

**FINANCE COMMITTEE MEETING
SOUTH CENTRAL TRANSIT
THURSDAY, JULY 19, 2018
12:00 P.M.
SCT TRANSPORTATION CENTER
100 N. LOCUST STREET
CENTRALIA, IL 62801
Revised 07/26/2018**

Present:

David Rodden
John Schubert
Don Copeland
Sam Easterly
Ben Stratemeyer
George Guidish

Also, Present:

Sheila Niederhofer
Sara Nollman-Hodge
Vicki Clift
Randy Barrow
Pam DeMaris
Margaret Conley
Marvin Miller

The Budget/Finance committee meeting was called to order by Don Copeland.

GUEST RECOGNITION/PUBLIC COMMENT – None.

FINANCIAL REPORT

Clift reviewed the financials for June. Copeland noted that on page 12 of the cash requirement report new vendor MLM Supplies was listed. It was stated that flags were purchased from this vendor. Copeland stated that company is owned by his brother and that this would be the last time that we use this vendor. Conversation followed regarding the conflict of interest policy. Miller stated that there was not a conflict to the state statute or on the federal side. Discussion was held. Copeland stated that he does not have a problem speaking with his brother and explaining to him that we can no longer purchase flags from him. Stratemeyer stated there are a lot of potential conflicts out there, he just wants to follow the law, that he never liked the policy being so tight and restrictive. Copeland ask that the minutes reflect that this was brought up in the finance committee meeting, that this was the first time that we have used this vendor and that it was disclosed at this meeting. Niederhofer reported that if we follow the current policy,

we really need to have a list of the Directors and employee's family members that work or have businesses in our 6-county district. Should we have to refrain from utilizing businesses it could result in SCT going outside our service area to purchase supplies and parts. Several members of the Board and legal counsel agreed. Niederhofer asked if the committee wanted the item put on the Board agenda for more discussion or the finance agenda for next month. Guidish said he wanted to look at it first and speak with counsel. Motion to move the finance report to the board by Guidish, seconded by Schubert. All aye. Motion carried.

CONTRACTS

Public Aid – Niederhofer reported receiving \$12,500 since last board meeting.

Progressive Careers & Housing – Niederhofer reported on a new contract with Progressive Careers & Housing, transporting their residents from two CILA homes in Woodlawn and two CILA homes in Mt. Vernon to the First Christian Church in Mt. Vernon on Friday evenings. SCT was approached by PCH with their transportation needs.

LINE OF CREDIT – Clift reported that the line of credit that we presently have with Midland Bank is due to renew. A sheet from Midland that was received yesterday afternoon was emailed to everyone with their terms. Clift reviewed their terms with committee, the same terms as we currently have. Stratemeyer ask about bidding out the LOC last year, it was the only bid received last year. The LOC renews next month. Guidish ask about bidding it out for 5 years as it is currently bid out yearly. Motion to present to the full board by Rodden, seconded by Schubert. 4 ayes, 1 nay (Stratemeyer). Motion carried.

REDBIRD/RANGER/JEFFERSON ROUTES – Barrow is seeking approval to make changes to the Redbird, Rangers and Jefferson routes. He would like to model them after the Jefferson route in Mt. Vernon as far as what we do with the inner city routes The Redbird will be the one that makes the 10-minute trip to Benton that connects the two, so they are able to get back and forth between Benton and West Frankfort. The Ranger will stay in Benton and run the inner city. The Jefferson will take the place of the Redbird. The changes to the Redbird will add an hour and a half to the day, Rangers 45 minutes and the Jefferson 3 hours. Jefferson will need to add a part time driver. Barrow expects ridership to double. This will bring more consistency with shuttles, provides a base for ridership in those counties and provides an opportunity to tie in at a further date. Motion to recommend to the full board those proposed changes to the Redbird/Ranger/Jefferson routes effective August 1 by Guidish, seconded by Rodden. All aye. Motion carried.

Niederhofer reported on working with the city of Carbondale as they are revamping the Amtrak station that's going to include a bus transfer station for SCT, Jackson County Mass Transit and Rides Mass Transit. Guidish stated that this kind of thing should be addressed at the board meeting under the Managing Directors report.

SCCTD BUSES – Niederhofer stated she emailed information out yesterday regarding information on the SCCTD buses with pictures and ask for any questions. IDOT has already given their approval, just waiting for paperwork. No board approval is required. Guidish stated he finds that acceptable.

4 LEASED BUSES (MIDWEST LEASING) – Clift reported on having 4 – 2014 – 32 passenger Freightliner buses that we use on our inter-city routes that the lease will expire in February. This is a 1-year lease with option to purchase at the end of the lease. The buses have between 109,000 and 117,000 miles on them. They are with Midwest Transit but leased through Santander Leasing. A list of options was included in the packets. Discussion was held on the options. Motion to send to the board a recommendation to lease for another year at present rate with purchase options at the end of the lease by Stratemeyer, seconded by Easterly. All aye. Motion carried.

PUBLICATION OF BUDGET & EMPLOYEE SALARY RANGES IN THE LOCAL PAPER – Guidish ask that this be put on the agenda. He states that SCT is the only organization that does not publish this. Guidish distributed a proposal for committee to view. The proposal included salary ranges with employee names listed under the corresponding range. Guidish would like this to be published in the legal sections of the largest circulation newspaper in each of the 6 counties that SCT represents. Guidish stated that he would like this published in the Sentinel as the Marion County, the Breese Journal as the Clinton County and the whatever paper is in Washington County and the DuQuoin Evening Call in Perry County and whatever the appropriate paper is in Jefferson County. Niederhofer stated she had no issue with this but that it is not a requirement by IDOT or the FTA, that very few transit systems publish salaries. Rodden stated for the interest of transparency. Motion to move to the full board for publication by Rodden, seconded by Guidish. All aye. Motion carried.

OTHER – Rodden stated that he would like to go back to the conflict of our relatives. He stated the policy lists families. If we make the policy consistent with the by-laws, then we can make an exception. Stratemeyer stated he thinks we try to do so many policies as a “gotcha”, it's not good or healthy for a board to function that way. Where is the level where it's a relevant expense? Rodden stated if it's in the interest of the board.

Stratemeyer stated he got the letter about Conley and doesn't think that Conley's votes or attitudes have changed over \$500 a year that went to the paper. He states he thinks it's a "gotcha" policy and he opposed that policy from the beginning and he believes we should follow the law. The board tries to make it so tight that it is a "gotcha policy". He is all for transparency, but we've had the policy and debated it. Guidish suggested adjourning the meeting and having a workshop, stating he had time, they could have a frank discussion about what they want to do, and If Marvin had time to stay, they may want to amend and correct the policy. Rodden informed Guidish that meeting afterwards would violate the Open Meetings Act. Motion to move this discussion to the full board by Guidish, seconded by Rodden. All aye. Motion carried.

Schubert stated that he would not be at the board meeting next week.

Niederhofer ask for a clarification if they want conflict of interest policy on the board agenda. Guidish stated he did.

ADJOURN – As there was nothing else to bring before the committee, the meeting was adjourned by Rodden, seconded by Schubert.

