

Eastern Upper Peninsula Transportation Authority
Board Meeting Minutes
3/4/2025

I. Call to Order:

Board Chair, John Waltman, called the March 4, 2025 meeting of the Eastern Upper Peninsula Transportation Authority Board to order at 10:30 a.m.

II. Roll Call was taken:

MEMBERS PRESENT: John Waltman, Lynda Garlitz, Brandon Wheeler, and Jeff Middlestead

MEMBERS ABSENT: Joe Henne (excused)

III. Pledge of Allegiance:

Those in attendance stood for the Pledge of Allegiance to the Flag of the United States of America.

IV. Agenda: It was moved and carried by unanimous vote:

MOTION: Lynda Garlitz SECOND: Brandon Wheeler	Approve the March 4, 2025 agenda as presented.
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V. Public Comment:

- Jim Traynor
- Lori Miller
- Phyllis Reed
- Leon Hank
- Tim Moher

VI. Minutes: Discussion; It was moved and carried by unanimous vote:

MOTION: Lynda Garlitz SECOND: Brandon Wheeler	Approve the February 4, 2025 Regular Meeting Minutes as presented.
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- VII. Finance Director, Akemi Gordon, introduced Ken Talsma and Cindy Eicher from Anderson & Tackman, Company. They presented the FY2024 Audit Report to the board. Mr. Talsma explained that EUPTA is unique in the transportation industry as they have bussing and a ferry system. He explained the audit process. The Auditors provide an opinion based on their findings. They are tasked with making sure there is evidence and all rules are followed such as the MERS Pension. FY2024 EUPTA received a Modified Opinion. This is the best opinion to receive. Mr. Talsma described various liabilities and discussed report and graphs provided in the report. He spoke on the Pension liability. There were fewer capital grants for 2024. Expenses are down and he talked about how funding is driven by what is spent. Financially, EUPTA had a pretty healthy year and the pension

liability was healthier. Mr. Talsma explained GASB 68 adjustment for the pension. Neebish employees are now with EUPTA, as full-time employees and this has caused one of the increases.

Audit Report: Discussion; It was moved and carried by unanimous vote:

MOTION: Brandon Wheeler	Approve the Anderson Tackman Audit
SECOND: Lynda Garlitz	Report as presented

VIII. Finance Director Report:

- Ms. Gordon fielded question on January A/P and EFT transfers
- Bussing:
 - January had a decrease in total revenue of 6.5%. Expenses increased for both ferries and busses, explaining that some of the expense increase is due to the fact that 2 months out of year there is an extra payroll but never the same months from year to year, therefore the increase in expenses for that month will vary from year to year. Bus expenses are still covering cost of operating, even with decrease in revenue. There has not been any COVID funding for 2 years. Section 5311 funds are now 18% and our State reimbursement is at 34%. The Michigan Public Transit Association is working with a lobbying firm to work with legislature to try and secure more local bus operating funds in the budget.
- Ferries:
 - Ms. Gordon stated that there was a 4% increase in expenses.
 - Winter time slowest time of year and we often are operating at a loss and which turns around when tourist season comes. May-August highest revenue.
 - Reviewed graphs that were provided.

Finance Report: Discussion; It was moved and carried by unanimous vote:

MOTION: Lynda Garlitz	Approve prior months A/P and EFT Transfers
SECOND: Brandon Wheeler	and the Finance Director's report.

IX. Director's Report:

- Director Paramski spoke about discussions he has had with various entities regarding warranty work for Neebish III. The Neebish Ferry had alarms going off and staff were not able to locate the reason. Palmer Johnson came in to diagnose and determined it was a faulty piece of equipment. There was a significant cost to get someone here to diagnose the problem. The cost will lie on the warranty, due to the faulty part.
- Mr. Paramski and Ms. Gordon are traveling to Lansing to attend the annual legislative breakfast. This will include an MDOT presentation; lobbyist presentation, and meetings with our legislators. MPTA and MassTrans will be there as well. This always proves to be a productive meeting

- Earned Sick Time Act (ESTA) meetings have been happening throughout the last month. This Act was passed and is now a law. This was packaged with the new minimum wage requirement law. It reads that all employees shall receive 1 hour of sick leave per 30 hours worked. Through accrual or front-end loaded this can be added for the employee, up to 72 hours per year. This is for part-time employees and is very cumbersome and confusing. Foster Swift has provided webinars to help understand the requirements.
- Facility items continue to be ongoing. There are a few new items that need to be worked on, including an ice situation in back. We will be building some dormers and placing snowguards and heat trace up on the roof for safety. Snow removal work is in progress. Grading and excavation work will happen in the spring to alleviate some of the issues.
- DIII drydock work is starting; Director Paramski and the mechanics met with MCM. We Sole source the drydock so that it is performed locally. MCM will have a clear understanding of what they are bidding on.
- Sugar Island ferry fire training was performed in conjunction with the Sugar Island Ferry Department. A mock practice was performed of various scenarios. This was a great opportunity for both agencies. Fire is a big topic with the electric vehicles.
- The waste oil tank is waiting on a gauge. It is fully functional but have to watch it until we receive the gauge.
- Director Paramski and Gordon discussed funding; Covid money was received in 2020 and is no longer provided. Over the years we have struggled with cash flow. We have tried to increase savings, emergency capital funds, and have funds available if there is something that needs to be purchased that we cannot wait for the procurement process. It is good fiscal responsibility to have 9-12 months of operating funds. EUPTA now has catastrophic funds available. Dependent on Lansing and funding. In 2 years, funding has decreased 10%. We look at trends but you never know if a short fall is going to happen. When we started MERS in the 90's there were zero retirees. Over the years, there were more retirees. In 2016 the old plan was closed and EUPTA adopted a less expensive plan. It takes time, but we are getting there.

X. New Business

- Election of Officers. Discussion. It was moved and carried by unanimous vote to:

MOTION: John Waltman SECOND: Lynda Garlitz	It was moved to table the election of officers until April when we have a full board.
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- Review Policy Equal Employment and Affirmative Action Policy. Take one policy monthly to roll out and then bring back with changes the next month. We are continually updating the policy manual. The next policy up for a review is EEO and affirmative action policy. Review wording, grammar, etc. This is a policy that needs to be kept, but updated. Requested to send a revised policy to send to board with highlighted versions.


XI. Board Comment:

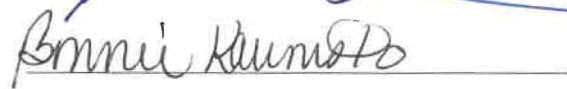
- Lynda Garlitz
- Jeff Middlestead

XII. Adjourn: It was moved and carried by unanimous vote to:

MOTION: Lynda Garlitz
SECOND: Brandon Wheeler

Adjourn the meeting at 11:32 AM


Lynda Garlitz, Secretary


Bonnie Kaunisto

Bonnie Kaunisto, Recording Secretary
Board Approved: