

CHAMPAIGN-URBANA MASS TRANSIT DISTRICT
BOARD OF TRUSTEES
REGULAR BOARD MEETING
WEDNESDAY, MAY 25, 2011, AT 3:00 P.M.
ILLINOIS TERMINAL
45 EAST UNIVERSITY AVENUE, CHAMPAIGN

PRESIDING

Ronald Peters, Chair

RECORDING SECRETARY

Rena Lee Lenz

PRESENT BOARD MEMBERS

Al Anderson Bradley Diel (via telephone)
Linda Bauer Yuki Llewellyn
Willard Broom Don Uchtmann

ADVISORY BOARD MEMBER ABSENT

Mike DeLorenzo, Associate Vice-Chancellor—Student Affairs—University of Illinois

IN ATTENDANCE

William L. Volk, Managing Director
Jan Kijowski, Marketing Director

APPROVAL OF AGENDA ITEMS

- (a) A motion was made by Anderson, seconded by Uchtmann, the Board of Trustees voted to approve the agenda items, as presented.

AYE: All
NAY: None
Motion carried.

AUDIENCE PARTICIPATION/REQUESTS

None

MINUTES

- (a) Minutes of the Regular Board Meeting on April 27, 2011.

Uchtmann noted a correction to be made on Page 2, under "Reports" - strike the last sentence in #1 and replace it with - Fraud was not addressed in the University of Illinois contract which expires in August, 2012, but will be discussed during the renewal process.

A motion was made by Uchtmann, seconded by Anderson, the Board of Trustees voted to approve the minutes of the Regular Board Meeting on April 27, 2011, as corrected.

AYE: All
NAY: None
Motion carried.

COMMUNICATIONS

None

REPORTS

- (a) Discussion of the IMRF Presentation prepared by Martin, Hood, Friese & Associates.

Mitch Schluter and Greg Douglas were in attendance to answer questions about the District's participation in IMRF. They also had put together a fact sheet (copies attached to original and file minutes) that thoroughly discussed the impact of excess IMRF payments. The overall goal of IMRF is 100% funding of pension reserves and can only be achieved through increasing assets used to pay pensions and the fact that the increasing of assets comes from three sources—employee contributions, employer contributions, and investment income.

Schluter explained that to get the pension 100% funded, the IMRF rate charged to the employer is increased to collect additional funds over a number of years. Even though the District has paid the required IMRF amounts, the unfunded liability may not decrease or may even increase due to investment performance below the target of 7.50% and employee retirements exceeding expectations. Currently, the District's pension is less than 100% funded. Considerable discussion followed about the different options to solve the unfunded liability. One idea was for the District to do some saving on its own in a risk free account of some sort even though the interest rates are very low right now.

Volk indicated that the District has to be very cautious about having too much cash on hand and having it earmarked for IMRF purposes. We do not want to get into trouble on taxes so we have to be careful with what we do about that as the levy is for required IMRF payments.

There was some discussion about having employees make a larger contribution. Volk suggested taking a look at the employee census; look at the age of employees; how long working; average age of retirement; returns on investment, etc. to determine IMRF funding needs in the next few years.

REPORTS

(a) Continued

There was some discussion also about State funding issues. Making excess payments would not be eligible because they are not expenses and cannot be reimbursed under the current State operating grant rules.

Considerable discussion followed. Staff will continue to research what can and cannot be done to rectify the situation and report back to the board.

(b) Managing Director's Report.

1. Operating Notes.
Additional note—said that regarding the Southwest Champaign MTD, he recently had a discussion with Marc Ansel who reported that the Illinois Supreme Court has refused to hear any appeals from our annexation dispute. Ansel would like to attend the next board meeting to discuss the issue in greater detail.
2. Operating Statement.
3. Ridership Data.
4. District Operating Revenue & Expenses.
5. Illinois Terminal Operating Revenue & Expenses.
6. Statistical Summary.
7. Accounts Payable/Cash Disbursements.

(c) Board Committee Report.

1. Budget & Audit.

Volk said that based on the previous discussion on IMRF, it seemed to be the consensus of the board to do something for the FY 2012 budget as far as setting aside \$50,000 for IMRF additional funding purposes. He indicated that he would continue to study the issue and come back to the board with a plan.

Finally, Volk said that the monthly information from Morgan Stanley Smith Barney was included in the board packet. He also explained the situation with having had Janet Bial in North Carolina taking care of our investments long distance, as she used to reside here in Champaign-Urbana and worked hard for the District even though our investments were not that lucrative for her. She has since retired so we really do not have to remain with this investment group. He stated that he would look into other local investment options and would see what the rates were with Illinois Funds.

2. Facilities.

Volk said that work was progressing on the Control Room planning with meetings being held between the operations staff and the consultant.

Regarding the Safety/Security Project, work has begun on the conduit installation at Illinois Terminal.

Finally, Volk said that the State capital grant specifications are being prepared for concurrence review by IDOT. Negotiations regarding DBE goals may slow the progress on some of the items.

REPORTS

(c) Continued

3. Personnel.

Volk reminded the board about the Awards Dinner/Ceremony on June 5th.

Uchtmann reported that Llewellyn and he were working on the annual evaluation of the managing director and would soon be sending something to all board members. They would also be reporting on succession related information.

UNFINISHED BUSINESS

None

NEW BUSINESS

- (a) Discussion/Consideration of the Cooperative Agreement Between the Member Agencies of CUUATS.

Volk said that a copy of the Cooperative Agreement was included in the board packet. This agreement was between the City of Champaign, City of Urbana, Village of Savoy, Champaign County, University of Illinois, Champaign County RPC, IDOT, and the District. He said that this agreement was for the documentation of the ongoing framework of a comprehensive transportation planning process that results in plans and programs consistent with planned development of the Champaign-Urbana urban area. This agreement updates the previous MPO agreement from 2001 in order to meet revised federal planning regulations following the passage of SAFETEA-LU. Also, this agreement will remain in force and be automatically renewed each succeeding June 30th following the initial ratification. Finally, Volk said that the most significant change in the agreement was that it increases MTD representation on the Technical Committee from one to two members. It was necessary for the board to authorize the chair to execute the agreement.

A motion was made by Uchtmann, seconded by Anderson, the Board of Trustees voted to authorize Ronald Peters, Chair to execute the Cooperative Agreement between the member agencies of the Champaign-Urbana Urbanized Area Transportation Study, as presented. (Copy attached to original and file minutes.)

AYE: All
NAY: None
Motion carried.

NEXT REGULAR BOARD MEETING DATE

- (a) The Regular Board Meeting for June had previously been set for June 29, 2011, at 3:00 p.m. with a Public Hearing on the Budget & Appropriation Ordinance for FY 2012 immediately preceding the start of the board meeting.

ADJOURNMENT

- (a) A motion was made by Anderson, seconded by Broom, the Board of Trustees voted to adjourn the meeting at 4:40 p.m.

AYE: All
NAY: None
Motion carried.

SECRETARY

APPROVED:

CHAIR