

Washington Suburban Transit Commission

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**Tuesday, December 19, 2017
9:30 AM**

Mid-Year Meeting Agenda

- I. Call to Order/Introductions (Chair)**
- II. Approval of the Agenda (Chair)**
- III. Approval of the Minutes (Chair)**
 - a. June 28, 2017**
- IV. Public Comment**
 - a. Individuals who have signed the Speakers' List prior the commencement of the meeting may testify for a time not to exceed three (3) minutes unless permitted by the Chair.
 - b. Comments shall be limited to matters that pertain to the Washington Suburban Transit Commission (WSTC) or other transportation issues.
 - c. The Public Comment period shall last no longer than fifteen (15) minutes.
- V. WSTC Update (Director, Washington Area Transit Office)**
 - a. Update on Office Staffing
 - i. Introduction of new Financial Analyst
 - ii. Update on Office Manager/Administrative Assistant position
 - iii. Self-introduction of new Director, Washington Area Transit Office
 - b. Review of WSTC FY2019 Proposed Budget
 - c. Update on WSTC Mid-Year Financial Position
 - d. Office "Wishlist" for the Coming Year
 - i. New business banking account
 - ii. Office Re-location
 - iii. New networking solution
 - iv. New file structure
 - e. MDOT Audit of WSTC/WMATA
 - f. WSTC Financial Audit
- VI. Good of the Order (Chair)**
- VII. Closing Remarks (Director, Washington Area Transit Office)**

Washington Suburban Transit Commission

June 28, 2017 2:30 pm
Meeting Minutes (draft)

Commissioners in Attendance	Commissioners not in Attendance
Ms. Keturah Harley, Chair	Mr. Hoan Dang
Mr. Michael Goldman	Mr. Todd Turner <i>(Mr. Turner tried to participate by conference call but the line did not connect).</i>
Mr. Malcolm Augustine	
Ms. Kathryn Porter	
Mr. Earl Lewis (Maryland Transportation Secretary's Designee)	
Staff in Attendance	
Ms. K. Jane Williams, Director Washington Are Transit Office	
Ms. Christine Wells, Senior Transit Analyst	
Ms. Amy Richardson-Fritz , Forensic Financial Analyst	
Mr. Ethan Griffin, MDOT Intern	

I. Chairperson Keturah Harley called the meeting to order at 2:43 pm.

II. Approval of the agenda

Motion: Mr. Lewis moved the agenda and was seconded.
Vote: The agenda was unanimously approved.

III Public Comment

Mr. Bill Orleans was in attendance and he commented on the following:

He has a concern that there is no bike rack at this office building where the WSTC meeting is held.

He attended the Bi County meeting last week about WMATA restructuring and said the public is overwhelmed by the numerous suggestions about fixing WMATA. He encouraged the Commissioners to consider having a public meeting (not a business meeting such as this) in a convenient location for people to discuss WMATA and transit services in the WSTC area. Time allotted for public comment at WMATA Board meeting is not adequate. The discussion should be open and Commissioners should attend.

Mr.'s Augustine and Goldman assured him that the Commission would consider this suggestion at its next executive session.

IV Approval of the minutes

Dec 13 2016 meeting

Motion: Ms. Porter moved the minutes and was seconded by Mr. Lewis.

Vote: The minutes were unanimously approved.

V Election of Officers

Mr. Goldman was nominated as Chair; it was seconded and approval was unanimous.

Ms. Harley was nominated as Vice Chair; it was seconded and approval was unanimous.

Mr. Augustine was nominated as Secretary/Treasurer, it was seconded and approval was unanimous.

VI WSTC Update (Director, Washington Area Transit Office)

a) Introductions

Ms. Williams introduced Christine Wells, Senior Transit Analyst and Ethan Griffin, MDOT Summer Intern

b) Lease Expiration /Extension

A copy of the existing lease was provided to Commissioners. Ms. Williams reminded the Commissioners that at the June 2016 meeting the Commission decided to renew the lease for one year, with the expectation of co-locating with the Purple Line project office. The quote for the 2018 lease us \$59,328. She noted that a five year term would result in fixed rent for 2-3 years.

With the Purple Line uncertainty, this has not yet worked out and a new lease is needed. She recommends a 1 year lease renewal at the current space.

c) Unfunded Liability

Ms. Williams: WSTC was notified in October 2015 about a determination by the Montgomery County Attorney General's office that WSTC has been assessed an outstanding unfunded liability for two retired employees. The employees worked for the County earlier in their careers but worked the last years as employees of WSTC. The County had projected a 7% return on investments but realized only a 3% return making WSTC responsible for the remainder.

Ms. Richardson –Fritz has looked into the matter, obtained a breakdown of the numbers and verified the calculation of \$114,399 for which WSTC is responsible. MDOT legal and Ms. Richardson-Fritz have recommended a 10 year amortization plan for payment of this obligation. She thinks this could be more easily incorporated into the WSTC budget.

Ms. Porter suggested paying off the unfunded liability sooner, instead of refunding surplus funds to jurisdictions. It was explained that County budgets with refunds assumed have already been approved at the earlier Bi-County meeting.

Mr. Goldman mentioned the use of a line of credit might assist WSTC and be less costly than the interest rate cited by Montgomery County for the various payment plans

After more discussion, **a motion was made** for WSTC to pay the first payment (\$15,501) to Montgomery County based on the 10 year amortization and then try to pay down the balance sooner or obtain a line of credit to reduce the costs. Ms. Porter seconded the motion and it was **unanimously approved**.

d) **WSTC Audit Review** (*Amy Richardson-Fritz*)

A copy of the 2016 WSTC audit report was provided to Commissioners.

Ms. Richardson –Fritz reported there were no findings in the audit but that she thinks the audit uses boiler plat language and could be improved.

The approximate \$15,000 cost of the audit seems high. The same auditor has been doing the audit for many years and it may be time to shop around for a better price.

It was not clear at the moment which procurement rules apply.

e) **WSTC Budget Overview**

Ms. Williams presented the proposed FY 18 budget. She noted that costs have come down and the budget includes a return of \$128,965 in operating subsidy to the funders. She explained the basis for the surplus is in part due to the fact that Montgomery County and MTA pay annually and Prince George’s pays monthly.

Some expenses were less than anticipated since the Forensic Analyst position has been filled only on a part time basis so far and there was a gap when the previous Transit Analyst left and new staff hired.

She said the staff is trying to be good stewards of the public funds.

A motion was made to approve the proposed 2018 budget; it was seconded and unanimously approved.

Action Items (Chair)

- a) WSTC Lease Extension
- b) Unfunded Liability Commitment

Good of the Order (Chair)

The meeting was adjourned at 3:45 pm

**Washington Suburban Transit Commission
Fiscal Year 2019 PROJECTED Administrative Budget**

	FY 2019	ALLOCATION			
	PROJECTED	MDOT	Montgomery	Prince George's	MTA
PERSONNEL COSTS*					
Employee Salaries	\$ 195,149	\$ 65,050	\$ 65,050	\$ 65,050	\$ -
Employee and Retiree Benefits	135,173	43,114	38,914	38,914	14,230
<i>Personnel Costs Total</i>	\$ 330,322	\$ 108,164	\$ 103,964	\$ 103,964	\$ 14,230
COMMISSIONER COMPENSATION					
State of Maryland Commissioners	\$ 40,250	\$ 40,250	\$ -	\$ -	\$ -
Montgomery County Commissioners	22,500	-	22,500	-	-
Prince George's County Commissioners	-	-	-	-	-
<i>Commissioner Compensation Total</i>	\$ 62,750	\$ 40,250	\$ 22,500	\$ -	\$ -
OPERATING EXPENSES					
Accounting/Audit fees	\$ 13,500	\$ 3,375	\$ 3,375	\$ 3,375	\$ 3,375
Bank/Payroll fees	1,700	425	425	425	425
Office Equipment Rental/Repair	1,100	275	275	275	275
Insurance	2,200	550	550	550	550
Internet service	4,500	1,125	1,125	1,125	1,125
Local travel	500	125	125	125	125
Miscellaneous	1,000	250	250	250	250
Office supplies	1,400	350	350	350	350
Postage	50	13	13	13	13
Rent	60,500	15,125	15,125	15,125	15,125
Office telephone services	3,800	950	950	950	950
<i>Operating Expenses Total</i>	\$ 90,250	\$ 22,563	\$ 22,563	\$ 22,563	\$ 22,563
TOTAL ADMINISTRATIVE EXPENDITURES	\$ 483,322	\$ 170,977	\$ 149,027	\$ 126,527	\$ 36,793
REVENUES					
Grants and Contributions	\$ 483,322	\$ 170,977	\$ 149,027	\$ 126,527	\$ 36,793
<i>Revenues Total</i>	\$ 483,322	\$ 170,977	\$ 149,027	\$ 126,527	\$ 36,793
TOTAL ADMINISTRATIVE REVENUES	\$ 483,322	\$ 170,977	\$ 149,027	\$ 126,527	\$ 36,793

* There are three permanent Washington Suburban Transit Commission (WSTC) employees: a Senior Transit Planner, a Financial Analyst, and an Administrative Assistant. The personnel cost for these positions is allocated equally among Montgomery County, Prince George's County, and the Maryland Department of Transportation (MDOT).

**Washington Suburban Transit Commission
Administrative Budgets FYs 2015 - 2019**

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
	APPROVED	APPROVED	APPROVED	APPROVED	PROJECTED
PERSONNEL COSTS					
Employee Salaries	\$ 253,290	\$ 186,000	\$ 186,000	\$ 186,000	\$ 195,149
Employee and Retiree Benefits	153,280	126,980	112,450	129,000	135,173
Personnel Costs Total	\$ 406,570	\$ 312,980	\$ 298,450	\$ 315,000	\$ 330,322
COMMISSIONER COMPENSATION					
State of Maryland Commissioners	\$ 40,250	\$ 40,250	\$ 40,250	\$ 40,250	\$ 40,250
Montgomery County Commissioners	22,500	22,500	22,500	22,500	22,500
Prince George's County Commissioners	-	-	-	-	-
Commissioner Compensation Total	\$ 62,750	\$ 62,750	\$ 62,750	\$ 62,750	\$ 62,750
OPERATING EXPENSES					
Accounting/Audit fees	\$ 15,000	\$ 16,500	\$ 15,900	\$ 10,000	\$ 13,500
Bank/Payroll fees	2,100	2,100	2,000	1,700	1,700
Office Equipment Rental/Repair	5,400	5,400	2,500	2,100	1,100
Insurance	1,800	1,800	2,200	2,200	2,200
Internet service	5,000	5,500	5,500	4,500	4,700
Local travel	3,200	1,467	1,000	500	500
Miscellaneous	2,000	2,000	1,000	500	500
Office supplies	2,500	2,500	2,200	1,200	1,200
Postage	200	200	100	50	50
Rent	53,000	56,000	56,000	58,700	60,000
Office telephone services	3,000	3,000	3,400	3,800	3,800
Operating Expenses Total	\$ 93,200	\$ 96,467	\$ 91,800	\$ 85,250	\$ 89,250
TOTAL ADMINISTRATIVE EXPENDITURES	\$ 562,520	\$ 472,197	\$ 453,000	\$ 463,000	\$ 482,322
REVENUES					
Grants and Contributions	\$ 562,520	\$ 472,197	\$ 453,000	\$ 463,000	\$ 482,322
Revenues Total	\$ 562,520	\$ 472,197	\$ 453,000	\$ 463,000	\$ 482,322
TOTAL ADMINISTRATIVE REVENUES	\$ 562,520	\$ 472,197	\$ 453,000	\$ 463,000	\$ 482,322
<i>Change from prior year</i>		-16%	-4%	2%	4%