

Cape Ann Transportation Authority  
Board Meeting  
Dec 6, 2016  
9:00am

Attendance: Administrator Paul Talbot, Felicia Webb, James Destino, Chris Sicuranza, David Gardner, Robert Ryan, Mitchell Vieira, Joe Randazza, and Jackie LaFlam

Called to order by James Destino at 9:10am

Approval of June 1, 2016 minutes

Motion to Approve by James Destino  
Seconded- Mitchell Vieira  
Vote- Unanimous approval

FY/2016 Audit Report

Paul Talbot discussed the FY/2016 Audit Report. There were no findings, net position increased, and we have a sound financial situation.

James Destino recommended again to look into a new auditor, a new set of eyes would be a good change.

Paul said Roland has been with CATA since the beginning. He also audits 4 other authorities and this is his specialty.

Mitch Vieira said he spoke with Roland for a few hours about the audit. One thing that was discussed was the \$400,000 due to the brokerage from the state from FY14.

Dave Gardner explained they are still pursuing the issue of the \$400,000 reimbursement that CATA is still waiting for. Apparently there was a glitch in the reporting from HST. We are all going to sit down and try to solve the issue and get the funds.

James Destino asked if we do expect to get it.

Dave Gardner answered it is very vague we are not sure at this time so a meeting is what we need to do.

Joe Randazza explained that our software had a problem and HST/Maximus could not read the disk. We resubmitted as they requested, and those claims were denied because they were 90 days over. HST sent us a document saying that we did not get paid the full amount we billed. This has been back and forth for over 2 years. This is why David got involved.

Page 2-James Destino wants to know why the operating revenue and expenses increased from last year. He also asked what "Other" was under Operating Revenue (\$107,735).

Paul explained it was the brokerage services and the estimated transportation increase for the brokerage work. It is 100% paid for by the State for transportation. Paul Talbot said we would get back to him about what revenues were included in the Other category.

James Destino asked about the increased amount in the Capital Grants, \$838,766.

Felicia Webb explained that the increase was in additional funding from MassDOT RTACAP, about \$830,000 was from MassDOT for new vehicles.

Page 8-James Destino asked Net Position, Restricted, \$17,783.

Felicia Webb explained that was money given to CATA years ago by the state and permission is required from the state to utilize the money. James Destino asked if CATA had ever used the funds, Paul Talbot said no.

Page 10-James Destino asked about the increase in the RAN borrowing.

Felicia Webb explained that it was recommended to CATA to borrow enough to cover the first few months of the year in case MassDOT was late paying the state contract assistance. The borrowing for 17 is about \$2.3 million.

Page 14-James Destino mentioned the large balance not insured and asked if CATA had looked into separating the funds into a few banks.

Paul Talbot said this was something CATA could consider and would speak with Santander.

James Destino asked about the credit card issue mentioned in the letter. Paul Talbot said it was resolved and a new policy implemented to address the issue.

#### Services Updates

Paul discussed the seasonal ridership, including the two cruise ships that visited Gloucester. He mentioned the cruise ships really help CATA ridership whenever they come to town.

Jim Destino said the City was doing more outreach, Discover Gloucester, to promote the City.

There was a general discussion about places of interest in Gloucester, including Stage Fort Park, Hammond Castle, Eastern Point.

Felicia Webb provided an update on the Wednesday Mall Bus. Ridership has increased since July 1, 2016 when the bus started the new schedule of WalMart, Christmas Tree Shops, Trader Joe's, and Liberty Tree/North Shore. She said the bus will begin going to Ocean State Job Lot in March 2017 on the 5<sup>th</sup> Wednesday of the month.

Felicia Webb provided an update on the Ipswich Medical Bus service that started August 1, 2016. Ridership is steady, and the town and customers seem happy with the service, which is the most important.

James Destino asked Bob Ryan about staffing levels at CATOC. Bob said that staffing was adequate.

James Destino asked David if there was any litigation the board needed to be aware of. David said CATA received about 90% of what was owed to them from the Boston Business tax issue.

Adjournment 10:10am

Motion by James Destino

Seconded by Mitch Vieira

Vote-unanimous in favor