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“Moving Yavapai Regional Transit Forward”

MINUTES OF THE REGULAR MEETING YAVAPAI REGIONAL TRANSIT INC. BOARD

Thursday, October 11, 2018
8:00 A.M.

Yavapai Regional Transit Office
Chino Valley, AZ

1. Yavapai Regional Transit, Inc. convened for a regular board meeting at the YRT Office, located in Chino Valley, Arizona on Thursday, October 11, 2018 at 8:00 A.M.

Ron Romley called the meeting to order at 8:02 a.m. It was noted a quorum was present.

2. **Members present:** Ron Romley (Chairman), Dawn Marie Hayden (Vice-Chair), Nancy Best (Treasurer), Cheryl Romley (Secretary), Daniel Mattson (member). Also in attendance were Sandy Stutey, Bill Mitchell, Mitch Padilla and Mayor Darryl Croft, members of the public.

Mitch Padilla and Darryl Croft have submitted applications to serve on the YRT Board. Ron invited Board members to ask questions or comment. The candidates were endorsed by several Board members. Daniel Mattson moved to approve both applicants for Board membership. Cheri Romley seconded. Motion carried. The new members were welcomed.

3. APPROVAL OF MINUTES

Daniel Mattson submitted some minor corrections . Nancy Best moved to approve the minutes as corrected. Daniel Mattson seconded. Motion carried.

a. CALL TO THE PUBLIC

Ron announced that Supervisor Craig Brown was expected but had not arrived. He stated Supervisor Brown intended to report on the recent passage of a County bill to limit “texting” while operating a motor vehicle. It is anticipated that the City of Prescott will follow. Transit buses are exempted according to Chris Bridges (CYMPO) and Supervisor Brown.

Dawn Marie noted National Night Out will occur in Prescott, November 6.

Supervisor Brown will hold a Town Hall on October 16. Mayor Croft announced a Chino Valley study session the same evening.

5. MANAGER & STAFF REPORT

- a. **Driver Meeting Report** - Bill Mitchell reported a report from Ron Romley regarding Board activities, how to make safe turns at multi-lane intersections, use of incident reports and how that relates to on-board cameras, buses stopping on the highway, recording fares, distribution of new bus schedules, and reviewed yearly operating statistics.
Cheri Romley encouraged Board members to attend Driver meetings, the second Tuesday, 3-5 PM, at the YRT offices. She also complimented drivers on effectively community the service changes scheduled for October 15.
- b. **Ridership Monthly Report** – We had 861 riders including 17 for the Chino Valley parade. For 278 total passengers, last year was 505 and 13 riding in the Chino Valley parade. There were 71 veterans using the free ride option.

Dawn Marie reported that Stand Down was less successful than last year. It is being reviewed for possible changes next year. There were competition from Hope Fest on Saturday. Sandy reported on the number of people who stopped at the YRT table at Stand Down and Hope Fest, last year and this year. We did see significant increases in the numbers we spoke with at both events.

6. SUBCOMMITTEE CHAIR REPORTS

- a. **Foundation Update** – No one from YRT was able to attend.
- b. **Fundraiser Committee Update** – No report. Dawn Marie indicated an interest in joining the Fundraising Committee.

7. OLD BUSINESS

- a. **Financial Report** – Sandy introduced new Board members to the various financial documents available. She reported on behalf of Nancy Best. Revenues for the month totaled \$18,865.28, including the July ADOT reimbursement. Fares continue to be strong. Expenses were \$16,445.51. Accounts receivable total \$45,476 (estimated). In Kind balances total around \$57,000 to be used to meet local match.

On the Dashboard Report it showed the cost per rider, mile and service hour decreasing on a unit basis. The increase in ridership is making an impact in cost per ride. Costs per mile and hour are also down. Rides per hour were very good for September 2018, and comparable to similar size systems. Sandy reviewed the year end operating and financial assistances. She reviewed how the use of In-kind match affects unit costs, The Paulden Plunge activities are considered “public service” and are therefore included in our annual reporting to ADOT.

Dawn-Marie moved to accept the financial report with one date change, seconded by Darryl Croft. Motion carried.

Cheri had asked Sandy to prepare a report on how much In-Kind that can be used for local match had been earned and used in the past fiscal year. Including the roll-over from FY17, YRT had \$159,796 available to use during the year. \$102,236 was applied to the match in FY18, leaving a balance of \$57,560 to roll over to FY19. Cheri noted that a finding in a review that ADOT conducted three years ago had to do with the percentage of local match coming from In-Kind was high and YRT should look for other sources to meet cash match. Cheri reported the amount of

cash donations YRT received in FY 18, totaled \$35,277. Dawn-Marie asked if there was any direction from ADOT regarding a formula for revenue sources. ADOT did not give us direction.

There are variations in the financial reports, i.e. GAAP standards, IRS 990 reporting, and ADOT billings, because there are different requirements for reporting. But the numbers can be supported if compared, in response to Daniel Mattson's question about our ability to defend the numbers we maintain. Daniel asked about the value of time donated. Going forward general public labor will be valued at just over \$25/hour donated.

Final ADOT budget approval.

b. **Marketing report** – Cheri Romley

Cheri reported that she met with ADOT last week to clarify that YRT could establish a sponsorship program where donations can be “recognized” by giving them a window for their support. She advised that ADOT confirmed that we don't have to count this as fare revenue as we had been led to believe by ADOT in the past. Discussion ensued about how to move forward with reaching out to potential contributors. Several “sponsors” have committed to funding one or more windows

Mitch Padilla asked about how window “advertising” is priced. Cheri described the process and will provide the packets to Board members. We don't do “wraps” because we would lose our own branding in the process. There are restrictions on ad content. Dawn-Marie suggested we look into the Valu-Pak for advertising. Cheri has had conversation about doing ad swaps for radio coverage with one of the local stations.

She is working with the local newspapers on advertising, both print and electronics, and getting an article in the paper about being a Tax Credit Organization.

c. **Personnel Status** - Bill Mitchell.

YRT still has 12 drivers and two inquiries. We are doing cross training for drivers between Chino Valley and Prescott/Prescott Valley Routes. This keeps all drivers familiar with all routes

d. **Update on ADOT Grant FY18/20 Budget Submittal** - YRT does not have a final approved budget from ADOT for FY19. It is supposed to be sent out in the next four weeks.

Sandy Stutey reviewed with the Board our expenses in relationship to the budget. At the end of July, YRT has operated for 83 percent of the year, but had spent only 60 percent of our admin budget, and about the same amount of our operating dollars. Going forward we will be in a better position to be awarded a more realistic figure for the second year. Sandy further clarified how ADOT's reimbursements work, with relationship to in-kind and cash local match, and the impact on the cash flow.

In past years, the reimbursement process, at the beginning of the grant year could mean as much as a 60-90 day delay from time billed to time paid which could cause concern.

1. **New Grants in Works – Grant Log**

Sandy Stutey has revised the log and reported that United Way turned us down again. The rationale was that we need to get more local government grants.

We have several Letters of Interest in process. We are submitting a small grant application to the AZ Department of Vets Services to support the Free Rides for Veterans program. We will be looking at APS and Wells Fargo for local grant programs.

- e. **Update on Free Rides for Veterans** – We had 108 veterans in August. There were 117 in July. Dawn was asking where we are getting the most Veterans riding. In conversation with the VA Hospital police and transportation program managers, we learned that they have veterans in Chino Valley and north that they are transporting. We may be able to move them to YRT. Ron reiterated that the VA Hospital will be a “request” stop until we build ridership.
- f. **Update on New Bus #66** – Ron Romley reported that the 2018 bus arrived in late August in Phoenix and will come to YRT in September. It has been prepped at Creative Bus Sales and can be delivered any time. We are hoping that there is a 5311 system that will purchase #61. We may have to sell it at auction or through some other used vehicle option. We have to insure #66 now, according to ADOT, even if we don’t physically have it. We can park #61 at Bob’s C.A.R.
- g. **Update on the Paulden Plunge** – Ron Romley appeared before the Town Council last week. He presented the Town with a check for \$1,182 for pool admissions and expressed thanks for their support. Due to monsoons causing the pool to be closed on several days, our ridership was less than expected. The ridership total was 419, with 394 kids and the balance was adult fares.
- h. **Update on Defensive Driving Classes** - Ron Romley will be doing a Defensive Driving Class. The date of the class will be later this year.
- i. **Update on Stripe/Pay Pal for Payment** – The Board was asked to make a decision on which vendor to use so we will be ready for the Tax Credit donations we will be soliciting beginning in November. Daniel Mattson has followed up with comparisons between Stripe and Pay Pal. His opinion is to go with Stripe. We will work with Matt Fey to be sure he can support it for us consistently. Motion made by Daniel Mattson to acquire Stripe, an on-line donation tool to be used to support YRT, especially the Tax Credit donations; seconded by Cheri Romley. Motion carried
- j. **Update Great Expectations** – Lisa Nau continues to come in once a week to support our accounting functions and to work on improving our processes. We have a proposal from Lisa for additional work to get us ready for the 990 filing and the compilation. The costs can be covered by the salary ordinarily expended on the Admin Assistant position. Cheri Romley has a concern that we have to follow procurement rules because of the dollar amount of the services. Sandy will follow up with getting quotes from other accountant/bookkeeping services.

Ron Romley requested a motion to acquire temporary bookkeeping services through December at the value not to exceed \$2,999. Moved by Daniel Mattson, seconded by Dawn-Marie Hayden. Motion carried.

- k. **Update Succession Planning** – After the initial meeting, Board members were provided with current job descriptions and lists of duties/task for current and proposed positions. They will need to be reviewed to identify essential functions. The review has not been conducted.
- l. **Update on Lofgren IT contract** – Cheri has reviewed the contract and made changes; Sandy Stutey reviewed again. Cheri Romley referred to her and Daniel Mattson’s concern regarding remote access to the system.

Ron Romley suggested that members of the Board meet with the contractor to review security measures before proceeding with the agreement. Dawn-Marie Hayden noticed there is no

statement of ownership of the hardware and software. Cheri Romley will follow up with language for hardware, software and documentation which is the property of the YRT.

Sandy Stutey will need to approach at least two additional IT service providers to comply with ADOT rules. Cheri Romley will set up a meeting with Shane Lofgren and board members to address the issues around system security.

- m. **Update on Sale of Bus #61** - already addressed.
- n. **Update on Donations for the Month.** Addressed in the Monthly Financial dashboard. Cheri Romley has asked for a list of all donors/donations for the year.
- o. **Update on the Chino Valley Parade.** Ron Romley expressed appreciation for the number of people who participated this year. Good coverage by the announcer.
- p. **YRT Position Change.** Sandy Stutey has requested a second dispatcher as part of the FY19 Budget process. The Board has also requested an assistant manager position. Job descriptions need to be updated before proceeding

8. NEW BUSINESS

- a. **ADOT Review of 5311 Grant** – covered earlier.
In addition, we will be reviewing current policies and procedures for potential revisions or additions. We will also verify that we have corrected any deficiencies from the ADOT review in 2015.

Sandy Stutey confirmed that the Board has approved the letter of engagement with Alyx Cohan CPA for the filing of the Form 990 with the IRS and preparation of the FY 18 Financial Compilation.

- b. **Change in Schedule** – Sandy Stutey provided a draft of the minor revisions to the schedule (basically dealing with request stops). The major change is that we are moving the Red and Blue routes to Wednesday from Friday and the Green Route to Friday. This will affect riders who have planned their connections to PV, in particular. Drivers will handout the new brochures to all riders.
- c. **Adding additional stops** – already covered
- d. **Additional topics**
YRT will be represented at Stand Down and Hopefest.

Ron thanked Mitch for coming. Mitch gave the board additional information about his background and his interest in working with organizations that support Veterans and High School Students. He is interested in fundraising for High School scholarships and sees some possible options for giving more visibility for YRT.

He talked about donor recognition activities for YRT as part of their fundraising -- An event; on the website; building community awareness. These are ways to present YRT to the public. This may be a way for him to plug in to YRT

9. NEXT MEETING DATE: October 11, 2018, at 8:00 a.m. YRT Office, Chino Valley, AZ.

10. ADJOURNMENT – The meeting was adjourned at 10:11 AM.

Dated this October 3, 2018