



SAGINAW TRANSIT AUTHORITY REGIONAL SERVICES BOARD OF DIRECTORS REGULAR MEETING MINUTES

Monday – August 28, 2023

12:00 PM

STARS Board Room (615 Johnson St.)

CALL TO ORDER

Ms. Gutierrez called the meeting to order at 12:03 PM

ROLL CALL

Members Present: Chair – Diana Gutierrez, Vicki Dillon, Floyd Kloc, Carl Ruth, Kathy Miller, Evelyn McGovern, Dr. Michael Gavin

Members Absent: Dennis Browning

EXCUSE ABSENT MEMBERS

Mr. Kloc motioned to excuse absent members, which was supported by Mr. Ruth. Motion carried unanimously.

PUBLIC COMMENTS

None

APPROVAL OF AGENDA

Ms. Gutierrez requested a motion to approve the agenda as is. Mr. Ruth motioned to approve the agenda as presented. Mr. Kloc seconded the motion. Motion carried unanimously.

APPROVAL OF MINUTES

Mr. Kloc motioned to approve the June 26, 2023 Board of Directors Meeting minutes as presented unless anyone had any corrections. Mr. Ruth supported this motion. Motion carried unanimously.

FINANCE COMMITTEE UPDATE, AND ITEMS FOR APPROVAL

Finance Committee Update –

Mr. Kloc stated that the Finance Committee met prior to the Board meeting, and that they reviewed all the statements to be presented and recommend all of them to the Board of Directors to approve or approve to file.

FY2024 Revised Budget for Approval

Ms. Pavlowski gave a quick summary of the revised FY2024 Budget. For revenues, Ms. Pavlowski mentioned that passenger fares have been updated, and RTW has been separated into its own line. She also moved the 31 day passes to be added to the general passenger fares line. Overall, total revenue increased to 1.2 million. Mr. Kloc requested a header be included in the report next time for the State and Federal revenues. Ms. Pavlowski agreed to make the change in the future to make the budget clearer. She then went over expenses, stating that everyone did their best to make cuts where possible to keep expenses low. Ms. Pavlowski lowered wages and salaries and plans to keep overtime low, and lowered repair parts due to the new buses. This decreased expenses from twelve million down to eleven million. This brought us down to a 22k deficit, compared to the 3.2 million deficits in the original draft of the Budget with the hole, said Ms. Pavlowski. Mr. Kloc highlighted the fact that this was the hole we have been working on filling for the last few months. Ms. Pavlowski offered to go into further detail if anyone would like. Mr. Steffens wanted everyone to keep in mind that the operating refund from the state is based on eligible operating, so the more we cut the less revenue we get from the state for those expenses. Mr. Kloc asked if it was a percentage cut. Mr. Steffens said it is 34%. Ms. Pavlowski replied that she anticipated it be 31%, they dropped it

down to 29%, but now it is back up to 34%. Mr. Steffens said another way to look at it is that if we did not get Lansing to increase local bus operating this fiscal year by sixty million, we would not be looking at a gain, but we would be looking at a loss. This washes out because of this increase from Lansing. Ms. Miller asks if Mr. Steffens thinks this amount will remain next year. Mr. Steffens said he can provide an update about this at the end of the meeting if necessary and can relay some information about the conference at MPTA. He expressed that his intention was to do so, and that we were a big part of that sixty million coming into fruition.

Cash Flows & July Financial Statements

For the cash flows Ms. Pavlowski relayed to the Board that we have 766k in the bank, and that we are slowly but surely drawing down on the FY2022 grant. For the July financial statements, she is working towards getting these reports in a more readable format, but overall, nothing sticks out. Ms. Pavlowski noted a significant increase in vehicles and capitol assets due to the new buses, which is a substantial jump compared to prior years. Accounts payable are 2.2 million, as we needed to make bus payments at the time, which were paid in August. Now that is closer to 202k, which is on par with what we expect. Ms. Pavlowski noted the revenue coming from contract payments, advertising, selling maintenance services, millage, state and federal contracts, and interest. The one figure highlighted in red is not actually behind, it is due to the timing of when we can draw it down. Mr. Kloc moved to approve the FY2024 Budget, the Cash Flows, and the July Financial Statements. Mr. Ruth supported the movement. Motion carried unanimously.

RTW Vans

Mr. Steffens said there was an opportunity for carbon reduction grant funding, and we took it. He said this will go toward the purchase of 4 RTW transit style vans, and that they are only about 75% of the cost of a new lift cab. There are many seats so it will work well for group transport as well. Mr. Ruth moved to approve the purchase of these vans, which was seconded by Mr. Kloc – who commented that this is a unique process that can save us a lot of money. The motion was carried unanimously.

GRS Resolution

Ms. Pavlowski said this resolution is for the next 4 years of audits, which will cost \$51,400. This resolution is a report of the sorts and is for OPEB benefits and other audit related items. Mr. Ruth said the finance committee agreed with the resolution, and he moved to approve it. Mr. Kloc supported the movement. Movement carried unanimously.

PERSONNEL COMMITTEE UPDATE, AND ITEM FOR APPROVAL

Personnel Committee Update on Strategic Planning—

Mr. Steffens presented the new mission, vision, and values to the board of directors. The old mission statement is “It is the MISSION of Saginaw Transit Authority Regional Services to provide safe, efficient, dependable, and affordable public transportation for ALL citizens of Saginaw.” The new mission statement is “We provide equitable and meaningful access to transportation that meets the needs of all citizens in our region.” The old vision statement is “It is the VISION of Saginaw Transit Authority Regional Services to become a premier public transportation agency serving Saginaw and the Metropolitan Region with excellence and the highest quality innovation service delivery to our customers.” The new vision statement is “Continuously improving innovative and seamless transit services for all citizens in our region.” Mr. Steffens believes these new statements are meaningful, and show we want to serve a function in our community. “We want to innovate, and the word seamless can be read in a multitude of ways that can also speak to regionalism,” continued Mr. Steffens. He hopes STARS will be a regional leader in the tri county area in the future. Ms. Miller said that the Personnel committee asks this be approved, as well as the values decided by Mr. Steffens and staff, and then we can go over the draft strategic plan. Mr. Steffens explained how we are still working with Omnitech to create some goals for the last step of this plan, and we will provide a whole package. We can choose to formally adopt part of this today or the entire package at a different meeting. Mr. Kloc suggested the approval of the mission and vision and motioned for this approval. Mr. Ruth supported the motion for this approval. Motion carried unanimously.

Ms. Miller said the values were put together mostly by the staff, to which Mr. Kloc replied they should not need approval by the board considering this may be changed over the years based on staff needs. Mr. Steffens agreed that they can keep this malleable until the plan is complete. Ms. Miller suggested this be a living document. Mr. Kloc motioned to approve this for the staff to use and modify as needed. Ms. Miller thought this should be approved after the entire strategic plan is complete. Mr. Kloc asked if we are establishing this as policy. Mr. Steffens suggested we motion to instruct the executive director to follow through with the values draft as presented. Mr. Kloc agreed this would be acceptable to him. Ms. Gutierrez agrees this works for her and asked if the personnel committee is okay with that. All committee members agreed. Mr. Kloc moved to instruct the executive director to follow through with the values draft as presented, which was supported by Mr. Ruth. Ms. Gutierrez asked for any comments or further questions on this. There were none. The motion was carried unanimously. Ms. Gutierrez asked the minutes verbiage to be written exactly as stated for this motion.

Mr. Steffens walked everyone through the draft strategic plan created by Ms. Lee Anne Keller and Ms. Bre Sklar from Omnitech, which was reviewed during the Personnel committee meeting the prior Monday. He went over this plan and allowed the Board some time to review it themselves. Mr. Steffens suggested for part of the plan that there is a difference between effectiveness and efficiency, which he would like cleared up in the final draft. Mr. Steffens mentioned how a long-term funding plan is a crucial step in this process, and that as we grow, we need to continue to come up with strategies for funding that growth. Mr. Steffens would like the board of directors to review this draft strategic plan, and him know if we should move forward with it and fine tune it. Ms. Miller suggests we make our goals and progress a part of future agendas to assess where we are at with this plan regularly. Ms. Gutierrez asked for a motion to accept and move forward with this draft strategic plan. Mr. Kloc moved we accept the draft strategic plan, which was supported by Mr. Ruth. Motion carried unanimously.

Dr. Gavin suggested when we come back from the work plan, he does not think the board needs to approve it if it follows the draft closely, we should just provide them with a brief update, as he thinks this is more operational, and not policy. Mr. Kloc agreed they should not need to approve this going forward with it being operational, where the mission and vision did need to be approved as that is being adopted as policy. Ms. Miller brought up the importance this strategic plan has when it comes to Mr. Steffens evaluations, as it can give them something to base his progress off, see where he is making strives to meet the goals we set, and allows the executive director to not be micromanaged while also having the full support of the board with everything going on at STARS. She believes this will also keep the board more in the loop with different things happening at STARS. Dr. Gavin thinks the board should see the final plan, keep updated on its progress when in practice, but does not want the updates to feel like micromanaging, which is his main concern. MS. Miller suggests they work on this with the work plan and keeps this in their minds when describing these goals and action steps toward the goals. Mr. Kloc wants Mr. Steffens to not be micromanaged and agreed with Dr. Gavin. Mr. Steffens said the goals and values root from the approved mission and vision statements. Mr. Kloc agreed and stated that is why he does not think this needs approval or a motion. Mr. Kloc moved to file this, which was supported by Mr. Ruth. Draft strategic plan moved to file.

EXECUTIVE DIRECTOR REPORT

Ms. Dillon asked for an update on the status of the STARS site relocation. Mr. Steffens hoped to have this completed by the end of July, but this has gone a bit longer than anticipated. He does not want to rush Spicer and wants to be sure we get our moneys worth with this study. Mr. Steffens will relay the findings to the Board as soon as possible and plans to have Mr. Dave Marr from Spicer go over the findings at the next meeting.

BOARD MEMBER COMMENTS

Mr. Kloc said he liked where the strategic planning is going.

Ms. McGovern commended Mr. Steffens on being active in the community this summer, noting STARS participation in the Juneteenth parade, and the African Arts Festival.

Ms. Gutierrez thanked Ms. Pavlowski and the Finance team for the work done on the FY2024 budget. She went on to

thank Ms. Miller and the Personnel Committee for the work done so far on the strategic plan.

ADJOURNMENT

The next meeting will be held September 25, 2023, at 12:00PM.

Mr. Ruth motioned to adjourn the meeting, supported by Mr. Kloc, at 1:02PM.



Vickie Dillon, Secretary

Date: 9/25/2023