



ROCKFORD MASS TRANSIT DISTRICT

Board of Trustees Meeting #884
Minutes
Tuesday, December 16, 2014
7:45 a.m.

RMTD Conference Room
520 Mulberry Street
Rockford, IL 61101

ROLL CALL:

BOARD OF TRUSTEES:

Gary Marzorati, Board of Trustees, Chairman
Pastor Herbert Johnson – Board of Trustees, Vice Chairman
Michael Wilcop – Board of Trustees, Secretary/Treasurer (*Absent*)

STAFF:

Rick McVinnie – Executive Director
Ron Schoepfer – Director of Finance
Denny Hendricks – Operations Manager
Kris Paprocki – Human Resources Manager (*Absent*)
Dan Engelkes – Risk Manager
Jim Johnson – Project Manager
Lisa Brown – Marketing & Public Relations Specialist
Paula Hughes – Grants Specialist
Lawrence Tennial – Maintenance Supervisor (*Absent*)
Erin Jenkins – Administrative Assistant/Meeting Secretary

ALSO PRESENT:

Jon Paul Diipla, RMAP
Jodi Dobson, Baker Tilly
Jeff DiBenedetto, DiBenedetto & Associates

CALL TO ORDER: The Board Chairman called the meeting to order at 7:45 a.m.

APPROVAL OF AGENDA:

The Board Chairman asked for and received a motion to approve the agenda for Tuesday, December 16, 2014. The motion was seconded and passed.

APPROVAL OF MINUTES:

The General Session of the October 27, 2014 RMTD Board of Trustees Meeting were reviewed. A motion was made to approve the minutes. With no further discussion, the motion was seconded and approved.

A-COMMUNICATIONS:

No Report

B-MATTER OF THE PUBLIC:

No Report

NOTE: The Board Chairman requested F-1 (a) and F-2 (b) be moved forward on the agenda.

F-1 (a) DiBenedetto & Associates, Inc.

- ~ Investments Summary for: June 30, 2014 – December 05, 2014
- ~ Portfolio Review for Period Ending: December 05, 2014
- ~ Monthly Investment Statements for: September & October, 2014

Jeff DiBenedetto reviewed the Portfolio Overview.

He stated the following performance data for period ending December 5, 2014:

- Beginning value YTD:	\$13,326,038.58
- Contributions YTD:	\$1,200,000.00
- Withdrawals YTD:	(\$556,242.47)
- Unrealized Gain YTD:	\$601,904.89
- Realized Gain YTD:	\$105,167.49
- Transfers YTD:	\$17,919.78
- Ending Value YTD:	\$14,789,129.19
- Investment Gain YTD:	\$819,333.08

Jeff DiBenedetto then reviewed the Asset Allocation Summary and Position Performance Summary sheet. He also reviewed the comparisons over inception.

Jeff DiBenedetto then reviewed the Performance vs. Benchmarks summary.

F-2 (b) Fiscal Year End 6/30/14 Audited Financial Statement, Presented by Baker Tilly

Ms. Dobson of Baker Tilly stated there are three documents before the Board: *The Audited Financial Statements; Communication To Those Charged with Governance and Management; and the Audit Presentation*. Ms. Dobson noted some of the handouts look different as they have been reorganized and sub-headings have been added. She stated the financial statements and related controls are RMTD managements' responsibility and it is Baker Tilly's responsibility to design and perform tests to obtain reasonable assurance. She added the financial statements give a fair presentation of the financial position and operations of RMTD. Ms. Dobson stated there was no compliance findings related to A-133 audit and RMTD is in compliance with the federal grant funding agreements. Ms. Dobson added there were no findings related to IDOT funding. Ms. Dobson discussed reportable control weaknesses. Ms. Dobson reviewed some of the financial highlights. Ms. Dobson reviewed the recommendations made to RMTD for this year and provided prior year updates. Ms. Dobson briefly reviewed OMB Issues Grant Reform Rules. Ms. Dobson commended management's efforts for implementing prior years' recommendations in controls over information technology. Ms. Dobson stated the overall audit went well and management was very helpful. Ms. Dobson stated the Board of Trustees are welcome to contact her anytime during the year should they have any questions. The Chairman asked for and received a motion to accept the Fiscal Year End June 30, 2014 Audit presented by Baker Tilly. With no further discussion, the motion was seconded and passed.

C-REPORTS OF STANDING COMMITTEES:

C-1 (a) Safety Committee Meeting Minutes from December 3, 2014

The Executive Director presented the Safety Committee Meeting Minutes of December 3, 2014 for the Board of Trustees review.

D-RECONSIDERATION OF OLD BUSINESS:

D-1 (a) CherryVale Mall Agreement – No Report

E-PAYMENT OF BILLS:

E-1 (a) Hinshaw & Culbertson - Services Rendered through August 29, 2014
The Executive Director presented the above payment of bills for the Board of Trustees review.

F-CONSIDERATION OF NEW BUSINESS:

F-1 DIRECTOR – Rick McVinnie, Executive Director

(a) DiBenedetto & Associates, Inc.
Presented earlier.

F-2 FINANCE – Ron Schoepfer, Director of Finance

(a) Unaudited Financial Statement for September & October, 2014
The Director of Finance presented the Unaudited Financial Statement for September & October, 2014. The Director of Finance reported that as of October 31, 2014, the current year Cash and Equivalents is \$4,698,700 compared to \$507,832 the previous year. He noted the Accrued Expenses for October, 2014 was \$1,262,752 compared to last year which was \$1,228,496. He pointed out the Deferred Revenue Local for October 2014 was \$1,541,049. The Director of Finance reviewed the Income Statement with Budget Comparison, stating that Total Revenues was \$9,405 under budget for October, 2014. He stated that Total Expenses were \$8,508 under budget for October 2014. He noted that there was a Net Surplus of \$24,662 for October 2014 compared to Budget. The Director of Finance reviewed the Employee Benefit Trust Account, the Public Liability Insurance Account and the Workers Compensation Account for the month ending October 31, 2014.

(b) Presented Earlier

(c) Terms of 2015 Line of Credit with CHASE Bank

The Director of Finance stated Chase Bank has outlined the terms for the 2015 line of credit with Chase Bank. The Director of Finance wanted to point out that Chase Bank now wants RMTD to pay for the fee of \$2500.00, whereas in years past, the Bank has always paid that fee. A brief discussion ensued regarding the fee. The Chairman asked for and received a motion to accept the Terms of the 2015 Line of Credit with CHASE Bank and RMTD. With no further discussion, the motion was seconded and passed.

F-3 OPERATIONS – Denny Hendricks, Operations Manager

(a) Fixed Route Report for September & October, 2014

The Operations Manager reported that ridership for October 2014 was 160,266 compared to ridership for October 2013 of 156,062 which is up 2.7%; YTD 614,766 ridership compared to 633,096 last year. The Operations Manager discussed some of the graphs in his presentation.

(b) Demand Response Report for September & October, 2014

The Operations Manager reported that there were 9,180 Demand Response passengers in October 2014 compared to 8,512 October 2013 which is up 7.8%. He noted that there were 883 Stateline Mass Transit (SMTD) passengers in October 2014 compared to 862 SMTD passengers in October

2013. He stated there were 1,773 Medicaid trips in October 2014 compared to 1,658 Medicaid trips in October 2013. The Operations Manager discussed some of the graphs in his presentation.

F-4 MAINTENANCE – Lawrence Tennial, Maintenance Supervisor (*Absent*)

(a) Report on Fixed Route Buses & Paratransit Vans for September & October, 2014

The Risk Manager presented the report on fixed route buses and paratransit vans for October 2014 in the Maintenance Supervisor's absence. The Risk Manager provided graphs in his presentation for the Board's review.

The Risk Manager then reviewed the Average Miles between Road Calls. He stated that there were 23 preventive maintenance inspections performed in October 2014; 7 were fixed route buses and 16 were Paratransit vans and noted all were done per the maintenance plan. The Risk Manager then reviewed the Road Call Summary and Miles Between Road Calls for the Paratransit vans. The Risk Manager provided a graph in his presentation for the Board's review.

F-5 HUMAN RESOURCES – Kris Paprocki, Human Resource Manager (*Absent*)

(a) RMTD Claims History for October 2014

The Human Resource Manager was absent therefore the report was provided to the Board of Trustees for their review without discussion.

F-6 MARKETING – Lisa Brown, Marketing & Public Relations Specialist

(a) Advertising Contracts

The Marketing & PR Specialist presented the following contracts for Board approval:

- Rock Valley College
- RLM Media (APAC Corp)
- Winnebago County Health Department

The Board reviewed the above mentioned advertising agreements. The Board Chairman asked for and received a motion to approve the advertising agreements. With no further discussion, the motion was seconded and passed.

F-7 GRANTS – Paula Hughes, Grants Specialist

(a) 2015 FTA Certifications and Assurances

The Grants Specialist presented the annual FTA Fiscal Year 2015 Certifications and Assurances for the Board's review and approval. She added this document certifies to the FTA that RMTD complies with all of their rules and regulations. The Board Chairman asked for and received a motion to approve and execute the FTA Fiscal Year 2015 Certifications and Assurances. With no further discussion, the motion was seconded and passed.

(b) Resolution No. R-14-09 – FTA Grant Amendment #2 for IL-90-X722

The Grants Specialist presented Resolution No. R-14-09, which pertains to Amendment #2 which will add \$500,000 for construction for the ESTC storage facility; \$31,000 to security and safety and also gives RMTD funds to continue the Bell School route as well as Preventative Maintenance and ADA funds. The Board Chairman asked for and received a motion to approve Resolution R-14-09. With no further discussion, the motion was seconded and passed.

(c) Award of Eight (8) Bus Shelters

The Grants Specialist stated she has put together specifications for eight (8) bus shelters to be placed on South Main/West State corridors. She noted requests for quotes, along with the specifications have been sent out to vendors. She added the quotes will not be received and

evaluated by the Board meeting today and would like to keep the project moving so that RMTD can receive the bus shelters as soon as possible. She noted that 100% of this project is funded with FTA funds. The Grants special requested that the RMTD Board of Trustees allow staff to purchase the eight (8) bus shelters to the responsive, responsible vendor with the lowest quote (not to exceed \$100,000) which meets RMTD's specifications. The Board Chairman asked for a received a motion to award the eight (8) bus shelters (not to exceed \$100,000) to the responsive, responsible vendor with the lowest quote. With no further discussion, the motion was seconded and passed.

F-8 PROJECT MANAGER – Jim Johnson, Project Manager

(a) Projects Update

The Project Manger stated he is waiting on IDOT approval for change order to wrap up contract for construction on the East Side Transfer Center. He stated he is also working with the City of Rockford and Architects on the train station project. A discussion ensued regarding the train station. He stated there was an opportunity to lease office space in the unfinished space at the East Side Transfer Center and he has been working to get quotes to finish the space. He noted an RFP will be required to finish the space and bids should be received by December 18, 2014. He noted there will need to be a brief Board of Trustees Meeting before the end of the year to approve the award of finishing the office space at the East Side Transfer Center.

F-9 RISK MANAGEMENT – Dan Engelkes, Risk Manager

(a) Risk Management Update Report – November 2014

The Risk Manager provided the Board of Trustees an update report for November, 2014. He provided a brief overview of items he has been working on such as: conducting hoist training for mechanics; suspending a person from the transfer center for alcohol consumption and conducting a ride along with three drivers to look at driving habits to structure future training just to name a few.

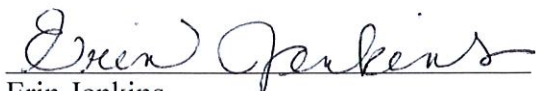
F-10 MEETING SCHEDULE

- (a) The Board Chairman stated the next RMTD Board of Trustees Meeting is scheduled for Wednesday, December 24, 2014 at 7:45 a.m. It was decided to cancel the December 24, 2014 Board Meeting.

G-ORDER OF ADJOURNMENT

A motion was made and received to adjourn. The motion was seconded and passed. The meeting adjourned at 8:42 a.m.

Respectfully submitted,



Erin Jenkins
Administrative Assistant and Meeting Secretary
Rockford Mass Transit District