

EASTERN UPPER PENINSULA TRANSPORTATION AUTHORITY

4001 I-75 Business Spur

Sault Ste. Marie, MI 49783

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Board Meeting Minutes

DATE: Tuesday November 7, 2017

PLACE: 4001 I-75 Business Spur
Sault Ste. Marie, MI 49783

MEMBERS PRESENT Jack Kibble, John Waltman, Frank Sasso,
Phyllis French, Conor Egan

MEMBERS ABSENT: None absent

**ADMINISTRATIVE
STAFF PRESENT:** Pete Paramski, Akemi Gordon and Lynda Schexnayder

**ADMINISTRATIVE
STAFF ABSENT:** Kathy Neubert

OTHERS PRESENT: See attached sheet

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I. CALL TO ORDER

The meeting was called to order at 2:30 p.m. by Chairman Sasso.

II. ROLL CALL OF TRUSTEES

All trustees were present.

III. PUBLIC COMMENT

None

IV. APPROVAL OF BOARD MINUTES

With regard to the Board Meeting Minutes for October 3 2017; **IT WAS MOVED** by Trustee Kibble; **SUPPORTED** by Trustee French to approve said minutes. **UNANIMOUS**. Motion carried.

V. FINANCIAL REPORT:

IN GENERAL:

Finance Director Gordon presented the electronic funds report.

Gordon reported on Draft year-end financial statements; on the consolidated income statement on pages 3 & 4 it shows we had a surplus of just over \$169,669. This will have to be adjusted when the auditors are here the first week of December. It will have to be adjusted for GASB 68. We have to wait for our year-end Statement of Fiduciary Net Position from MERS. If you look at the MERS retirement line item there is a significant difference from prior year. This is because the GASB 68 adjustment is reflected in last year and not recorded this year yet.

A couple of other line items to point out; **Salaries and Wages**-We had an overlap of employees the beginning of the fiscal year and also some sick and annual leave payouts. In addition there was a 3% wage increase in the Union Contract. **Legal Services** -with the separation of our attorney at the beginning of the fiscal year, we have been able to save a significant amount in just that one line item. **Fuel** -a couple things happened this past year that caused our fuel line item to increase. In the fall and early winter we had the Sugar II in dry-dock so we had to bring the Drummond III up to service Sugar Island. In addition, with some mechanical issues with Sugar II once back in service we had to bring Drummond III up again. We also used the Drummond III exclusively after Labor Day due to the Drummond IV being in dry-dock. **General Liability** -in FYE 2016 we received a substantial refund from the MTP, in FYE 2017 we did not.

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BUS SYSTEM:

Gordon reported that we had a reduction in passengers of 1,741 for this past year. Our total revenue remained almost identical to last year with increases and decreased among line items. Expenses increased 11.8% overall. Salaries and General Liability insurance are among the line items that increased.

FERRY SYSTEM:

Gordon reported the fares decreased 4% for the year mostly due to the bridge project on Sugar Island last year. Total expenses decreased 6.77% This is all before the GASB 68 adjustment.

VII. EXECUTIVE DIRECTOR'S REPORT

Director Paramski presented a Conflict of Interest Policy. Policy was sent in board members packages. A short discussion ensued. Chairman Sasso would like to see it shortened; suggested it was too wordy. Trustee Egan would like more time to read the policy. Tabled until December Board Meeting.

Paramski gave an update on Drummond Islander IV. They are hoping to drop engines in next week. Have had much rain this fall. Talked about doing future dry-docks in the spring.

Paramski reported EUPTA has a new employee starting tomorrow. Bonnie Kaunisto will be replacing Toni Blanford who is retiring December 27, 2017.

Sugar II had its inspection two weeks ago. All went well with just a few minor deficiencies. Mechanics and crew did a great job.

Paramski has been meeting with Wendy Hoffman from Sault Tribe regarding a Transportation Grant; with the possibility of new bus and driver.

At this time Chairman Sasso called for a motion to go into Closed Session for Personnel Discussion. **IT WAS MOVED** by Trustee Egan; **SUPPORTED** by Trustee Waltman to go into Closed Session. A roll call vote was taken at 3:30pm.

Trustee Kibble: yes Trustee Egan: yes Trustee French: yes
Trustee Waltman: yes Chairman Sasso: yes

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IT WAS MOVED by Trustee Egan; **SUPPORTED** by Trustee Waltman to return to Open Session, a roll call vote taken at 3:45pm.

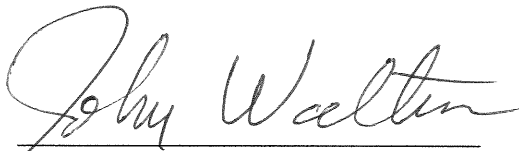
Trustee Kibble: yes Trustee Egan: yes Trustee French: yes
Trustee Waltman: yes Chairman Sasso: yes

At 3:45 pm Chairman Sasso called the meeting back to order in "Open Session".

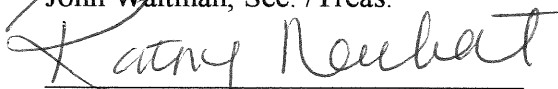
At this time wages increases for three employees were recommended; with an increase in annual leave also for one of said employees. **IT WAS MOVED** by Trustee Egan; **SUPPORTED** by Trustee French to implement said recommendations. **UNANIMOUS**. Motion carried

VIII. ADJOURNMENT

Being no further business to come before the Board, **IT WAS MOVED** by Trustee Waltman **SUPPORTED** by Trustee Kibble to adjourn. **UNANIMOUS**. Motion carried. Meeting was adjourned at 4:05 pm. The next regular board meeting is scheduled for Tuesday December 5, 2017 at 2:30 p.m.



John Waltman, Sec. /Treas.



Prepared By: Lynda Schexnayder for Kathy Neubert