



PINELLAS SUNCOAST TRANSIT AUTHORITY
 3201 SCHERER DRIVE, ST. PETERSBURG, FL 33716
WWW.PSTA.NET 727.540.1800 FAX 727.540.1913

FINANCE & PERFORMANCE MANAGEMENT
 COMMITTEE MEETING
 AGENDA – APRIL 15, 2015; 9:00 AM
 PSTA AUDITORIUM

			<u>TIME</u>	<u>PAGE</u>
1.	CALL TO ORDER		9:00	
2.	PUBLIC COMMENT		9:00	
3.	ACTION ITEMS		9:05	
	A. March 20, 2015 Meeting Minutes	5 min		2
	B. FleetNet Software Support Renewal Agmt.	10 min	DEBBIE WOODWARD	9
4.	INFORMATION ITEMS		9:20	
	A. PSTA Advertising Policies	15 min	CYNDI RASKIN-SCHMITT	13
	B. 2015 Benchmarking & Data Management	15 min	BRAD MILLER	20
5.	REPORTS		9:50	
	A. Monthly Financial Statement	10 min	DEBBIE LEOUS	21
	B. Ridership/Performance	10 min	BRAD MILLER	27
6.	FUTURE MEETING SUBJECTS		10:10	
	• Advertising/Reserve/Investment/Liability Policies – May			
	• Bus Tire Lease			
	• Federal Lobbyist Contract			
	• Triennial Review – June			
7.	OTHER BUSINESS		10:15	
8.	ADJOURNMENT		10:20	

THE NEXT MEETING IS MAY 20, 2015 AT 9:00 AM



ACTION ITEM

3A: March 20, 2015 Meeting Minutes

Action: Approve Meeting Minutes

Staff Resource: Clarissa Keresztes, Administrative Asst

**FINANCE & PERFORMANCE
MANAGEMENT**

-
- Staff recommends approval of the minutes of the March Finance & Performance Management Committee meeting.
-

Attachments:

1. Minutes



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FINANCE & PERFORMANCE MANAGEMENT
COMMITTEE MEETING
MINUTES – MARCH 20, 2015

The Finance & Performance Management Committee of the Pinellas Suncoast Transit Authority (PSTA) Board of Directors held a meeting in the Auditorium at PSTA Headquarters at 9:00 AM on this date. The purpose of the meeting was to approve the January 21, 2015 meeting minutes, recommend approval of the 2014 Audit Report, and recommend the bus shelter contract. The following members were present:

Joe Barkley, Committee Chair
Mark Deighton
Dave Eggers
Bill Jonson
Brian Scott

Absent

Curtis Holmes (Alternate)

Present:

Brad Miller, CEO
PSTA Staff Members
Members of the Public

CALL TO ORDER

Committee Chair Barkley opened the meeting at 9:03 AM. Debbie Woodward, Director of Information Technology (IT), informed the Committee that the meeting was being broadcasted on the web via live streaming video.

PUBLIC COMMENT

There were no public comments.

ACTION ITEMS

Approval of Minutes – Mr. Scott made a motion, seconded by Mr. Deighton to approve the January 21, 2015 minutes. There were no public comments. Motion passed unanimously.

FY 2014 Audit Report – Debbie Leous, Chief Financial Officer, introduced Laura Brock and Aimee Varnum from Mayer Hoffman McCann, P.C. Ms. Brock reported that they had completed the FY 2014 Comprehensive Annual Financial Report (CAFR).

Ms. Brock presented the specific steps completed to perform the CAFR such as the 2014 financial statements, regulatory items, and the required auditor communications. She reported that the significant areas and key processes examined were: revenue generation (fares), grants management, litigation, self-insured risks, post-employment benefits (other than pensions), procurement (including acquisition of capital assets), human resources, information technology, and financial reporting.

Ms. Brock reported on PSTA's net position comparing FY 2014 to FY 2013. She stated that total assets decreased from \$139 million to \$128 million for FY 2014, and the total liabilities decreased from \$15 million to \$12 million in FY 2014. Ms. Brock reported the total liabilities and net position of \$128 million as compared to \$139 million for FY 2013. She also presented the statements of revenues and expenses and indicated that the total operating revenues decreased from \$14.8 million to \$14 million in FY 2014, and the total expenses increased from \$68 million to \$72 million in FY 2014 with an increase in the operating loss from (\$53.5) million to (\$58) million in FY 2014. Ms. Brock indicated that there was a decrease in the net position from \$10 million in FY 2013 to (\$8.2) in FY 2014.

Ms. Brock explained the single audit process, which grants were tested for FY 2014, and reported that there were no findings and no exceptions with the grants tested. She stated that as part of the CAFR, prior year audit comments were inspected. She said that in FY 2013, there were no material weaknesses, no significant deficiencies, and no recommendations to report on. This year, she said there were no material weaknesses and no significant deficiencies, however, there was a noncompliance finding for the Department of Homeland Security (DHS) grant. Ms. Brock had one recommendation – continued improvement of the closeout process. She informed the Committee about the upcoming Governmental Accounting Standards Board (GASB) statements and the timing for each.

In response to Mr. Jonson's question about the Other Post-Employment Benefits (OPEB) and the reserves, Ms. Brock answered that \$3 million in reserves will be moved to liabilities. Mr. Scott asked for suggestions for improving the closeout process and also about the grant selection process for auditing. Ms. Brock stated her suggestions, and said

the grant selection is based on auditor judgment and a three-year rotation schedule. Mr. Eggers inquired about Ms. Brock's background and asked how PSTA compares to other organizations. Ms. Brock spoke about her background and Mr. Miller indicated that PSTA is a member of the American Bus Benchmarking Group (ABBG). Committee Chair Barkley asked if there were any negative implications due to the DHS grant. Ms. Brock explained that there is a reference to the DHS grant in regards to the refund and how that was recorded in the records.

Mr. Deighton made a motion, seconded by Mr. Scott to recommend Board acceptance of the FY 2014 CAFR auditor's report. There were no public comments. Motion passed unanimously.

Bus Shelter Contract – Henry Lukasik, Director of Maintenance, explained that in January 2015, PSTA issued a Request for Proposal (RFP) soliciting competitive proposals to replace an estimated 20 new shelters and amenities per year for the next five years. Mr. Lukasik reported that there were three responsive proposals which were evaluated by a team of staff, with Brasco International being the highest ranked proposer and the lowest cost. He stated that staff is recommending approval of a three-year contract with two one-year renewals with Brasco International for an amount not to exceed \$1,148,650, which will be 100% federally funded by the Federal Transit Administration (FTA) funds within PSTA's adopted Capital Improvement Program (CIP). After discussion, Mr. Scott made a motion, seconded by Mr. Deighton to recommend approval. There were no public comments. Motion passed unanimously.

REPORTS

Mr. Miller suggested that due to time constraints, the Committee should not go into detail on the financial reports and asked if there were any questions on the reports. There were no questions from the Committee.

Monthly Financial Statement – The Committee received the Monthly Financial Statement in their agenda packet.

Quarterly Investment Report – The Committee received the Quarterly Investment Report in their agenda packet.

Ridership/Performance – The Ridership/Performance Report was provided at the meeting.

Capital Projects – The Committee received the Quarterly Contract Report in their agenda packet.

[Ten minute break at 9:50 AM.]

The Planning Committee joined the meeting at 10:00 AM for the presentation of the Information Items.

INFORMATION ITEMS

Service Redesign Work Plan – Mr. Miller explained that following the November 4, 2014 referendum, there was a need to “redesign” PSTA’s services to be even more focused and customer oriented. He stated that before the agency develops and seeks public input on various service delivery scenarios or increase revenues, it will be important for the PSTA Board to collaborate on a “Path Forward” to set high-level policy guidance for the future direction of the agency. Mr. Miller indicated that this policy development will be prioritized over the next few months, preceding the required FY 2016 budget review and Florida Department of Transportation (FDOT) Work Plan processes and suggested four key redesign elements: 1) a path forward, 2) FY 2016 budget approval, 3) service redesign consideration, and 4) public engagement.

Mr. Miller detailed eight directions for the path forward for the next two to three years:

- Focus on constant improvement of core services
- Redesign current bus according to specific principles:
 - Straighten routes
 - Reduce number of very low ridership buses
 - Concentrate majority of operating funds where public transit works best - core routes
- Avoid major cuts
- Implement a sustainable bus replacement plan
- Use built-up reserves on bus replacements/seek additional resources to maintain what we have
- Secondarily, but in parallel, seek to incrementally improve service
 - Premium bus rapid transit and express services
 - Regional fare collection project
- Third, in the future, work towards the high-frequency grid network
- Review governance structure
 - Strengthen roles of Board, Committees, CEO
 - Strengthen coordination with transportation partners

Mr. Miller explained that the transit service redesign efforts will be analyzed at a staff level but will await the policy discussion so Board consensus can be achieved, and service improvements will be balanced with overall changes as well as the longer-term planning to implement rapid transit pilot projects.

Mr. Miller discussed the FY 2016 budget approval calendar and suggested agreeing on the policy process over the next two months, to be adopted by May before budget approval in

June. He then presented the four suggested components of the service redesign consideration process: 1) approve “Path Forward” principles, 2) consider targeted areas of redesign, 3) coordinate with capital plan assumptions and revenue assumptions, and 4) public involvement. Mr. Miller indicated that the goal is to implement the first changes by October 1, 2015, but if it takes a longer duration to make the “right changes”, that would be fine.

At Mr. Miller’s suggestion, Ms. Long gave a brief recap of their trip to Tallahassee, and suggested that the Committee members write a letter of support for the \$1.25 million for the Central Avenue Bus Rapid Transit (BRT) pilot project to the Appropriations Subcommittee on Transportation, Tourism, and Economic Development.

In response to Ms. Johnson’s question regarding the Transportation Disadvantaged (TD) program, Mr. Miller responded that PSTA will take the time to work on a high-level policy first before any changes are implemented. Ms. Bujalski suggested reinstating an advisory committee similar to the Advisory Committee for Pinellas Transportation (ACPT). Mr. Welch agreed with the suggestion of a new ACPT-type group. Ms. Long stated her belief that the Board would be more effective at setting high-level policy if additional members were added to the Executive Committee and suggested the outgoing Chairperson for continuity and a new member of the Board.

The Committee was given the opportunity to voice their concerns. Ms. Bujalski suggested that economic development be considered in this process. Mr. Eggers cautioned about rushing into decision making and to make sure to engage the public at all times. Mr. Welch commented that if routes are eliminated, PSTA must provide the public transportation alternatives and believes that the expanded Executive Committee is a good idea.

Budget Assumptions/Forecast – Debbie Leous, Chief Financial Officer, presented the FY 2016 budget process and key assumptions. She provided the budget calendar overview and the new Key Budget Assumptions report which included a multi-year budget forecast, key expenditure assumptions, and a multi-year operating plan. Ms. Leous reported on the reserves and indicated that staff is recommending the use of reserves in the short-term for bus replacement needs. Ms. Leous stated that for FY 2016, there is an anticipated \$1.2 million operating deficit, and outlined five potential strategic changes: 1) increase the property tax to the maximum millage, 2) increase the average fare, 3) increase advertising revenue by outsourcing, 4) implement administrative savings, and 5) service hour adjustments.

There was discussion about the five communities who do not pay into the ad valorem tax. Committee Chair Barkley suggested reviewing the number of discounts and the way they are operated. Mr. Welch requested a copy of the current advertising policy. There was

discussion about how a possible increase would affect the TD program. Mr. Deighton suggested exploring more grant opportunities.

Route Performance Monitoring System – Chris Cochran, Senior Planner, introduced the Service Performance Monitoring System and explained that this is a tool to use in conjunction with the work plan to assist in providing the data and information that will aid in helping make the best decisions. He described in detail the methodology for the new system using two screens – performance and qualitative assessment. Mr. Cochran described some options for the identified low performing routes: improve marketing/branding and monitor, research and redesign, or eliminate and reallocate resources. Mr. Cochran showed a graph of the highest and lowest scoring routes with route recommendations for the lowest scoring routes which were: Route 444, East Lake Connector, Routes 1 and 30, Route 58, and the Jolley Trolley Coastal Route. He presented staff recommendations for each of these routes.

There were many questions and discussion regarding this new system. Ms. Long requested a map be added to the presentation of each of the routes being discussed for clarification. Committee Chair Barkley said it would be helpful to know if PSTA is eliminating or dramatically changing a route, and what type of replacement or supplement transportation would be made available to adjust for those people currently being serviced by that route. Mr. Welch asked if PSTA has ever approached the Tourist Development Council (TDC) for support for the Trolleys where there is a connection to tourism.

Mr. Deighton added that in the path forward development, he believes that many people in the area have no idea how much TD work contributes to the rest of the area, and suggested adding a sign on the side of the buses to remind people that the buses just do not take people from place to place, but rather they are a very big part of the community and the path forward.

ADJOURNMENT

The meeting was adjourned at 11:48 AM. The next meeting will be held April 15, 2015 at 9:00 AM.



ACTION ITEM

3B: FleetNet Software Support Renewal Agreement

Action: Recommend Approving the Renewal of a Three-Year Support and Maintenance Agreement for FleetNet Software in the Amount not to Exceed of \$120,000.

Staff Resource: Debbie Woodward, Director of IT

FINANCE & PERFORMANCE
MANAGEMENT

Background:

- FleetNet Corporation is a transit software company that specializes strictly in enterprise level public transportation management system software that delivers a total solution package for finance, Human Resources (HR), accounting, maintenance, operations, and NTD reporting.
- PSTA has been using FleetNet as its primary enterprise accounting, grants, and bus maintenance system for over 15 years.
- PSTA's current one-year FleetNet software maintenance and license expires on April 30, 2015.
- FleetNet is now offering a three-year term renewal with discounts.
- The new term of the agreement would start on May 1, 2015 through April 30, 2018.
- Currently under the PSTA Capital Program, the replacement of FleetNet is not scheduled until after 2019 and PSTA is considering delaying replacement even further.

Fiscal Impact:

- \$115,560 which is funded under the PSTA's Information Technology (IT) Operating Budget.
- Over the three years PSTA will save a minimum of \$6,000 compared to our current one-year agreement.

Recommendation:

- Approve the three-year software maintenance and licensing renewal to FleetNet Corporation in the amount not to exceed \$120,000 starting on May 1, 2015 through April 30, 2018.
-

Attachments:

1. Support Agreement

Software License and Support Agreement

Effective: January 1, 2015

THIS AGREEMENT IS ENTERED INTO BETWEEN

Pinellas Suncoast Transit AND Fleet-Net Corporation (FNC).

NOTIFICATION OF COPYRIGHT. The software program package described herein ("Software") is a proprietary product of FLEET-NET CORPORATION and is protected by Copyright Laws and International Treaty. You must treat the Software like any other copyrighted material, except that you may make one copy of the Software solely for backup or archival purposes. Copyright laws prohibit making additional copies of the Software for any other reason. You may not copy the written materials accompanying the Software.

SOFTWARE LICENSE AGREEMENT. This agreement is a legal contract between you, the end user, and FNC, governing your use of the Software. This agreement shall also be binding on any of your employees, agents, or any subsequent, authorized licensee. For the initial license fee plus the on-going monthly license fees described in applicable Software Purchase Agreement(s), FNC grants you the non-exclusive right to use one copy of the Software on a single multi-user machine or local area network. You may not sublicense, rent or lease the Software. FNC further grants you the right to make a backup/archival copy of the Software as set forth in Notification of Copyright, above. You may not decompile, disassemble, reverse engineer, copy, transfer or otherwise use the Software except as stated in this agreement.

Whereas Customer utilizes Software licensed by FNC and whereas Customer recognizes a non-exclusive right to use the Software and wishes to have FNC provide software applications support with respect to the Software, IT IS HEREBY AGREED THAT:

1. **SCOPE OF WORK.** FNC shall provide software applications support for Software utilized by Customer on the specified computer system located at: Pinellas Suncoast Transit, 3201 Scherer Drive, St. Petersburg, FL 33716, for Software applications described in applicable FNC Software Purchase Agreement(s) and respond to questions concerning: (1) operation of Software (2) procedures for implementing, installing and running Software (3) data base structure and accessing the data base, (4) up-dating files and file maintenance, and (5) debugging FNC licensed software only. (Debugging not applicable to software not proprietary to FNC).

Questions will be received during FNC's normal business hours, which are weekdays 8:00 a.m. to 5:00 p.m. Pacific Standard Time. Responses will be provided as soon as practicable, with priority given to questions which effect database integrity and current ability to utilize Software as installed. FNC will also provide the Customer with Software program maintenance, modifications, new development, documentation and training on an as available basis. The Customer will be made aware by FNC at the time of general release of any new products, which may be made available from time to time by FNC. This agreement does not obligate FNC to provide Customer with improvements or modifications, which were not developed during rendering of services pursuant to this Agreement. It is agreed that any modifications, additions, or enhancements to Software resulting from any work by FNC pursuant to this agreement and all documents with respect hereto shall become the property and proprietary information of FNC.

2. **ACCESS TO CUSTOMER SYSTEM.** Customer agrees to provide FNC with file access as requested and with sufficient support and test time on Customer's computer system to duplicate the problem, certify that problem is with the Software being maintained pursuant to this Agreement and certify problem has been corrected.

3. **DESIGNATION OF CUSTOMER REPRESENTATIVES.** Customer shall provide and designate appropriate knowledgeable personnel on its staff who shall be available to FNC as FNC may reasonably request for information, consultation and advice at no expense to FNC. Customer shall also designate one or more appropriate and knowledgeable persons who shall work with FNC personnel to assure the expeditious execution of work to be performed under this Agreement. These persons shall be empowered to request modifications or alterations of services performed and shall be the persons to whom any communications relating to this Agreement and determined any performance hereunder may be directed.

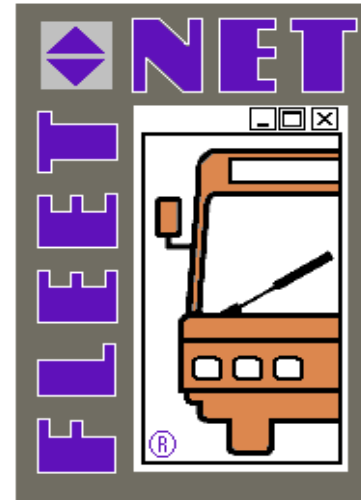
4. **SERVICE REQUESTS.** Customer shall be liable for all service requests made to FNC. Service requests may be made by phone, facsimile, or in writing by any authorized contact specified in this Agreement per Article 3.

5. **CALCULATION OF PAYMENT.** For purposes of determining the payment due for telephone support, any telephone call of less than fifteen minutes shall be billed at the rate of ¼ hour. All billings shall be rounded to the nearest unit of time. Customer shall be billed separately for software license fees, software installation charges and document preparation fees where appropriate. Customer shall, in addition to other amounts payable under this Agreement, pay all sales and other taxes, national, state or otherwise, however designated which are levied or imposed by reason of the transactions contemplated by this Agreement.

6. **PAYMENT TERMS.** All invoices shall be payable thirty days from date of invoice, in United States dollars. Payments received past thirty days after invoice date shall be subject to an additional late charge of 1.5 percent for every 30 days past due or ten dollars, whichever is more. Failure to pay FNC on a timely basis due to non receipt of extensive software modification requests still in progress, lack of comprehension of software applications by Customer, Customer's inability to immediately use the requested Software or other Customer controlled criteria shall result in immediate suspension of support which will not be reinstated until all payments for services are made to FNC, plus a retainer equal to twenty five percent (25%) of the past twelve months billing is received by FNC.

7. **BILLING RATE ADJUSTMENTS.** The service rates shall be adjusted for any increases in the cost of doing business as determined by FNC annually after the expiration of each one-year term. FNC may change its rate, terms, and conditions upon a 30-day written notification.

8. **CUSTOMER MODIFICATIONS TO SOFTWARE.** Customer agrees to inform FNC in writing of any modification(s) made by Customer to (a) software supported under the Agreement, (b) any other software being utilized with the Software, and (c) any operating system software being utilized on Customer's system. FNC shall not be responsible for maintaining Customer modified portions of the software or portions of the software affected by Customer modified portions of the software system. Corrections for difficulties or defects traceable to Customer's errors or systems changes shall be billed at FNC's standard time and material charges.



(2015 Software License & Support Agreement)

9. TERM OF AGREEMENT. This agreement shall remain in effect from the date it is accepted by FNC for a one-year term. Extensions to this agreement may be executed yearly upon agreement of both parties. FNC may, at its sole discretion, refuse to support Customer if Customer does not make payments within 45 days of invoice due date. If in FNC's judgment the Customer is consistently late in making payments, FNC shall advise the Customer in writing that any further late payments by the Customer will result in termination of FNC's obligations under this Agreement. If Customer fails to make timely payment of any invoice within 30 days after the sending of such notice by FNC, FNC may at its option terminate providing services under this Agreement immediately upon sending further written notice to Customer. FNC shall, at its sole discretion, immediately terminate services upon any notice of summons or suit involving FNC and Customer, employee or agent of Customer.

10. TERMINATION OF MODULE LICENSE FEE. Written notification is required in order to terminate a software module license. Adjustments to billing will be effective 30 days after FNC receives written notification from customer.

11. GENERAL PROVISIONS.

- A. FNC is not obligated by this Agreement to provide service to correct problems caused directly or indirectly as a result of accident, negligence or abuse by Customer or third parties or failure of Customer to have equipment maintained.
- B. This Agreement shall be effective on the date accepted and executed by an authorized representative of FNC and is not assignable or transferable without the prior written consent of FNC, and shall remain in effect until terminated as herein provided.
- C. IN NO EVENT SHALL FNC BE LIABLE FOR LOSS OF PROFITS, INDIRECT, SPECIAL, AND CONSEQUENTIAL OR OTHER SIMILAR DAMAGES, ARISING OUT OF ANY BREACH OF THIS AGREEMENT OR OBLIGATION UNDER THIS AGREEMENT.
- D. In no event shall FNC's liability for any services performed hereunder exceed two times the charges paid by Customer in the month which FNC's liability arose.
- E. Any notice to be delivered pursuant to this Agreement shall be deemed delivered upon personal delivery to the office of the party three days after deposit in the United States mail if mailed by first class mail, postage prepaid, registered or certified, and addressed to a party at the address set forth at the end of this Agreement.

- F. FNC warrants Software licensed and maintained under this Agreement shall perform in accordance with its written specifications. Program errors shall be corrected by FNC at no charge to Customer (exclusive, however of media, freight, or installation fees) within a reasonable time after FNC learns of the existence of the program error as long as this Agreement remains in force. THERE ARE NO OTHER WARRANTIES, EXPRESSED OR IMPLIED AND THERE IS EXPRESSLY EXCLUDED ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- G. In the event that any provision of this Agreement is determined to be invalid or unenforceable, the remainder of this Agreement shall remain valid and enforceable to the maximum extent possible.
- H. Waiver or failure of either party to exercise in any respect any right provided for in this Agreement shall not be deemed a waiver of any further right under this Agreement.
- I. This Agreement shall be governed by and enforced in accordance with the laws of the State of Nevada as applied to contracts entered into in Nevada, by Nevada residents and to be performed entirely within the State of Nevada.
- J. This Agreement constitutes the entire agreement of the parties relating to the subject matter and supersedes all oral or written proposals or understandings and any oral representations concerning the subject matter of this Agreement. This Agreement may only be modified in writing duly executed by both parties.
- K. Buyer agrees to pay the amount of any taxes resulting from this Agreement or any activities hereunder, exclusive of taxes based upon net income of Seller.

U.S. Government Restricted Rights. Software and accompanying materials are provided with Restricted Rights. Use, duplication, or disclosure by the Government is subject to restrictions as set forth in subparagraph (b)(3)(ii) of the Rights in Technical Data and Computer Software clause at 252.227-7013. Contractor/ manufacturer is FLEET-NET CORPORATION, 9183 W. FLAMINGO RD. #110 LAS VEGAS, NV 89147

12. RATES AND SUPPORT PLANS. The Customer must choose the amount of Budget Billing time required per TABLE "A" below.	
TABLE A - SUPPORT PLAN	
FNC Services Rendered	Budget Billing Plan. In exchange for lower support rates, the Customer elects to pre-purchase support time for twelve months, billed monthly. Minimum package is 2 hours per month. Time not used during any month is irredeemable. In the event that Customer exceeds telephone support hours purchased, the Customer will be billed according to the Time and Material Rate outlined below.
Programming, Debugging, Testing, Design, Consultation,	\$300 per hour or fixed price quote per project
Software Update Releases	Telephone Software Support charges will apply
On-site Support and/or Business Plan Improvement	\$1300.00 per technician, per day, including expenses Excludes Initial Contracts
Training Seminars FNC's office	Cost per day for each attendee \$300.00
Telephone Software Support	* Minimum two (2) hours pre-purchased monthly for 12 months...\$60.00 per hour Time and Material Rate...\$175.00 per hour
Per Application Monthly Fee	Standard license fees apply



INFORMATION ITEM

4A: PSTA Advertising Policies

Action: Information Item

Staff Resource: Cyndi Raskin-Schmitt, Dir. Communications

**FINANCE & PERFORMANCE
MANAGEMENT**

Background:

- PSTA's revenue generating bus advertising program has the opportunity for significant expansion.
- Staff will present a brief history of the program and outline the ways the program has the potential to increase revenue for the Authority.

Attachments:

1. PowerPoint



Bus Advertising Program

Transit Riders Advisory Committee – April 14, 2014
Finance & Performance Management Committee – April 15, 2015

Agenda

- History of PSTA's bus advertising program
- Opportunity to expand
- Adding traditional transit ad products
- Content policy
- Next steps



History

- PSTA used an outside firm until around 2000, when bus advertising was brought in-house to be run by Marketing staff and advertising content was restricted to commercial messages only
- Ad size restrictions added in 2004 when PSTA re-branded with new logo and paint scheme
- Part time sales rep hired in June 2014



2



History

- Recent revenues (excludes materials)
 - FY 2010 -- \$191,359
 - FY 2011 -- \$305,286
 - FY 2012 -- \$388,040
 - FY 2013 -- \$351,806
 - FY 2014 -- \$221,021
 - **FY 2015 -- \$309,000 contracted**

3



Opportunity to Expand

- Outsourcing has potential to significantly increase revenues, while decreasing costs
 - Administrative staff oversight, but little day-to-day
 - Minimum guarantee, plus % overage
 - Ft. Lauderdale \$756,000 guarantee, received \$1.3 million
 - Orlando \$1.1 million guarantee, received \$1.9 million
 - Tampa \$440,000 guarantee, received \$678,000
- Turnkey relationship with contractor
- Contractor follows our advertising policies
- PSTA retains content review authority

4



Adding Traditional Products

PSTA's Current Ad Sizes

- Full Back
- Half Side
- Full Side
- King Kong
- Full Wrap



5



Adding Traditional Products

- King, Queen, Tail
- Targets national media buyers
 - Same ad in multiple markets = larger overall ad buy to PSTA
 - National buyers prefer Kings
- Targets small businesses
 - Smaller ads are more affordable



6



PSTA's Current Content Policy

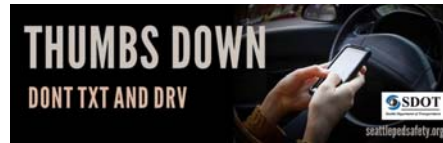
- All ads must be commercial in nature, that is, proposing the sale of a product or service.
- Prohibited content:
 - Alcohol or tobacco products
 - Depictions of violence, obscene or vulgar language
 - Promotion of a commercial transaction that is prohibited by federal, state or local law or regulation
 - Presents a clear and present danger of causing riot disorder or other immediate threat to public safety, peace, or order
 - Political advertisements

7



Possible Change to Content Policy

- Allowing government sponsored messages would allow us to capture non-controversial public service message media dollars



8



Estimated Revenue Increases

FY2015 Budget:	\$215,000
Est. FY2016 Outsourced Revenue:	\$600,000
Net Increase:	+\$385,000

- Potential Net Additional
 - Government Ads: \$200,000
 - Alcohol/Beer: \$50,000

9



Next Steps

- Bus advertising contract award in May
- Consider adopting refined content policy in May

10





INFORMATION ITEM

4B: 2015 Benchmarking & Other Comparison Data Presentation

Action: Information Item

Staff Resource: Brad Miller, CEO

**FINANCE & PERFORMANCE
MANAGEMENT**

Background:

- As most of the Committee may remember, PSTA participates in the American Bus Benchmarking Group (ABBG) which allows fair comparison of hundreds of “Key Performance Indicators” across the full breadth of PSTA’s activities.
- The ABBG produces an Annual Report which was issued last month.
- Additionally, several questions related to comparison data related to financial information, especially capital funding, have been asked by PSTA Board Members and some comparisons with other Florida Transit Systems using public information will be presented as well.

Attachments:

1. PowerPoint to be presented at the meeting



REPORTS

5A: Monthly Financial Statement

Action: Information Item

Staff Resource: Debbie Leous, CFO
Michael Hanson, Dir. of Finance

FINANCE & PERFORMANCE
MANAGEMENT

-
- Staff will present the financial status report for the month ending February 2015.
-

Attachments:

1. Monthly Financial Performance Report – Monthly
2. Monthly Financial Performance Report – Fiscal Year to Date
3. Monthly Financial Performance Report – Fiscal Year to Fiscal Year Comparison
4. Statement of Revenues and Expenditures – Actual vs. Budget
5. Statement of Revenues and Expenditures – Year to Year Actual vs. Actual

**MONTHLY FINANCIAL PERFORMANCE REPORT
for the Period Ending February 28, 2015**

Month to Date as of February 2015

	February			
Description	Actual	Budget	% Variance	\$ Variance
Revenues	\$4,159,795	4,642,093	(10.39%)	(\$482,298)
Expenses	\$4,763,998	5,474,644	(12.98%)	(\$710,646)
Surplus / (Deficit)	(\$604,203)	(832,551)	(27.43%)	\$228,348

For the month of February, the net deficit of **-\$0.60 million** was **\$0.23 million** more than the budgeted deficit of **-\$0.83 million**.

Revenues

Auxiliary revenue is 143.9% over budget due to increased advertising.	32,097
Non-Transportation revenue is 41.4% over budget due to TD Co-pays.	4,417
Taxes revenue is 5.0% over budget due to timing of receipts.	70,596
State Grants revenue is -50.6% under budget due to the timing of the start of the grant.	(587,953)
Federal Grants revenue is 7.5% over budget.	54,388
All other revenues within 5.0% of budget	(55,843)
	<u><u>(\$482,298)</u></u>

Expenses

Salaries expense is -11.1% under budget.	(\$267,413)
Fringe Benefits expense is -14.1% under budget.	(131,624)
Services expense is -29.6% under budget.	(90,589)
Diesel Fuel expense is -5.3% under budget.	(28,918)
Insurance expense is -64.8% under budget due to the timing of recoveries.	(78,177)
Taxes & Licenses expense is -11.3% under budget.	(6,956)
Miscellaneous expense is -67.6% under budget due to service enhancements.	(88,508)
All other expenses within 5.0% of budget	(18,461)
	<u><u>(\$710,646)</u></u>

**MONTHLY FINANCIAL PERFORMANCE REPORT
for the Period Ending February 28, 2015**

Year to Date as of February 2015

February				
Description	Actual	Budget	% Variance	\$ Variance
Revenues	\$46,105,874	\$47,209,915	(2.34%)	(\$1,104,041)
Expenses	\$26,097,508	27,956,956	(6.65%)	(\$1,859,448)
Surplus / (Deficit)	\$20,008,366	19,252,959	3.92%	\$755,407

Year to date through February, the net surplus of \$20.01 million was \$.76 million more than the budgeted surplus of \$19.25 million.

Revenues

Passenger Fares revenue is -10.9% under budget.	(\$655,005)
Auxiliary revenue is 82.2% over budget due to increased advertising.	91,640
Non-Transportation revenue is 24.0% over budget.	12,813
State Reimbursement-Fuel Tax revenue is 6.4% over budget.	16,766
State Grants revenue is -10.7% under budget due to the timing of the start of the grant.	(620,937)
All other revenues within 5.0% of budget	50,682
	<u><u>(\$1,104,041)</u></u>

Expenses

Fringe Benefits expense is -5.9% under budget due to vacancies.	(273,451)
Services expense is -13.9% under budget due to increased subrogation.	(235,304)
Diesel Fuel expense is -6.1% under budget.	(182,143)
Insurance expense is -26.1% under budget due to the timing of recoveries.	(157,604)
Utilities expense is -13.1% under budget.	(61,284)
Miscellaneous expense is -72.9% under budget due to service enhancements.	(518,265)
All other expenses within 5.0% of budget	(431,397)
	<u><u>(\$1,859,448)</u></u>

**MONTHLY FINANCIAL PERFORMANCE REPORT
for the Period Ending February 28, 2015**

Year to Year Comparison Based on YTD Actuals as of February 2015

	February			
Description	FY 2015	FY 2014	% Variance	\$ Variance
Revenues	\$46,105,874	\$44,730,833	3.07%	\$1,375,041
Expenses	\$26,097,508	24,724,248	5.55%	\$1,373,260
Surplus / (Deficit)	\$20,008,366	20,006,585	0.01%	\$1,781

Year to year through February, the net surplus of \$20.01 million for FY 2015 was \$.00 million more than the FY 2014 surplus of \$20.01 million.

Revenues

Passenger Fares revenue for FY 2015 is -6.1% under FY 2014.	(\$348,646)
Auxiliary revenue for FY 2015 is 111.8% over FY 2014 due to increased advertising.	107,215
Non-Transportation revenue for FY 2015 is -59.3% under FY 2014 due to TD Co-pays.	(96,568)
Taxes revenue for FY 2015 is 7.1% over FY 2014 due to increased property values.	2,041,366
Local Beach Trolley & Rt.35 revenue for FY 2015 is 7.7% over FY 2014.	26,150
State Reimbursement-Fuel Tax revenue for FY 2015 is 9.5% over FY 2014.	24,231
Federal Grant MPO Pass-Thru revenue for FY 2015 is -9.7% under FY 2014.	(7,084)
All other revenues within 5.0% of budget	(371,623)
	<u><u>\$1,375,041</u></u>

Expenses

Fringe Benefits expense for FY 2015 is 7.7% over FY 2014.	313,496
Supplies expense for FY 2015 is 5.2% over FY 2014.	86,508
Insurance expense for FY 2015 is 1460.6% over FY 2014 due to recoveries.	417,358
Utilities expense for FY 2015 is 19.5% over FY 2014.	66,121
Purchased Transportation - DART expense for FY 2015 is 7.8% over FY 2014.	151,293
Purchased Transportation - TD expense for FY 2015 is -5.0% under FY 2014.	(16,141)
Purchased Transportation - Trolleys expense for FY 2015 is 11.1% over FY 2014.	26,995
Miscellaneous expense for FY 2015 is -19.0% under FY 2014.	(45,134)
All other expenses within 5.0% of budget	372,764
	<u><u>\$1,373,260</u></u>

Pinellas Suncoast Transit Authority
Statement of Revenues and Expenditures
Actual vs. Budget
Month Ended February 2015

	Month				Year to Date				Annual
	Actual	Budget	Variance		Actual	Budget	Variance		Budget
			Percent	Dollar			Percent	Dollar	
Revenue									
Passenger Fares	\$ 1,132,393	\$ 1,185,807	(4.50%)	\$ (53,414)	\$ 5,339,356	5,994,361	(10.93%)	\$ (655,005)	\$ 14,189,840
Auxiliary	54,397	22,300	143.93%	32,097	203,140	111,500	82.19%	91,640	267,600
Non-Transportation	15,095	10,678	41.37%	4,417	66,207	53,394	24.00%	12,813	128,140
Taxes	1,474,729	1,404,133	5.03%	70,596	30,895,331	30,933,636	(0.12%)	(38,305)	35,355,160
Local Beach Trolley & Rt.35	72,019	73,081	(1.45%)	(1,062)	367,007	365,395	0.44%	1,612	876,962
State Reimbursement-Fuel Tax	46,946	48,313	(2.83%)	(1,367)	279,497	262,731	6.38%	16,766	657,320
State Grants	574,481	1,162,434	(50.58%)	(587,953)	5,191,228	5,812,165	(10.68%)	(620,937)	7,466,477
Federal Grants	776,402	722,014	7.53%	54,388	3,697,961	3,610,066	2.43%	87,895	5,446,585
Federal Grant MPO Pass-Thru	13,333	13,333	0.00%	0	66,147	66,667	(0.78%)	(520)	80,000
Total	4,159,795	4,642,093	(10.39%)	(482,298)	46,105,874	47,209,915	(2.34%)	(1,104,041)	64,468,084
Expenditures									
Salaries	2,148,369	2,415,782	(11.07%)	(267,413)	11,652,750	12,132,203	(3.95%)	(479,453)	28,847,972
Fringe Benefits	802,951	934,575	(14.08%)	(131,624)	4,392,604	4,666,055	(5.86%)	(273,451)	11,208,013
Services	215,318	305,907	(29.61%)	(90,589)	1,452,806	1,688,110	(13.94%)	(235,304)	3,474,995
Diesel Fuel	519,836	548,754	(5.27%)	(28,918)	2,817,207	2,999,350	(6.07%)	(182,143)	7,517,170
Supplies	338,685	334,346	1.30%	4,339	1,736,196	1,711,629	1.44%	24,567	4,172,040
Insurance	42,532	120,709	(64.76%)	(78,177)	445,933	603,537	(26.11%)	(157,604)	1,423,000
Utilities	90,364	93,154	(3.00%)	(2,790)	405,464	466,748	(13.13%)	(61,284)	1,123,200
Taxes & Licenses	54,839	61,795	(11.26%)	(6,956)	322,385	334,953	(3.75%)	(12,568)	848,840
Purchased Transportation - DART	391,782	410,325	(4.52%)	(18,543)	2,101,507	2,051,625	2.43%	49,882	4,923,900
Purchased Transportation - TD	63,050	64,032	(1.53%)	(982)	308,037	320,156	(3.79%)	(12,119)	768,380
Purchased Transportation - Trolleys	53,883	54,368	(0.89%)	(485)	270,127	271,833	(0.63%)	(1,706)	652,409
Miscellaneous	42,389	130,897	(67.62%)	(88,508)	192,492	710,757	(72.92%)	(518,265)	1,703,155
Total	4,763,998	5,474,644	(12.98%)	(710,646)	26,097,508	27,956,956	(6.65%)	(1,859,448)	66,663,074
Revenue Over / (Under) Expenditures	\$ (604,203)	\$ (832,551)	(27.43%)	\$ 228,348	\$ 20,008,366	\$ 19,252,959	3.92%	\$ 755,407	\$ (2,194,990)
Transfer To / From Reserve									\$ 2,194,990

Pinellas Suncoast Transit Authority
Statement of Revenues and Expenditures
Actual vs. Actual
Month Ended February 2015

	Year to Date			Variance	
	Budget	February 2015 Actual	February 2014 Actual	Percent	Dollar
Revenue					
Passenger Fares	\$ 5,994,361	\$ 5,339,356	\$ 5,688,002	(6.13%)	\$ (348,646)
Auxiliary	111,500	203,140	95,925	111.77%	107,215
Non-Transportation	53,394	66,207	162,775	(59.33%)	(96,568)
Taxes	30,933,636	30,895,331	28,853,965	7.07%	2,041,366
Local Beach Trolley & Rt.35	365,395	367,007	340,857	7.67%	26,150
State Reimbursement-Fuel Tax	262,731	279,497	255,266	9.49%	24,231
State Grants	5,812,165	5,191,228	5,449,942	(4.75%)	(258,714)
Federal Grants	3,610,066	3,697,961	3,810,870	(2.96%)	(112,909)
Federal Grant MPO Pass-Thru	66,667	66,147	73,231	(9.67%)	(7,084)
Total	<u>47,209,915</u>	<u>46,105,874</u>	<u>44,730,833</u>	<u>3.07%</u>	<u>1,375,041</u>
Expenditures					
Salaries	12,132,203	11,652,750	11,191,592	4.12%	461,158
Fringe Benefits	4,666,055	4,392,604	4,079,108	7.69%	313,496
Services	1,688,110	1,452,806	1,456,314	(0.24%)	(3,508)
Diesel Fuel	2,999,350	2,817,207	2,906,189	(3.06%)	(88,982)
Supplies	1,711,629	1,736,196	1,649,688	5.24%	86,508
Insurance	603,537	445,933	28,575	1460.57%	417,358
Utilities	466,748	405,464	339,343	19.49%	66,121
Taxes & Licenses	334,953	322,385	318,289	1.29%	4,096
Purchased Transportation - DART	2,051,625	2,101,507	1,950,214	7.76%	151,293
Purchased Transportation - TD	320,156	308,037	324,178	(4.98%)	(16,141)
Purchased Transportation - Trolleys	271,833	270,127	243,132	11.10%	26,995
Miscellaneous	710,757	192,492	237,626	(18.99%)	(45,134)
Total	<u>27,956,956</u>	<u>26,097,508</u>	<u>24,724,248</u>	<u>5.55%</u>	<u>1,373,260</u>
Revenue Over / (Under) Expenditures	\$ <u>19,252,959</u>	\$ <u>20,008,366</u>	\$ <u>20,006,585</u>	<u>0.01%</u>	\$ <u>1,781</u>

Transfer To / From Reserve



REPORTS

5B: Ridership & Operations Performance Report

Action: Information Item

Staff Resource: Rita Hoffman, Statistical Data Manager

**FINANCE & PERFORMANCE
MANAGEMENT**

-
- Staff will present the ridership and operations report for the month ending February, 2015.
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Attachments:

1. Ridership and Operations Reports (provided at meeting)