



**Mason County Transportation Authority  
Minutes of the Public Hearing – 2011 Proposed Budget  
October 26, 2010**

**Members Present:** John Campbell, Board Chair; Lynda Ring-Erickson, Vice Chair; Mike Byrne, Authority Member; Ross Gallagher, Authority Member; Gary Volk, Authority Member; Bev Wendell, Authority Member. Authority members Deborah Petersen, Tim Sheldon and Leroy Valley were absent.

**Others Present:** Robert Johnson, MTA Legal Counsel; Kathy Cook, Administrative Services Manager and Clerk of the Board; Sara Wazewski, Finance Manager; Jay Rosapepe, Operations Manager; Libby Avery, TCC Manager; John Piety, MCTAB Chair; John Calabrese, MCTAB; Kevin Frankeberger, MCTAB; Pam Hillstrom, MCTAB; Joanne Wood.

**Called to Order:** 4:00pm

**APPROVE AGENDA:**

**MOTION** to approve the agenda as presented. **Ring-Erickson/Wendell. Motion carried unanimously.**

**PUBLIC HEARING – 2011 Proposed Budget:**

Sara Wazewski, Finance Manager, provided highlights of the 2011 Proposed Budget as follows: Anticipated Revenue \$6,972,993; Anticipated Expenses \$6,972,993; Anticipated expenses include Mason Transit's share for capital projects in the amount of \$1,509,000; 2011 Proposed Operating Reserve \$1,500,000; Projected ending fund balance \$6,509,968.47.

2011 budget goals: balanced budget, maintain a 3-month Operating Reserve Fund, and maintain a Capital Reserve Fund for the replacement of aging vehicles. 2011 budget assumptions: sustain current service levels, no increase in Sales Tax Revenue which is currently 2.8 million, and no personnel increases.

John Campbell, Chair, asked for public comment.

MTA Staff responded to questions raised related to the Community Center Association (CCA) and Mason Transit as it relates to the CCA invoice and services the agency will provide related to facility management, policy development, marketing, etc. Revenues from lease and use agreements are under Other Non-Transportation Revenue (407991) and expenses are under Contract Services (503037).

Mike Byrne asked why the 2011 budget estimate is so low under Miscellaneous Revenue given the 2010 YTD actual figure stated. Staff will research this item and report back.

Lynda Ring-Erickson noted that MTA is more than a \$1,000,000 short on Sales Tax Revenue as of September 30<sup>th</sup>, and there is some likelihood that the 2010 projection is a little high, further asking how confident staff is with revenue forecast for this year as well as next. Sara noted that the 2010

YTD sales tax revenue is through July, however, staff is confident in the conservative projection trends taken and are closely monitoring this revenue source each month as well as information from the WA State Economic Revenue Forecast Council.

Sara Wazewski noted that the \$1,090,032 from the beginning fund balance does not demonstrate grant revenues for the period July through December 2011. Staff anticipates notice of operating/capital grant awards (approximately 1.3 million) for the 2011-2013 biennium to be announced in early 2011.

Kevin Frankeberger asked if capital project funds shown for the Transit Facility Base were for ADA improvements. Staff noted the cost is to relocate upstairs offices downstairs as opposed to installation of an elevator.

Sara Wazewski noted that the estimated ending fund balance of \$6,509,968.47 includes:

Restricted Funds - \$848,418 (limited in use to contractual/legal obligations)

Designated Funds - \$3,145,000      - \$1,500,000 Operating Reserves  
   - \$1,500,000 Capital Projects  
   - \$136,000 Employee General Leave

Unrestricted/Undesignated Funds - \$2,515,000

Sara Wazewski thanked members of the Financial Planning Committee for their assistance and contributions towards the development of the proposed 2011 budget, decreasing expenditures and increasing revenues to avoid service cuts. MCTAB is looking at advertising as a potential revenue source.

Kevin Frankeberger expressed concern about the dependency on grant funding in the future.

Gary Volk referenced Account Code 502151 – Driver Safety Training in the amount of \$1,600. Staff noted the 2010 budgeted amount was a coding error. Driver Safety Training expense is a function covered under salaries and wages.

Discussion was had related to funding resources and economic conditions, and potential impact in future years and alternative actions to generate additional revenues that may be taken.

Joanne Wood asked where matching funds for grants come from. Staff responded match dollars come from local funds.

**OTHER BUSINESS:**

None

The next regular meeting of the Mason County Transportation Authority Board is scheduled to be held on Tuesday, November 9, 2010 at 4 pm at Mason Transit's Business Office located at 790 E Johns Prairie Road, Shelton, WA.