

Minutes of the Regular Meeting  
Of the Lima/Allen County Regional Transit Authority Board of Trustees  
Held at the RTA Administration Building  
200 East High St., Lima, Ohio  
February 13, 2018 @ 12:00 Noon

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Present were Brad Taylor, Board President; Michael Hayden, Board Vice-President, Dick Accountius, Holly Rex and Joan Davis, Board Members; Shelia Haney, Executive Director; Patricia Stein, Finance Director/Board Secretary, and Teresa Brown, Administrative Assistant.

First Item of Business – Roll Call: Roll Call was taken and noted for the minutes. Mr. Schroeder was not present.

Second Item of Business – Approval of Previous Minutes: Mr. Accountius made a motion to approve the previous minutes and Ms. Davis seconded the motion. All members voted in favor thereof.

Third Item of Business – Board President Comments: Mr. Taylor said himself, Shelia, and Mr. Hayden met with the County Commissioners last month and requested for Mr. Hayden's reappoint. He felt like things were moving in the right direction with the Commissioners. Shelia added, normally past practice has been we send in a reappointment request email to the commissioners and they approve it with no issues. This email was sent back in October when Mr. Hayden's term had expired but this time we never heard back from them until last month a commissioner called Mr. Hayden after he saw him on the news talking about the Levy decision. At that time Mr. Hayden was informed he was not re-appointed and the commissioners had plans to replace him. This was the reason for the request to meet with the Commissioners and present a formal request and Bio about what an asset Mr. Hayden is to the ACRTA Board. She has asked Teresa to make a Bio for every Board Member so we can go to the Commissioners every time someone is coming up for reappointment and let them know what a value they are to the RTA Board. Shelia added she has also requested to schedule quarter meetings with the Commissioners for better future communication on any discussions regarding ACRTA. With these future quarterly meetings set up with the Commissioners will also keep them informed officially with the future of RTA in our community.

The rest of the meetings for this year are May 15<sup>th</sup>, September 18<sup>th</sup>, and December 4<sup>th</sup>, all at 11:00. Shelia pointed out that Mr. Accountius is coming up for reappointment in April and Ms. Rex and Ms. Davis are coming up in November and we want to make sure we notify the commissioners of our recommendations to have them reappointed. Shelia also presented the Commissioners with our 2018 budget and other information of current events.

After our meeting we received the Resolution from the Commissioners officially reappointing Michael to the Board. We still had a vacancy from Albert Lee stepping down last month and were initially told by the Commissioners they appointed Tim Sielschott, so I invited him for a tour or



RTA and went over our financial statements and as you know he has already attended a past board meeting and I have been sending him the board packets, but when we received the Resolution, they did not appoint Tim and had instead appointed someone named *Scott Cockerell*. We have not heard from this person, have no idea who he is and were not aware he was interested in serving on our Board. We usually like to invite potential Board Members to attend a meeting, give them a tour, and find out why they want to be on the Board but that is hard to do when we are not even aware they have been appointed. I suppose this means we still have a lot of work to do to correct that communication gap with the County Commissioners.

Mr. Taylor thought that Cory Noonan asked good questions and showed a higher level of interest than previous at the Commissioners meeting. The Commissioners brought up that in the ORC we have to keep the Board balanced as to their political party affiliations. We are going to look into that. They are also going to check into the Board pay, if we can do away with it. Since it is in the Resolution from the Commissioners creating the RTA back in 1979, the Auditors ask RTA to request the money to pay for the Board Members expenses every year, and for the past few years the Commissioners denied paying RTA back the approximately \$2500. Many of the Board Members donate it back to a non-profit. Mr. Taylor mentioned he was the one that brought up the idea of doing away with the Board Expense payment, not Shelia. Shelia and Mr. Taylor have a meeting with Joe Patton from Job & Family Services on Thursday the 15<sup>th</sup> at 2:00 to discuss the lack of partnership with JFS and RTA and the declining of services provided to JFS. RTA has noticed a large decrease in Uplift services since they started assigning more to Black & White Cab and now EasyRides. Shelia added she has an ill will about JFS using grant and tax money for the "for profit" companies instead of supporting the nonprofit services here in our community even more so when they see RTA is forced to shut down services due to acts of this kind.

Fourth Item of Business – Operations Report – December: 2017 has not been closed out due to Journal Adjustments still need made for the Year-end. The Trolley is still in use and we made \$4100 in revenue from it last year. The large advertising income is not cash in hand; it is a trade with 103.3 for air time. In return they have a wrap on one of our busses. The trip planner on the website is up and running. We realized with the failure of the levy that social media is very important so We now have a social media manager and have already been getting some great new posts on Facebook. The shares and visits have tripled since he took it over and he is also boosting the posts.

The levy is moving forward. We are still planning on possibly going forward with getting on the ballot in November this year. We have a committee meeting in early March with some area professionals; they have really stepped forward to assist us. Mayor Berger has even said he would be willing to support us publicly. As you are aware, we shut down our evening service, Saturday Service and 3 of the 9 routes starting last month and receive daily comments of the hardship it is causing on the community. This is going to be a very tough year on the staff and especially on the drivers. Not only do we see the hardship on our passengers, but our staff have also taken a cut in hours not to mention how many drivers we have lost.



The City went out to bid for the transportation for the Star Spangled Spectacular and we bid on the project. We were awarded the bid, so we will still be doing the SSS this summer. Previously we were only paid \$2500 and now we will be covering our costs at \$4300. Mr. Stolly contacted Shelia to let her know we won the bid.

As far as ridership, in December we cut Saturday service but still had almost the same ridership as December of 2016. We were still at 386,000 rides for the year. If we would have kept Saturdays we would have passed the ridership numbers from prior years. The wheelchairs and bikes were down almost half, so this tells me that 50% wheelchairs and bikes are on the weekends and evenings.

On Capital Projects, we still have a lot of past grants pending. Our largest currently is the 5307 operating grant. It will start being reduced when the lower ridership and mileage numbers get turned in this year. Patty and Shelia went to Columbus to meet with ODOT last week. They have had some turn over and it seems like we have to keep fighting for any money we get from the state. Our representative from FTA made a personal appearance at ODOT and they came up with some additional operating money for 2018. We are going to ask for \$500,000 in operating at a 50% match and have only secured \$300,000 of it at this time.

We still have some issues with personnel here due to no experience with maintenance software and grant process. We have lost around \$150,000 from the Maintenance Department from the work orders not properly processed. Shelia didn't find out until she visited ODOT that lack of invoices were filed and the Finance or Maintenance did not bring any of this to anyone's attention. ODOT agreed to allow RTA to submit the final 2017 invoices after the deadline so Shelia had Patty and Brian to make this a priority in locating invoices and work orders and were able to get it from \$932 to \$58,000 for the year. We still lost \$50,000 due to this error. Some personnel changes have been implemented at the garage and the Finance personnel now has an assistant that will hopefully prevent this type of error in the future. One of the mechanics has been flipped from a union employee to administrative and given the title of Fleet Supervisor. He is the only one down there with his ASEs, his CDL and is a certified mechanic. He is now in charge of the vehicles and John Melone will be the Maintenance Manager in charge of the facilities, capital projects and grounds only. Shelia has met with Caleb and he seems to understand how important the PMIs are, the MangerPlus system to put the work orders in, and the grant process. We have a very small skeleton crew staff that most would not understand, but we are also not in a position to hire and pay for more qualified personnel at this time.

We also need to put in a system of checks and balances to make sure we are getting paid for the invoices we send to ODOT. We had not been paid by ODOT for the last three quarters of invoices which was over \$100,000. ODOT has made some personnel changes also that resulted in this error but we should have caught this before now..

Mr. Accountius commented he thought it would have shown up in Accounts Payable. Shelia added she has requested an accounts receivable along with the accounts payable reports monthly going forward. Ms. Rex commented they have had the same issues with ODOT due to the turnover there.



Mr. Accountius asked what the policy is to make sure it doesn't happen again. Shelia has asked Patty to add these grants to the spreadsheet she does for the federal grants so she can monitor them. Patty is going to print the email when she submits the grant, attach it to the paperwork, and make a notation in the spreadsheet of when the grant was submitted. She will also make a comment in the spreadsheet when the grant is paid.

We have two new buses coming at the middle/end of March. We have not heard anything on the 5339 grant for buildings/property that we applied for last year. We should have heard by the end of December but with all the issues with the government budget/shut down it has gotten pushed back. This is unfortunate as we are having issues with the fuel tanks at the garage. They may have to be removed and re-supported as the concrete is sinking. Mr. Accountius thought when we poured the concrete down there with Hume Supply we had an engineer look at everything for the tanks and the concrete. We may have, Teresa is to go pull the ARRA books from storage to see what all was done. Part of the problem may be due to the drain in the garage. It has a waste water separator and a tank that is overflowing and backing up water where the fuel tanks are located. We have called and scheduled someone to pump out the drain separator.

The FTA audit has been completed and the new policies have been sent to them for approval. As soon as FTA approves them Shelia will bring them back to the Board for approval. The NTD report is coming up soon. The Risk Management audit is at the end of this month. The State audit for 2016 is still not done and is soon as they have it done they will probably start right on 2017, since the State Audits now take a full year, this takes a lot of Patty's time away from her daily duties and responsibilities which might be the root of some of the recent issues.

We had four accidents in December and had five already in January. They were almost all due to the weather. Nobody has been hurt in the accidents. We had one in front of St. Rita's where an Easy Transit cab had turned in front of us and was turning around on the ice and we slid on the ice and both collided. We ended up getting the ticket even though he turned in front of us and it was a red light. They have already obtained an attorney and now the passenger has claimed injury.

On policies and procedure we are waiting on feedback from FTA on the Drug and Alcohol and the Maintenance Plan. The union contract will be coming up the end of this year. They will probably want to start negotiations at the middle of the year, or they may want to put it off until after they see if the levy passes. The Drivers are just wanting a raise with three years of no raise, but if the levy does not pass we will not be in any position to pay it without more service cuts.

Ms. Davis made a motion to accept the Operations Report. Ms. Rex seconded the motion and all members voted in favor thereof.

Fifth Item of Business – Financial Report – December: Our revenue for 2017 was 3.6 million and our expenses were 4.0 million. Our expenses stayed about the same. Ever since 2014 the expenses have stayed about the same. The advertising revenue is a wash due to the agreement with I Heart Radio. Medicaid went up, Special Service Uplift was over \$238,000 and that is our school contracts. Those are what are saving us. They bring in money to match our grants. The fuel sales are down and have been declining. The State Operating assistance has jumped up over \$300,000 compared to the prior year and will hopefully continue to go up. The Federal Capital Maintenance is down



\$256,000 and that was due to the issues already discussed with the paperwork at the garage. The JARC/New Freedom was leftover money and now depleted completely.

There is \$125,000 we received from the insurance company from a van that was totaled and already past its useful life. We had a lot of things that saved us in 2017, and that insurance money being one of them. We received capital money at 100% to buy new vans and will continue to look for grants at 100% instead of the 80/20.

Our expenses we have cut and saved where we can. The bus aides we have to have for our school routes we pay Marimor's aides to ride with some of the children so the driver can focus on driving. We have to pay \$20,000 a year for the maintenance on the Ecolane software for the tablets. In maintenance we were up on repairs and parts about \$50,000 since we only have one mechanic and have to outsource. Union Business we had \$60,000 while we were in negotiations and only had \$10,000 this year, but negotiations will be starting again.

Building Service contracts was up due to the \$120,000 grant we had to pay for the building tear down. It was a wash because it came in as revenue then went back out as an expense. Other miscellaneous expense of \$369,000 was the grant money we received for the GenFare boxes, it was put in as revenue then will go back out as the bills are paid for that after the first of the year. The \$47,000 repayment was for the line of credit that we took out when we lost the \$500,000 pass through from Marimor. We are making monthly \$5000 payments and have a balance of \$230,000.

The unusual items that saved us in 2017 were the insurance payment, the reimbursement from Workmen's Comp, a fuel tax rebate and no longer in contract with First Transit. The revenues were 3.6 and the expenses were 4.0.

Mr. Hayden made a motion to accept the Financial Report and Ms. Davis seconded the motion. Mr. Accountius said that we had more money going out than we have coming in, it was not feasible to keep running like this. Mr. Taylor said we went one year \$220,000 in the red and the next year a half a million in the red and asked if there was a cushion. We have never had a cushion at RTA. That's why we have to stay on top of our grants and make sure we are getting our money in a timely manner. We have to watch what bills we pay and what bills we don't pay. We did have the fluff from the pass-through money from Marimor as we used it for match money but that stopped in 2015. Mr. Taylor said he still was not sure how we were spending more than we took in. We operate on an accrual basis and you have to back out the depreciation. It shows a negative of \$400,000 but the depreciation is \$594,000. The state requires us to have an accrual statement.

All members voted in favor therefore.

Sixth Item of Business – New Appointed Board Member Oath: Mr. Hayden read the Oath of Office aloud. He then signed his Oath so Teresa could notarize it.

Seventh Item of Business – Board Motion – Grant Resolution: There are two Resolutions we do every year to authorize Shelia as the Executive Director to work on the grants and the other one lists the grants.



Mr. Accountius made a motion to accept the Grant Resolution, number 18-2. Ms. Davis seconded the motion and all members voted in favor thereof.

Eighth Item of Business – Board Motion – Executive Director Resolution: Mr. Hayden made a motion to accept the Executive Director Resolution, number 18-1. Ms. Rex seconded the motion and all members voted in favor thereof.

Ninth Item of Business -- Board Discussion - Service Reductions Update: Apollo has moved some of their students who no longer had a way to get out there to classes held at the Bradfield Center. They want to assist us with our levy. Shelia has been meeting with some of the other businesses along the discontinued routes to get their support. She will continue to meet with them and if the levy passes we will bring back those routes. We did not have to let any drivers go due to the reductions in service but we have had several leave as they were not getting enough hours and as they find other employment. We just lost another one today since his hours had been cut so much. The employee morale is down. The drivers are getting beat up as they get blamed and it was rough on social media. The people that are left are here because they really love their jobs. I feel we have a really great team here at RTA and folks who truly care about their community.

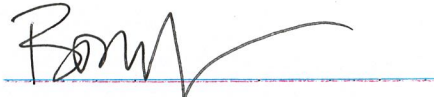
Tenth Item of Business –Board Discussion – Levy Updates: We are still moving forward with every intention of going on the ballot in November to ask for a tenth of a cent (.10%). That is the lowest amount we can put on the ballot by state law. It will not enable us to grow services or do any infrastructure like sidewalks, but it will bring back what was lost and sustain us. People are stepping forward to help us now. Apollo has stepped up, Mayor Berger has stepped up. There is a meeting set up for March 6<sup>th</sup> and some of the names on the list that are coming surprised Shelia. They want to have a meeting to talk about it and see what they can do to help.

Mr. Accountius said when the schools pass a levy, the State decides they can sustain themselves and cut their funding and asked if they would do the same for us. Shelia said it is different for school as they do not have to have matching funds to draw down their grants. We are the only Transit Authority in Ohio that does not have designated funding. We have been still allowing the employees to wear jeans for \$1, we have been having monthly eat-ins where the administrative staff provides the food and the employees pay \$5 to eat, and are up to \$1300 in our account. We ran the whole campaign last time with \$4000 and we have a few months to go. We haven't really started campaigning for levy funds yet. We bought 450 yards sign last time and got around 200 back. We can just put a sticker over the date and reuse them this year. WE are planning with more time we can obtain a solid campaign this round and get the needed information out to the community that did not realize what all RTA does. Some still think it's just empty buses driving around all day, but maybe if we can get that information out to them the community can make a better informed decision. ACRTA has been a part of the community since the 1800's so they don't know what the consequence will be....I have said it before and will continue to say it.... Transportation is a large part of economic development in this community.

Eleventh Item of Business – RPC Update: There was no representative from RPC present.

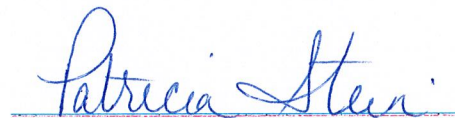
Twelfth Item of Business – Adjourn: Mr. Accountius made a motion to adjourn. Mr. Hayden seconded the motion and all members voted in favor thereof.

The next Board Meeting will be held March 6th, 2018 at 12:00 p.m.

  
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Brad Taylor, Board President,

Or

Michael Hayden, Board Vice President

  
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Patricia Stein, Board Secretary/Treasurer

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