

MEETING NOTICE

The next meeting of the Gunnison Valley Transportation Authority (RTA) will be:

April 8, 2011 at 8:00 a.m.
in the Council Room
in the Crested Butte Town Hall
508 Maroon Ave, Crested Butte, CO.

There will also be an informational conference call which is open to the public on April 7, 2011 at 8:00 a.m.

For copies of the agenda and minutes of previous meetings, or information about joining the conference call, please call Scott Truex at 970-275-0111.

Two or more County Commissioners may be in attendance at this meeting and/or conference call.

AGENDA
GUNNISON VALLEY TRANSPORTATION AUTHORITY
April 8, 2011
8:00 A.M. – CRESTED BUTTE COUNCIL CHAMBERS

- 8:00 A. INTRODUCTION
- 8:01 B. ADOPTION OF THE AGENDA – **motion & decision**
- 8:02 C. APPROVAL OF THE MARCH 11, 2011 MINUTES – **motion & decision**
- 8:03 D. EXECUTIVE DIRECTOR’S FINANCIAL REPORT – Scott Truex
- 8:10 E. CORRESPONDENCE – Scott Truex

GENERAL RTA ISSUES

- 8:11 F-1. OLD BUSINESS
 - 1) Draft 2012 Budget Options – Scott Truex

- 8:35 G-1. NEW BUSINESS
 - 1) Tourism Association Update – Jane Chaney
 - 2) Citizen Advisory Committee Update – Jeff Moffett

AIR SERVICE ISSUES

- 8:45 F-2. OLD BUSINESS
 - 1) 2010-2011 air service program – Kent Myers
 - 2) 2011-2012 air service program – Kent Myers
 - 3) Airport survey update – Kent Myers

- G-2. NEW BUSINESS
 - 1)

GROUND TRANSPORTATION ISSUES

- 9:15 F-3. OLD BUSINESS
 - 1) Gunnison – CB service update – Scott Truex

- 9:20 G-3. NEW BUSINESS
 - 1)

- 9:21 H. COMMENTS FROM BOARD MEMBERS
- 9:25 I. PUBLIC COMMENT PERIOD
- 9:30 J. ADJOURNMENT

Next Meeting –May 13, 8:00 a.m. in Gunnison

All times are approximate – the meeting may move more quickly or more slowly than indicated.

GUNNISON VALLEY TRANSPORTATION AUTHORITY

March 11, 2011 Meeting Minutes

Scott Truex, Executive Director
Kent Myers, Airplanners LLC
Paula Swenson, Gunnison County
Phil Chamberland, Gunnison County
Jonathan Houck, City of Gunnison
Bill Nesbitt, City of Gunnison
Chris Morgan, Town of Mt. Crested Butte
William Buck, Town of Mt. Crested Butte
Leah Williams, Town of Crested Butte

Several other community members were present in the audience including representatives from The Town of Mount Crested Butte, Crested Butte Mountain Resort, the Crested Butte – Mt. Crested Butte Chamber of Commerce, Alpine Express, Gunnison / Crested Butte Tourism Association, the public, and the RTA Citizens Advisory Committee

A. INTRODUCTION – Jonathan Houck called the meeting to order at 8:03 a.m. and requested that Draft 2012 Budget Options under Old Business be moved to the end of the meeting and be held in Executive Session. The discussion will concern contract negotiations between the RTA , CBMR and airline partners.

B. ADOPTION OF THE AGENDA – Bill Nesbitt moved and Paula Swenson seconded to adopt the agenda as revised. Motion passed unanimously.

C. APPROVAL OF THE February 11, 2011 MINUTES – Nesbitt moved and Swenson seconded to approve the minutes as presented. Motion passed unanimously.

D. EXECUTIVE DIRECTOR’S FINANCIAL REPORT – Scott Truex presented the financial report to the board. Leah Williams questioned the earmark system and the possibility of RTA losing its funding in the future.

E. CORRESPONDENCE – None. Truex reported attending a local transportation meeting with Paula Swenson and presented a flyer produced from that meeting.

GENERAL RTA ISSUES

F-1. OLD BUSINESS

- 1) Draft 2012 Budget Options – This item was removed from the agenda.

G-1. NEW BUSINESS

- 1) Tourism Association Update – Jane Chaney reported on print promotions and Erika Kelleher reported on electronic based promotions.
- 2) Citizen Advisory Committee Update – Jeff Moffett noted that the conference call had more participation than usual with several second home owners involved.

AIR SERVICE ISSUES

F-2. OLD BUSINESS

- 1) 2010-2011 air service program – Kent Myers reported on financial and passenger load trends comparing this year with 2004-5 and how these numbers will impact negotiations in the future. He noted per passenger revenue is up due to additional fees. John Devore reported on airport operations including an accident with the jetbridge.
- 2) Airport survey update – Kent Myers told the board that 328 surveys have been completed by WSC students and results will be ready by the April meeting.

G-2. NEW BUSINESS --None

GROUND TRANSPORTATION ISSUES

F-3. OLD BUSINESS

- 1) Gunnison – CB service update – Scott Truex noted that ridership has dropped by about two-thirds over last year and reported how those numbers may impact grants in the future. Truex reported that two bus engines will need to be replaced this year. Bill Nesbitt reported on the unpaid \$3800 from student government at WSC. Truex noted Stewart Johnson and Alpine Express were doing a great job.

G-3. NEW BUSINESS -- None

H. COMMENTS FROM BOARD MEMBERS -- None

I. PUBLIC COMMENT PERIOD – Richard Bond emphasized the importance of increasing the number of air passengers and noted the majority of sales tax revenue is coming from the north end of the valley. Jeff Moffett noted the economic impact of the airport to the entire county. Members of the public and business owners stated that airlines were more important to them than buses. Stewart Johnson also noted that airlines were more important than buses. Ken Stone agreed that funds should be geared toward air service and the number of seats increased. Kent Myers explained the difficulty of “cherry-picking” flights. Discussion was held on the mission statement of the RTA and the feasibility of cutting or eliminating the bus system and moving those funds to the air service. Jonathan Houck emphasized the importance of board members, as elected officials, being responsible to their constituency in making any decision. Discussion was held regarding the expectation of full payment of caps and how long that can be sustainable.

J. ADJOURNMENT – The meeting was suspended at 9:35 a.m. when William Buck moved and Paula Swenson seconded to continue the meeting in executive session. Motion passed unanimously. Executive Session ended at 10:54 a.m. Paula Swenson then moved and William Buck seconded to adjourn the regular meeting. Motion passed unanimously.

Gunnison Valley Transportation Authority											
Sales Tax Revenues											
					Budget	Revised			% vs	% vs	
	2007	2008	2009	2010	2011	2011	Actual	% vs	Revised	% change	% change
							2011	Budget	Budget	10-11	07-11
Jan	\$ 105,609	\$ 103,663	\$ 86,153	\$ 70,452	\$ 62,000	\$ 66,900	\$ 71,281	15.0%	6.5%	1.2%	-32.5%
Feb	\$ 107,137	\$ 93,805	\$ 81,262	\$ 75,382	\$ 67,000	\$ 71,600					
Mar	\$ 119,164	\$ (11,179)	\$ 93,904	\$ 98,721	\$ 89,000	\$ 93,700					
April	\$ 71,328	\$ 61,635	\$ 51,851	\$ 43,673	\$ 36,000	\$ 41,500					
May	\$ 84,000	\$ 65,705	\$ 59,877	\$ 85,985	\$ 77,000	\$ 81,700					
June	\$ 120,934	\$ 105,009	\$ 94,998	\$ 88,798	\$ 78,000	\$ 84,400					
July	\$ 138,044	\$ 136,398	\$ 121,316	\$ 118,426	\$ 107,000	\$ 112,500					
Aug	\$ 134,640	\$ 128,525	\$ 109,125	\$ 107,500	\$ 91,000	\$ 102,100					
Sept	\$ 113,222	\$ 106,116	\$ 95,231	\$ 84,086	\$ 80,000	\$ 79,900					
Oct	\$ 80,175	\$ 79,006	\$ 65,353	\$ 65,900	\$ 52,000	\$ 62,600					
Nov	\$ 77,797	\$ 57,190	\$ 53,910	\$ 51,263	\$ 43,000	\$ 48,700					
Dec	\$ 126,513	\$ 111,008	\$ 98,260	\$ 96,014	\$ 82,000	\$ 91,400					
Year-to-date	\$ 1,278,563	\$ 1,036,882	\$ 861,533	\$ 704,452	\$ 620,000	\$ 669,000	\$ 71,281	15.0%	6.5%	1.2%	-32.5%
Full Year	\$ 1,278,563	\$ 1,036,882	\$ 1,011,240	\$ 986,200	\$ 864,000	\$ 937,000					

Gunnison Valley Transportation Authority						
Financial Report - February, 2011						
				YTD	2011	2011
				Actual	Budget	Revisions
						Projected
Beginning Fund Balance				\$ 330,683.32	\$ 320,000	\$ 10,683
Revenues:						
	Sales Tax			\$ 71,281.08	\$ 864,000	\$ 73,000
	Sales Tax - Clerk			\$ -	\$ 5,000	\$ -
	Earnings on Investments			\$ -	\$ 1,000	\$ -
	Financing Proceeds			\$ 260,000.00	\$ 260,000	\$ -
	5311 - A FTA 5311 Admin Grant			\$ -	\$ 35,934	\$ -
	5311 - O FTA 5311 Operating Grant			\$ -	\$ 99,440	\$ -
	5311 - O Passenger Fares			\$ 10,407.27	\$ 22,320	\$ 9,486
Total Revenues				\$ 341,688.35	\$ 1,287,694	\$ 82,486
Expenditures						
	Postage			\$ -	\$ 100	\$ -
	Photocopies			\$ -	\$ 100	\$ -
	Equipment Under \$4,000			\$ -	\$ 100	\$ -
	Travel - Transportation			\$ -	\$ 1,200	\$ -
	Travel - Meals			\$ -	\$ 1,200	\$ -
	Travel - Lodging			\$ -	\$ 1,200	\$ -
	Legal Services			\$ -	\$ 8,500	\$ -
	Contracted Temporary Help			\$ 97.50	\$ 2,400	\$ -
	Professional Services - Airplanners			\$ 17,436.84	\$ 73,200	\$ -
	State Fees			\$ -	\$ 12,720	\$ -
	Treasurer's Fees			\$ -	\$ 15,000	\$ -
	Advertising & Legal Notices			\$ 127.00	\$ 3,000	\$ -
	Dues & Memberships			\$ 3,143.50	\$ 3,500	\$ -
	Auditing			\$ -	\$ 2,273	\$ -
	Insurance & Bonds			\$ 3,238.00	\$ 3,300	\$ -
	Principle Payment			\$ 200,000.00	\$ 260,000	\$ -
	Interest Payments			\$ 2,394.16	\$ 9,000	\$ -
	Bank Fees			\$ 1,500.00	\$ 1,500	\$ -
	Investment Commissions/Fees			\$ -	\$ 27	\$ -
	Transfer to General Fund			\$ 3,822.84	\$ 22,937	\$ -
	Airline Guarantees			\$ 259,975.00	\$ 325,000	\$ -
	Ground Transportation - Denver			\$ -	\$ 42,750	\$ -
	5311 - A Management Services - Truex			\$ 16,800.00	\$ 67,200	\$ -
	5311 - O Diesel Fuel			\$ 13,539.83	\$ 52,600	\$ -
	5311 - O Repair & Maintenance - Vehicles			\$ 3,667.44	\$ 80,000	\$ -
	5311 - O Purchased Transportation Services			\$ 55,338.00	\$ 236,120	\$ -
Total Expenditures				\$ 581,080.11	\$ 1,224,927	\$ -
Ending Fund Balance				\$ 91,292	\$ 382,767	\$ 475,936
Amount Due on Loan				\$ 60,000	\$ -	\$ -
Capital Reserve				\$ 110,000	\$ 110,000	\$ 110,000
Unrestricted Fund Balance				\$ (78,708)	\$ 272,767	\$ 365,936
Report shows posted revenues through January & expenditures through February						
Report prepared by Scott Truex with information from the County Finance department on March 31, 2011						

From: Scott Truex [mailto:struex@gunnisonvalleyrta.org]

Sent: Tuesday, March 29, 2011 5:36 PM

To: Bill Nesbitt (bnesbitt@gunnison.com); Chris Morgan (cmorgan@crestedbutte.net); Jonathan Houck (jhouck@cityofgunnison-co.gov); Kent Myers (kent@airplanners.net); Leah Williams (lbwilliams@me.com); Paula Swenson; Phil Chamberland (pchamberland@hughes.net); Roland Mason (rmasoncb@hotmail.com); William Buck

Subject: 2012 budget options and recommendation - please contact me with any questions.

To: RTA Board Members

From: Scott Truex

Re: 2012 Budget Options

At the last board meeting, you asked me to come up with a different format for discussing the budget options for 2012. I was asked to consider the amount of funds available for the air program given 6 and 8 bus trips, with a fee and with no fee. I was also asked to look at the possibility of not adding funds to the capital reserve in 2012.

Before making any changes to our assumptions, I wanted to see what the January, 2011 sales tax revenues would be. We received them last week and they were up 1.2% from 2010.

We have budgeted sales tax revenues to be down 15% in 2011.

Also, in order to come up with reasonable projections, I needed to make some assumptions for 2012 revenues.

I discussed these issues with the County Finance Director and based upon what we are seeing, we thought that the 15% reduction was too conservative to be realistic. I also discussed them with Lois Rozman and she agreed.

Therefore, for this discussion, I am increasing the revenue projections for 2011. The new assumption is that we will be down 5% from 2010 actual revenues. Also, we now assume that 2012 revenues will be flat as compared with 2011.

This change brings more funds to the table for RTA purposes. I still consider this to be a conservative estimate. As a result of this change, we are able to budget a bit more aggressively.

With the change in projected revenues, we should see a year-end fund balance for 2011 of about \$475,000. With the capital reserve of \$110,000, we will have a year-end unobligated fund balance of about \$365,000. This is getting close to the level we want to maintain so that we don't need to borrow funds (assuming airline payments can again be made in May.)

After looking at these revised projections and estimating expenses and revenues through 2012, I have come to the following conclusions:

Given this scenario for ground transportation: This amount is available for MRGs in 2012:

Option 1:	6 trips per day with \$2 fee	\$450,000
Option 2:	8 trips per day with free service	\$360,000
Option 3:	8 trips per day with \$2 fee	\$400,000

Please note that the 6 trip free service is not an option due to potential overcrowding.

\$55,000 is set aside to add to the capital reserve in 2012. If we choose not to add to the capital reserve, then we can increase the amount available to the programs by \$55,000. **I do not recommend this option.**

If we continue to charge a fee on the buses, we should seriously consider offering a pass or token product. The pass products are fairly expensive, but we could offer tokens for less up-front costs (+/- \$6,000). There are other problems with the pass product, so my recommendation is to go with the tokens. Hopefully, we would be able to find locations who are willing to resell them for us.

In order to meet your goal of considering a tax increase in 2012, I believe that we have to make the bus system more successful than it was this past winter. Therefore, if we want to have a chance at passing the tax, I believe that we should increase the bus service to 8 round trips next winter.

Recommendation: Understanding that the board desires to grow the air and ground programs responsibly and simultaneously, my suggestion is that we use option #3 and commit to \$400,000 for the 2012 air program and commit to providing 8 trips per day on the buses next winter. If we end up beating the new revenue/expense projections by around \$40k this summer, we could offer free bus service. If we don't, we could charge the \$2 fare. The decision regarding charging a fare can be made in September.

If we run the eight trip bus schedule, it would be the same as this winter, with the following additional trips.

7:00 a.m. from City Market
8:00 a.m. from Mt. CB
5:00 p.m. from City Market
6:15 p.m. from Mt. CB

I hope you find this helpful for your discussions going forward. It seems to me that the steps we have taken during the past 12 months to stabilize our finances have made a difference and we are turning the corner. The economy seems to have stabilized as well (albeit at a lower level) and this will help us going forward.

Please let me know if you have any questions.

Sincerely,
Scott Truex
Executive Director
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