

# Board Meeting Minutes

**DATE:** Monday, December 7, 2015

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

**MEMBERS PRESENT:** Ted Postula Frank Sasso Jack Kibble

**MEMBERS ABSENT:** Ken Gill Greg Schultz

**ADMINISTRATIVE STAFF PRESENT:** Chuck Moser Akemi Gordon  
Lynda Schexnayder

**ADMINISTRATIVE STAFF ABSENT:** James Dunn, Attorney

**OTHERS PRESENT:** See attached sheet

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### **I. - II. CALL TO ORDER/ROLL CALL**

The meeting was called to order at 4:00p.m. by Chairman Sasso. All directors were present with the exception of Director Gill and Director Schultz.

### **III. PUBLIC COMMENTS**

There were no public comments.

### **IV. APPROVAL OF BOARD MINUTES –November 2, 2015**

With regard to Minutes for November 2, 2015; IT **WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to approve said minutes. **UNANIMOUS**. Motion carried.

### **V. FINANCIAL REPORT-P.E.-October 31, 2015.**

#### **GENERAL**

Finance Director Gordon distributed and went over Electronic Funds transfers.

Gordon reported she submitted a request to MERS for a projection study on two different scenarios for our retirement for new hires. This is for the purpose of reducing our unfunded liability.

1. Converting our Defined Benefit over to a Defined Contribution. All current retirees and full time employees will remain in our current plan.
2. Keeping the Defined Benefit plan but with a longer vesting period, a 5yr FAC and lower multiplier.

This should take between 3-5 weeks for the study to be done and she will share the results with the board once it is received.

Gordon reported the auditors will be here tomorrow to complete our year-end audit.

#### **BUSING**

Gordon reported the financial statements represent the first month of our new fiscal year.

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The bussing system experienced an 8% decrease in fares and a 17% decrease in passengers. Both Chippewa and Luce saw reductions in ridership.

Despite our reduced fares and passengers we've been able to avoid operating with a deficit because of the low fuel prices as well as keeping our expenses at a minimum.

## **FERRIES**

Gordon reported the ferries had a pretty decent October. All three ferry system's experienced increases in fares, vehicles and passengers. Again, the low fuel prices have been extremely helpful with both our operations.

## **VI. DIRECTOR'S REPORT**

Director Moser reported he is working on RFP for the procurement of services for the purposes of performing a study of our current fare collection procedures. MDOT is reviewing the draft RFP that he sent to them. Our goal is for the study to define the weak points in our current methods and procedures, define what solutions are available, and make a recommendation in regard to improvements in how we conduct fare transactions.

Moser reported he is also working on draft third party contract for the vessel design project.

Moser reported he spoke with Jim Dunn regarding legislation he is working on which could potentially be an act that would preserve the existing public water ferries and would also create bonding authority.

Moser reported Drummond Islander III annual inspection was completed this morning. Sugar Islander II inspection is due next week.

Moser reported the Governor has signed legislation that eventually will raise over a billion dollars per year that will go into the MTF. It is still unclear how transit will come out.

Moser reported Congress finally passed a 5 year highway bill that is supposed to raise \$305 billion per year.

Moser spoke briefly regarding lease proposal from city for this building.

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Board meeting dates for 2016 were presented to the board. **IT WAS MOVED** by Director Kibble; **SUPPORTED** by Director Postula to adopt schedule of board meeting dates for 2016 as presented. **UNANIMOUS**. Motion carried.

### **VII. ATTORNEY'S REPORT**

No report available.

### **IX. ADJOURNMENT**

Being no further business to come before the Board, **IT WAS MOVED** by Director Postula; **SUPPORTED** by Director Kibble to adjourn. **UNANIMOUS**. Motion carried. Meeting was adjourned at 4:35pm. The next regular board meeting is scheduled for Monday, January 4, 2016 at 4PM.

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Ted Postula, Sec. /Treas.

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Prepared By: Lynda Schexnayder