

AMES TRANSIT AGENCY BOARD OF TRUSTEES

AMES, IOWA

September 24, 2015

The Ames Transit Agency Board of Trustees met on September 24, 2015 at 4:00 p.m. in the CyRide Conference room. President Haila called the meeting to order at 4:04 p.m. with Trustees Abbas, Madden, Haila and Teubert present. Absent: Trustees Gartin and Schainker.

APPROVAL OF MINUTES: Trustee Abbas made a motion to approve the August 20, 2015 minutes and August 25, 2015 minutes. Seconded by Trustee Madden. (Ayes: Four. Nays: None.) Motion carried.

PUBLIC COMMENTS: None.

FINANCIAL REPORTS (2014-2015 YEAR END & 2015-2016 UPDATE): Director Kyras informed the transit board that staff had prepared two analyses updating the financial condition of CyRide – one for the 2014-2015 budget year-end status (pre-audit) and a second one for the 2015-2016 year-to-date accounting of revenue and expense variations.

She indicated that last year's budget analysis compares the **amended** 14-15 to the **actual** 2014-2015 revenues and expenses as opposed to the originally **adopted** budget, noting that the amended budget reflects a more accurate estimate based on four months data, as opposed to six months prior to the budget year starting.

Director Kyras then explained that the overall operating expenses were under budget by \$262,027, a -2.71% change. Specifically, the fixed route expenses were \$261,022 under budget for a -3.8% decrease from the amended budget, mainly due to lower fuel expenses. Further, she stated that CyRide budgeted \$3.50 per gallon in the amended budget and that the actual average price per gallon was \$2.39. She then explained that ISU's student government had purchased \$86,000 more in service to meet CyRide's increasing demand and that CyRide had paid more in overtime wages to drivers for a total of \$101,238.

The Dial-A-Ride expenses were then discussed as being under the amended budget by \$2,598, -1.5%, due to the lower than anticipated ridership.

Director Kyras indicated that administrative expenses were a little over budget, \$1,953 or +.11%, with no major variations accounting for this change.

She then discussed the status of operating revenues. Total revenues increased by \$108,999 or a 1.07% increase. Two sources were higher than anticipated at the time of budget amendments - state operating assistance being higher by \$37,250, and the Government of the Student Body provided \$86,000 to fund additional service to match the additional expenses incurred.

Finally, she explained CyRide's closing balance of \$2,841,386, which includes the student trust fund, operating and capital budget balances. She indicated that the student's trust fund balance at the end of the fiscal year was \$804,634, which is lower than the previous year on purpose. Student government representatives had requested that this balance be reduced to approximately \$500,000 so that more of their funding was being used to provide services instead of accumulated in a reserve account.

Director Kyras stated that the operating fund balance is higher than anticipated in the amended budget - increasing from its anticipated 9.0% to 13.2%, mainly due to lower fuel prices. This leaves a balance in this fund of over \$1.2 million dollars.

She indicated that the ending capital fund balance was \$794,951.

President Haila asked for clarification on what can and cannot be paid for out of the operating and capital general funds. Tom Davenport, CyRide's Transit Coordinator, responded saying that CyRide has one closing balance, but chooses to report it separately to keep track of the student's dollars and to identify the dollars CyRide spends on capital items. As a result, dollars can flow between accounts, with the exception of the student's trust fund. Director Kyras added that the Three-Party Agreement between the local funding partners delineates how, and for what purposes, the student's portion of the balance can be used.

Director Kyras then detailed year-to-date variations on the 2015-2016 budget. She indicated that with just two month's experience, it was early in the year to make predictions on actual expenditures for the year. However, she indicated that two revenues and two expenses would be, or were trending differently than originally budgeted. On the revenue side, federal assistance would be \$90,000 less and state assistance is trending higher, anticipated to be \$87,883 more than budgeted.

On the expense side, fuel costs in the original budget were \$3.50 a gallon and CyRide's actual cost to-date is \$1.92. Director Kyras stated that, assuming it remains around this level, it could be \$300,000 less than budgeted. Additionally, CIT Transportation expenses were not included in the original budget and would increase expenses by \$113,780. She indicated that, in total, expenses would be \$186,220 less than budgeted and revenues \$2,354 less. She indicated that with the higher ending balance last fiscal year and lower expenses due to fuel prices this year, CyRide was in a strong financial position at this time.

President Haila asked what price per gallon was used to calculate the fuel savings. Tom Davenport indicated that he used a conservative number of \$2.40 per gallon for the remainder of the year.

President Haila asked if staff was contemplating the need for additional service or routes in the future. Director Kyras responded that CyRide would provide the board with possible service changes for the next budget year at the October 2015 transit board

meeting. Director Kyras also indicated that the next budget would need to include service contracting (CIT) and a second facility site rental.

TRANSIT DIRECTOR'S REPORT: Director Kyras reported on five items – ridership first two weeks of class, meetings with the Iowa DOT Director, materials for the joint Council-Board meeting, budget preparations and demographic information of CyRide drivers.

- **Ridership for the First Two Weeks of School** - CyRide staff compared ridership for the first two weeks of class this year as opposed to 2014, indicating a .5% increase over last year, which is significantly lower than recent years. The chart provided in the meeting packet included the increases and decreases on specific routes. CyRide staff shared its belief that the recent mild weather had a big impact. As the weather turns colder, ridership could increase. CyRide's Director also stated that the large number of new apartment just south of campus may be lessening the impact of higher enrollment.

A discussion regarding the new Plum Route and its impact on the Orange Route was discussed.

Trustee Madden asked if CyRide staff had any information regarding the impact that Uber or bicycles were having on campus travel. Director Kyras indicated that she was not aware of these impacts.

Trustee Teubert inquired about the lower Moonlight Express numbers was a result of alternative transportation. Tom Davenport, CyRide's Transit Coordinator, mentioned MLX number is affected by football games and its resulting ridership, with the Moonlight Express ridership increasing 3,000 rides for the Iowa State/Iowa game.

Trustee Haila inquired about whether CyRide management staff was still driving buses due to CyRide's driver shortage. Director Kyras indicated that two or three administrative staff were still driving for short periods of time each day; however, some new drivers will be coming out of training soon. She indicated that it would take time to hire/train enough staff to reduce the shortage. President Haila reiterated his support for a solution discussed at the September meeting to allow CyRide drivers to sign up for classes before other students.

- **Meeting with IDOT Director** - Director Kyras and other Iowa Public Transit representatives met the IDOT to request support from the department in addressing Iowa transit system's capital needs. She shared the IDOT Director's thoughts that they would not be able to assist this year in supporting this effort and that his direction was to make this year a time when transit system's educated their legislators on the need.
- **Joint Council-Transit Board Materials** - Director Kyras reminded the transit board of the joint Transit Board/City Council meeting scheduled for October 20, 2015 at 6:00 p.m. and indicated that CyRide would send out information for this meeting. She shared with board members the three pieces of information staff was preparing for this meeting.

- **2016-2017 Budget Preparations** – Director Kyras shared that possible service changes for consideration for next year’s budget will be presented at the October Ames Transit Agency meeting. President Haila inquired about whether the Ames Mobility 2040 Plan would have any impact on CyRide services. Director Kyras stated that CyRide staff had assisted in preparing the transit projects included in this plan and that a majority of the projects that were included were considered “illustrative,” meaning they were currently unfunded, but could be included if funding was identified.
- **Driver Demographics** – Director Kyras stated that at the September transit board meeting questions about driver’s age and length of service arose. She indicated that staff had prepared information regarding current drivers in these two areas. She presented the results of this analysis indicating that CyRide currently employed 145 drivers, of which 53 were students and 92 were non-students. She indicated the average, range and a breakdown of the number of drivers for both their age and length of service.

ANTICIPATED CLOSED SESSION: Director Kyras introduced Mark Lambert, Assistant City Attorney to direct the closed session. President Haila asked Mr. Lambert if CyRide has the legal justification for going into closed session and Mr. Lambert indicated that it did.

Trustee Abbas moved approval for a closed session pursuant to Section 20.17, Subsection 3, Code of Iowa, to discuss matters relating to contract negotiations and motion seconded by Trustee Teubert. (Ayes: Five: Nays: None.) The meeting was then placed in closed session at 4:33 p.m.

President Haila acknowledged Tom Davenport, CyRide’s Transit Coordinator, for his 25 years of service and indicated that he will be retiring on September 30, 2015. He shared that Tom has brought a wealth of information and expertise to the agency and to the board and that on behalf of the transit board he would be missed. Further, he indicated that because of Tom’s efforts, he had supported CyRide in its journey and wished him well in retirement.

Trustee Abbas made a motion to adjourn the meeting and seconded by Trustee Teubert. (Ayes: Five. Nays: None.) Motion carried.

Meeting adjourned at 5:40 p.m.

Next Meeting: Thursday, October 29 at 4:00 p.m.

John Haila, President

Joanne Van Dyke, Recording Secretary