

## **MISSOULA PARKING COMMISSION**

### **Minutes**

**March 1, 2018**

A Board of Directors' meeting was held in the Jack Reidy Conference Room, 140 W Pine Street at noon. Those in attendance were Board members John Roemer, Heidi Kendall, Pat Corrick and Joe Easton. From the Parking Commission office were Rod Austin, Director, and Jodi Pilgrim, Administrative Assistant II. Also in attendance, Jan Schweitzer, Anderson ZurMuehlen.

**I. Call to Order – John Roemer**

**II. Introductions and Welcome to those in attendance**

**III. Public Comments and Announcements**

None

**IV. Adjustment to the Agenda**

None

**V. Approval of Minutes**

Heidi Kendall moved to approve the February 1, 2018 meeting minutes with no changes. Joe Easton seconded her motion and the Minutes of the Board Meeting held on February 1, 2018 were unanimously approved.

**VI. Communications and Presentations**

**A. FY17 Audit Review – Jan Schweitzer, Anderson ZurMuehlen**

All board members received the full report electronically. Jan brought a packet of slides to review during the meeting. First page, on MPC actual financial report, the opinion on financial report is the best opinion you can get, called an unmodified. This is the highest level of opinion you can get and was totally expected. Under government standards, there is an additional report which showed no findings. On the next page – overview of financial statement highlights. Current assets increased by \$261,000, change in cash as a result of operations. Capital assets decreased by \$474,000 as a function of depreciation. Notes receivable decreased, this will happen every year as payments are received on the notes. Long-term liabilities decreased due to payments on bonds and Net position result of net loss.

Revenue and expenditures increased, both at commensurate percentage. Expense increased mostly due to City of Missoula contract, accounted for \$20,000 of that increase, then there was repair and maintenance, operating expenses, meter repairs, and a consultant expense. Both parking and ticket revenue increased. John clarified that the consultant was primarily for LPR and PARCS, and we're pretty much done with that now.

The next slides showed graphical analysis of the financials over five years, to see trend. John asked for clarification on revenue from investments in 2015. Rod explained MPC used up cash on hand to build Park Place and any excess cash we have, the city pools it with other sources and they invest it. The investments are pretty conservative, but we don't get an itemization of what they invest in. Jan looked through the cash allocation sheet and explained that it's hard to tell since everything is pooled together. Rod believes it would be nice to see how much of the pool is ours, and the rate of return.

The next two slides broke out revenue sources and expenses in a percentage format. This shows the changes over last 5 years, 2013-2017. Jane explained that depreciation and amortization will always depend on what the biggest asset balance is and repair and maintenance change based on what MPC is doing, and bond interest should stay stable over the next few years. Pat Corrick asked about other operating expenses, they've doubled in two years, what goes into that? Jan explained the consultant is one of the things that went into it and Rod pointed out the support function for the technology – to T2 for support, software and maintenance. Pat asked if it will pull back a little bit, Jan said it may considering the consulting was a one time thing. Joe asked if it couldn't be tied to the revenue from the machines instead of to other operating. Rod explained that our revenue is up more than you see. John explained that it's just how we organize the financials. Jan said it makes sense that the new meters go in and the expenses change.

Days of cash on hand is a particular day and time, June 30, each year and shows the trend of the building of the cash over the years. We have about 4 months' worth of cash on hand at the beginning of the fiscal year. Pat asked are cash and cash equivalence in one or a couple places? Where does most of that cash reside and do we have a policy around it, if we have a bank account making sure that we don't have more than 250 and are still covered with FDIC insurance? Rod isn't sure if we have special FDIC insurance or not. Jan pointed to page 15 of the report, which describes the pooling with the city cash. The whole pool of cash is covered, and then they're backed by government securities. Pat explained he is just curious if we need a policy. Rod will check with the city to find out what they have as a policy. John stated that since we're moving our funds to their pool it's really up to them. Rod will do some research and have a comment on the city and parking commission cash policy in next month's director report.

The next slide showed working capital ratio, which highlights liquidity and the ability to meet current obligations with current assets on hand. Anything over 1 signifies health. MPC has been in that range for the last 4 years. Then there's the coverage ratio over the last five years – we've always been above the required ratio 1.35. Rod pointed out that our current ratio is 2.15. Jan stated 2.15 for the last 2 years and well over 1 for the last 5 years.

The last slide covers the letter received with the audit describing the auditors responsibility, new accounting standards, and other disclosures. There were no difficulties performing the audit, no misstatements noted, and no disagreements with management. That concluded the presentation. John Roemer asked for questions.

Joe Easton asked, “did you have any outside confirmation or requesting any information from outside Rod's office to confirm any of your findings or confirm any of the information that you got?” Jan responded no. Did you have communications with the city treasury or any bankers? Jan explained they confirm bank accounts. But you didn't have to go and request information that you didn't get from Rod? Jan not unless it was available. Rod explained that our audit is actually part of a city wide audit, so the auditors are working with city finance. Jan stated they didn't do anything outside of ordinary procedures required them to do that. Joe asked “on our outstanding bonds, the upper end of our rates is 4.35, blended throughout the term. Are there any outstanding bonds that go to the end of the term that are at that rate? Are they more front loaded? Are they more blended all through?” Rod asked for clarification. Joe explained that the outstanding liability goes to 2035 and is blended between 2% and 4.35%. Jan found the information on page 19 of the report. Jan said she would have to look at the work papers to see. Jan will get back to Rod with an answer to that that he can include in next month's director report. No further questions.

#### B. Marketing Update – Jodi Pilgrim, Missoula Parking Commission

Jodi shared sign and decal designs for the Passport marketing campaign aimed at increasing PassportParking usage. All signs and decals will be printed and shipped by Passport free of charge. Jodi explained that all our current signs will be replaced, and 33 additional signs will be added. All front decals will be replaced. All meters will have an additional decal placed on the sides so they are visible to people walking down the sidewalk. Pat asked if we know how many people have downloaded the app. We do not know how many people have the app, but we do know that 10% of our credit card transactions for meter payments are done in Passport. Jodi explained our goal is to get that number up over 20%. Rod explained that increase in Passport use will decrease merchant fees.

Jodi updated the board on LPR and PARCs marketing plan. MPC is working with 6 Pony Hitch to educate the public about the projects and put a positive face on the upgrades.

## **VII. Director's Report**

Board members received the director's report prior to meeting. Rod Austin has nothing additional to report, so asked for any questions.

Rod commented on the second item in the director's report. There is a lot west of the pedestrian bridge. City officials, property owners, and MRL are trying to do something with that lot to make it safer and clean it up. Joe Easton stated the City owns it right now, and asked how they manage parking and if it's just city employees that park there. Rod explained that it is currently not being managed. Joe asked who would park there? Rod explained that we would be able to fill the lot with lease parkers almost immediately. He went on to explain that our jurisdiction would also be extended to reach that lot, which would include managing some new on-street areas. Pat Corrick asked what we need to do to get things started. Rod is working with potential partners. Pat asked if Rod or someone is creating a schedule of costs? Rod just got involved a little over a week ago, so not yet. Pat asked if there would be any meters going in over there. Rod explained we would either do long-term parking or leases on-street. Pat asked for confirmation that someone will generate some sort of capital improvement proposal. Yes. Rod is currently waiting on MRL engineers to assess their property on the other side of the fence. Joe Gentry at MRL wants to have his engineers take a peek. Rod's not sure yet. John called for any more questions. There were none.

## **VIII. Financial Statement**

None. Rod explained that he spoke with Jim Gallipeau at JCCS, there is nothing new to report because we haven't received December's financials yet.

## **IX. Action Items**

None

## **X. Non-action Items**

A. New Business:

None

B. Old Business:

A. PARCS/MPLR Update

Rod has signed the quote with T2 and we're in process. Our goal is to get that stuff here as soon as possible and get it installed.

**XI. Setting of next meeting and adjournment:**

Meeting adjourned for a brief closed executive session with the following statement:

“In the opinion of the presiding officer, the demands of individual privacy clearly exceeds the merits of public disclosure. The right of the individual privacy of this person has not been waived, and therefore I move to close this meeting to discuss a personnel matter.”

Rod confirmed that the personnel matter was not about him. The next meeting is scheduled for Thursday, April 5, 2018 (Jack Reidy Conference Room)

Respectfully submitted,

Jodi Pilgrim  
Administrative Assistant II