

**Parking Authority of Baltimore City
Board of Directors Meeting Minutes
November 14, 2017**

1. CALL TO ORDER:

The meeting was convened at 4:00 PM at 200 W. Lombard Street in PABC Conference Room B, by Pierce Flanigan, Board Chair.

BOARD MEMBERS IN ATTENDANCE

Pierce Flanigan IV, Chair
Director Henry Raymond, by phone
Elva Tillman
Danielle Williamson

PABC STAFF PRESENT

Nichelle Bolden, Executive Assistant
Fran Burnszynski, Parking Planning Manager
Ashley Cannon, Parking Meter Manager
Sandra Downs, Chief Financial Officer
Tiffany James, Communications Manager
Artia Johnson, Off Street Parking Manager
Candace Lee, On-Street Senior Manager
Peter Little, Executive Director
David Rhodes, General Counsel
Steve Robinson, Residential Permit Parking Supervisor
Vincent Thomas, Chief Operations Officer
Brian Thompson, Valet Regulations Manager

VISITORS

Zach Bromwell, Ellin & Tucker
Kim Fusco, Ellin & Tucker

2. BOARD APPROVALS

Ms. Tillman put forth a motion for the approval of the minutes for the October 10, 2017 Board Meeting, as amended per Ms. Tillman. The motion was seconded by Ms. Williamson and unanimously approved by the Board of Directors members present.

3. **NEW BUSINESS**

- New business was moved to the beginning of the agenda to allow for the auditors to leave the meeting early.

A. **FY2017 PABC Annual Audit – Ellin & Tucker**

- Ms. Downs explained that our annual audit is performed by the firm Ellin & Tucker. She then introduced Kim Fusco and Zach Bromwell, representatives of the firm and presenters of the PABC Annual Audit, to the Parking Authority Board of Directors.
- Mr. Bromwell began with kudos to the Financial Team for providing all pre-requested items which allowed for a smoother and shorter audit and to Ms. Downs for her assistance with obtaining the City's confirmations.
- Mr. Bromwell explained that on the Balance Sheet Summary at the end of FY 17 we had \$1.4M in additional cash, of which \$1.3M was received from the City for meters.
- Mr. Bromwell explained that the category "other assets" represents receivable amounts owed from garage monthly payments. This number fluctuates from year to year based on the timing of reimbursements and payments.
- Mr. Bromwell explained that the category "accounts payable" has increased due to the timing of payments for Cale and Global Merchant Service fees as maintenance and credit card fees continue to rise due to parking meter usage.
- Mr. Bromwell explained that the accrued expenses are reflective of internal estimates rather than actual bills and is increased due to timing of payroll periods and accrued vacation levels. This amount also fluctuates annually due to payroll cut-off and employee head-count.
- Mr. Bromwell explained that the Deferred Revenue represents the \$50,000 received from the Department of General Services (DGS) in advance for architectural and engineering services to be provided to the Parking Authority. Once the services have been rendered, the amount will be removed.

- Mr. Bromwell explained that the net position represents the ending result and is the surplus between assets and liabilities. This represents that the funding received at the end of the fiscal year increased the net position to \$1.1M.
- Mr. Bromwell continued on to the Statement of Activities Summary sheet and explained that the increase of \$2.6M in FY17 revenue was due to the growth of the funds the City provides to us as a result of increasing expenses from growing parking meter activity and corresponding increasing expenses, such as merchant service fees. In addition to the quarterly grant amounts, a further \$1.3M was received in the last fiscal quarter for meter expenses.
- Mr. Bromwell explained that the increase of over \$350,000 in expenditures is due to merchant service fees and meter usage related expenses including maintenance and help desk charges.
- Ms. Downs explained that merchant service fees and help desk fees are increased with each installation of a new smart single-space IPS meter. This past FY we installed over 2,000 new smart single-space IPS meters.
- In response to Ms. Tillman's question, Ms. Downs explained that the City states that anything that is considered revenue must be deposited into the City's revenue account along with the reporting of the expenses.
- Mr. Bromwell continued to the Administrative Expenses Summary sheet and explained that salaries and benefits, the largest expense of PABC, remained relatively static in 2017.
- Mr. Bromwell explained that the decrease in software expense is a result of a drop-in software license fees from the prior year.
- Mr. Bromwell explained that the increase in merchant service fees is a result of the increased credit card usage on meters and the fees associated with their usage.
- Mr. Bromwell explained that PABC experienced an increase in help desk and maintenance expenses due to greater levels of meter usage.
- Mr. Bromwell explained that the decrease in other expenses is a result of depreciation as less office equipment was purchased in 2017 compared to the prior year.

- Ms. Downs explained that the decrease in software costs is the benefit of prior purchases yielding lower management costs.
- Mr. Bromwell explained that the letter to the PABC Board of Directors states that there were no problems found during the audit, that no recommendations to the accounting procedures are being made, and that no difficulties were encountered in dealing with management in performing and completing the audit.
- Ms. Downs respectfully requested that the PABC Board of Directors accept and approve the draft Annual Audit for the FY2017 Administrative Grant.
- Ms. Williamson put forth a motion for the PABC Board of Directors to accept and approve the draft Annual Audit for the FY2017 Administrative Grant. The motion was seconded by Ms. Tillman, and approved by all members of the Board of Directors present.

4. FINANCIAL REPORTS FOR SEPTEMBER 2017 AND FISCAL YEAR TO DATE FOR FISCAL YEAR 2018

A. Residential Permit Parking Program

- Ms. Nue reported that RPP fiscal year-to-date revenues through September 2018 are below projections by \$12,112 due to lower sales.

B. Facilities

- Ms. Johnson reported that total revenues through September 2018 are higher by \$269,617 compared to FY 2017, an increase of 4.0%.
- Ms. Johnson reported that total expenses through September 2018 are lower by \$35,886 compared to FY 2017, a decrease of 1.0%.
- Ms. Johnson reported that the total net income through September 2018 is higher by \$305,503 compared to FY 2017, an increase of 9.1%.
- Ms. Johnson reported the highlights for FY September 2018 to be: Arena Garage, Market Center Garage, and Lexington Street Garage.
- Ms. Johnson reported that the total net income was higher at the Arena Garage and the Market Center Garage due to the collection of several past due monthly payments. The total net income was higher at the Lexington Street Garage due to an increase in monthly parkers.

- Ms. Johnson reported the lowlights for FY September 2018 to be: Caroline Street Garage, Fleet and Eden Garage, and St. Paul Garage.
- Ms. Johnson reported that we have increased the number of transient parkers at both the St. Paul Garage and the Caroline Street Garage which will increase the total net income on the next report. The total net income at the Fleet and Eden Garage was lower due to the loss of several large monthly parker accounts.
- Mr. Little explained that the Board of Estimate approved new Facilities Management Contracts at 8 of our Garages, and they will save the Parking Authority over \$1M in management fees over the next 3 years.

C. Parking Meters

- Ms. Cannon reported that total parking meter revenues through the first three months of FY 18 are \$386,742 lower, compared to the first three months of FY 17, due to the bagging and/or removal of meters for construction projects and bike lanes and to the timing of deposits.
- Mr. Little explained that we will begin to see the meter revenue increase after some of the construction concludes and meters are un-bagged or reinstalled and returned to full functionality.

D. Administrative Office

- Mr. Little reported that 2018 fiscal year-to-date administrative expenses through September were below budget by \$169,000 due to lower than anticipated salaries, benefits, credit card processing fees, and supply costs.
- Mr. Little reported that we are on track to have our 12th consecutive year of operating under budget.
- Ms. Downs reported that we received the new rates for the healthcare insurance premiums which will provide us with additional savings

5. OLD BUSINESS

A. Meter Shop/Main Office Consolidation

- Mr. Little reported that we are supposed to receive cost estimates by the end of the week from the Department of General Services' contractor for the work that needs to be done here to consolidate our offices. We will then share that information with the Department of Transportation (DOT) which has agreed to share in the cost.

- In response to Mr. Flanigan's question, Mr. Little explained that the \$50,000 mentioned during the audit is a result of DGS' contribution to the consolidation of our office. However, the funds were given to us in advance of the bill for the architectural and engineering work.

B. RPP Program Update/Virtual Permitting Update

I. RPP Program Update

- Ms. Nue reported that there are no new updates for the RPP Program.

II. Virtual Permitting Update

- Ms. Nue reported that the meeting with the City's Bureau of Purchases and the Baltimore City Department of Transportation (BCDOT) for the procurement of the Pay-by-Cell Phone program will take place this week. This program will allow us to obtain the enforcement equipment necessary for the implementation of the Virtual Permitting Program.

C. Facilities Update

- Ms. Johnson reported that we transitioned the management of 8 garages: midnight of October 31st and midnight of November 1st. To date the transition has gone well.
- In response to Mr. Flanigan's question, Mr. Thomas explained that the lighting repairs at the West Street Garage have concluded; the Market Center Garage elevator repair project started earlier this fall and will continue until fall 2018; and we anticipate that the Marriott Street Garage maintenance projects will begin spring of 2018.

D. Parking Meters Program Update

- Ms. Cannon reported that we completed Project Space Phase 4, Mt. Vernon single-spaced meter installations. We have also completed the data utilization collection for the 1-year anniversary of Project Space in Harbor East and Fells Point. We continue to focus on our meter functionality and our pre-winter maintenance.

E. Valet Regulations Update

- Mr. Thompson reported that, to date, we have sixty-six (66) total Valet Parking Zones in good standing.
- Mr. Thompson reported that, to date, we have thirty-three (33) total Valet Operators licensed and in good standing.
- Mr. Thompson reported that, to date, we have three (3) total Parking Zone applications pending for Staybridge Suites on Commerce Street, Revival Suites which will replace the Wyndham in Mount Vernon, and Wicked Sisters in Hampden.

F. South Baltimore Parking Study (and Reverse-Angled Parking)

- Mr. Burnszynski reported that the South Baltimore Peninsula Parking Study has been completed by the City's contracting consultants, Whitman, Requardt & Associates, LLP (WRA) and was presented to the community where it was well received. The Department of Transportation will collect the feedback from the community during the 30-day review period. The report and feedback will be posted on the Parking Authority's, the Department of Transportation's, and Councilman Costello's websites.
- In response to Mr. Flanigan's question, Mr. Burnszynski explained that the community session was well attended with good feedback received.
- In response to Ms. Tillman's question, Mr. Burnszynski explained that the Parking Authority's responses to WRA's recommendations were presented and submitted to WRA, DOT, and were also posted, with the report, on BCDOT's website.
- In response to Ms. Tillman's question, Mr. Little explained that the Baltimore City Code for RPP permits every household in every RPP area to receive up to 4 parking decals to display on vehicles registered to that address. The number of visitor passes depend upon the area. As each area was created, residents had the opportunity to decide how many visitor permits each household would receive, ranging from 0 to 2 per household.
- In response to Ms. Tillman's question, Mr. Little explained that we work with RPP residents as part of our RPP Advisory Board. The RPP Advisory Board assists with what items to consider, recommendations for changes to the laws governing RPP, enforcement issues, and other ways to improve the program.

6. MOTION TO ADJOURN

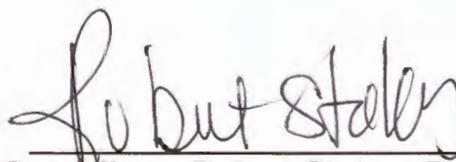
- Ms. Tillman put forth a motion to adjourn. The motion was seconded by Ms. Williamson and unanimously approved by the Board of Directors members present.

NEXT BOARD MEETING:

- December 12, 2017, 4:00 p.m.

Date: _____

1/9/18



Councilman Robert Stokes, Board Secretary