates that the towns are paying very little in overhead costs, 70% of the Shoreline Shuttle overhead is paid for by the government. The contribution from the town's begins under the Local Assisted Programs.

The Analysis Chart explained the breakdown of subsidy monies and gave a perspective on how the town's money is spent versus the state and federal money.

Mr. Trotta commented that the ETD budget is not revenue driven but expenditure driven. In order to expand, the District will need assistance from the state.

Mr. Trotta reported that it is important for the Board to pay close attention to internal controls as the auditor pays close attention to same. If close attention is paid, any issue will be detected and corrected in a timely manner.

One finding of the audit was the lack of a Purchasing Order Policy; however, as Joe Comerford indicated, this policy went into effect on July 1, 2009 and will not be an issue in future audits.

Joe Comerford explained the PO system. Any purchase of over \$10,000 must be signed off by Richard Cabral (Chair), John Forbis (Treasurer). A formal RFP is required for any amount over \$50,000.00.

Mr. Trotta reported that per their contract, this is the final audit year. He continued that Seward and Monde appreciates the ETD's business and would like to continue in the future. He added that over the last 4 years, the District has been subject to a State single audit only. When additional criteria is met, the District will require a Federal audit as well.

Noel Bishop commented that Seward and Monde is the firm used by the town of Westbrook and has displayed professionalism. He expressed his support of the firm.

SECRETARY'S REPORT

Minutes

Virginia Zawoy made a motion to approve the minutes from the October 16, 2009 meeting. John Forbis seconded the motion. The motion passed. Jack Spangler, Noel Bishop, Ralph Eno and Mike Pace abstained.

TREASURER'S REPORT

John Forbis reported that the Finance Committee recommends acceptance of the Audit Report.

CORRESPONDANCE

None.

EXECUTIVE DIRECTOR'S REPORT

Joe Comerford reported that the DOT expects a 3% increase in FY2011 in the core services and informed all system to plan accordingly. The DOT does not expect any program to be cut, however fare increases were made part of the budget, but at a lower amount than originally proposed.

Joe reported that the bus stop signs have been received and are ready to be installed. He requested assistance from town crews for installation. Dick Smith is awaiting a response from the DOT regarding requirements for placing the shelters.

Three new buses are on order; however a delivery date is unknown due to a backlog in chassis delivery. Mike Pace questioned any maintenance issues on the buses. Joe responded that there is a bus in need of a new transmission but the District does not intend to fix due to the fact that three buses are on order. He continued that this bus can be used in case of emergency.

The DOT payment of approximately \$26,000 for FY2002 was received. This is \$2,500 more than originally expected. This money will increase the unrestricted net assets account since the amount was written off as bad debt.

After publicity on the extended Dial a Ride hours, the District is seeing an increase in morning trips. Joe reported that monthly passes account for 28% of prepaid fares and 8% of total fares. Richard Cabral suggested that Adam's Supermarket in Deep River also sell the passes. Joe will investigate.

John Forbis made a motion to accept the Executive Director's Report as presented. Dick Smith seconded the motion. The motion passed unanimously.

MARKETING REPORT

The Marketing Report was included in the Board's packet.

John Forbis made a motion to accept the Marketing Report as presented. Dick Smith seconded the motion. The motion passed unanimously.

FINANCE MANAGER'S REPORT

The Finance Manager's Report was included in the Board's packet.

John Forbis made a motion to accept the Cash Flow Report. Leslie Strauss seconded the motion. The motion passed unanimously.

Dick Smith made a motion to accept the Bank state. Noel Bishop seconded the motion. The motion passed unanimously.

John Forbis made a motion to accept the Budget vs. Actual Report. Mike Pace seconded the motion. The motion passed unanimously.

OPERATIONS MANAGER'S REPORT

The Board's packet included Operation Manager's Reports from September and October.

John Forbis commented that the Niantic run has achieved 65% of its budgeted rides and is predicted to exceed the forecasts. Also, the Shoreline and Riverside routes are experiencing a greater demand in their services.

Joe Comerford reported that the District is seeing significant growth in the Middletown express. Seventy five percent of these riders are non-seniors; however, the District is attracting more seniors as well.

Paul Tyrrell reported that Trans Ad has experienced a significant drop in advertising on the buses. Leslie Strauss suggested canceling the contract with Trans Ad. Joe Comerford responded that the contract does not contain a termination clause. There are approximately 2 years left on the contract. Joe Comerford was directed to send the contract to Leslie Strauss for review.

Joe Comerford reported on employee turnover. The average length of employment for part time employees is 1.5 yrs. vs. 4 year for full time. This had led to significant issues in maintaining service levels and increased pre-employment and training costs. Also, Paul has been required to drive several shifts, taking him away from his regular duties. Joe continued that few people are interested in part time work and leave once full time employment is found. Many of the applicants are older and have issues passing the DOT physical.

Mike Pace commented that the Social Services Department in Old Saybrook can be instrumental in recruiting interested employees. Joe Comerford will discuss same with Mike Pace.

Dick Smith made a motion to accept the Operation Manager's Report. Virginia Zawoy seconded the motion. The motion passed unanimously.

OLD BUSINESS

None.

NEW BUSINESS

John Forbis made a motion to accept the FY Audit. Noel Bishop seconded the motion. The motion passed unanimously.

Please note that the audit included in the board's packet was labeled "preliminary". Joe Comerford reported that once the audit is accepted, it becomes final.

FY 2011 Budget Discussion

The ETD discussed the anticipated town contribution. Board members stressed the importance of a flat town contribution request. Joe Comerford responded that during initial budget conversations, the town's contribution amounts remain flat.

Dick Smith would like the budget to include town share options unrestricted figures. The amount of the Unrestricted line was discussed.

Auditor

Joe Comerford reported that the District will go through the bidding process to secure an auditor. He continued that due to the probable need for a Federal audit, the price will increase by approximately \$2,500.

Meeting Dates

The schedule of regular meetings was distributed as follows:

1/15/10, 2/19/10, 3/19/10, 4/16/10, 5/21/10, 6/18/10, 7/16/10, 8/20/10, 9/17/10, 10/15/10, 11/19/10 and 12/17/10.

As of January, the meetings will be held at the ETD offices in Centerbrook Ct.

Dick Smith made a motion to accept the meeting dates for 2010. John Forbis seconded the motion. The motion passed unanimously.

Holiday Party for Employees

A tentative date of 1/9/10 was set for a Holiday Party for employees.

CHAIR COMMENTS

Richard Cabral appointed Jack Spangler, Dick Smith and John Forbis as the Nominating Committee. The Board will vote on nominations at the January meeting.

Richard Cabral commended the work of the ETD staff over the past year.

VISITOR COMMENTS

None.

BOARD MEMBER COMMENTS

Leslie Strauss reported that she was approached by a blind Chester resident. This individual was interested in obtaining a special pass for the buses. Joe Comerford reported that rural districts, such as the 9TT, do not have half fares for seniors or disabled individuals.

Board members commented that a significant financial burden would be placed on the District if a 1/2 fare pass for disabled/seniors was initiated. Richard Cabral directed Joe Comerford and John Forbis investigate the financial impact of such a program. Mike Pace suggested that this individual could seek help from the local Lion's Club.

Leslie Strauss reported that a Soup Kitchen Fund Raiser is scheduled for December 11, 2009 at the Katherine Hepburn Theater.

EXECUTIVE SESSION

Noel Bishop made a motion to go into Executive Session at 11:00 a.m. to discuss the FY2010 amended budget. Jack Spangler seconded the motion. The motion passed unanimously.

The regular meeting resumed at 11:01 a.m.

John Forbis made a motion to publish the FY2010 Budget. Virginia Zawoy seconded the motion. The motion passed unanimously.

The next meeting is scheduled for 12/18/09.

ADJOURNMENT

Noel Bishop made a motion to adjourn the meeting at 11:02 a.m. John Forbis seconded the motion. The motion passed unanimously.

Respectfully Submitted,

Suzanne Helchowski
Recording Clerk

Leslie Strauss
Secretary