

**MINUTES**  
**MEETING OF THE BOARD OF DIRECTORS**  
**BUSINESS MANAGEMENT COMMITTEE**  
**METROPOLITAN ATLANTA RAPID TRANSIT AUTHORITY**

**September 23, 2013**

The Board of Directors Business Management Committee met on September 23, 2013 at 10:34 a.m. in the Board Room on the 6<sup>th</sup> Floor of the MARTA Headquarters Building, 2424 Piedmont Road, Atlanta, Georgia.

**Board Members Present**

Frederick L. Daniels, Jr.  
Jim Durrett  
Roderick E. Edmond, *Chair*  
Jannine Miller\*

MARTA officials in attendance were: General Manager/CEO Keith T. Parker, AICP; Chief Operating Officer Richard A. Krisak; Chief of Staff Rukiya S. Eaddy; Chief Administrative Officer Edward L. Johnson; Chief Financial Officer Gordon L. Hutchinson; AGMs Deborah Dawson, Joseph Dorsey (Acting), Shyam Dunna (Interim), Rod Hembree (Acting), Jonnie Keith (Acting), Cheryl King; Ryland McClendon and Elizabeth O'Neill; Executive Director Ferdinand Risco; Sr. Directors Rhonda Briggins, Kevin Hurley and Donald Williams; Director John Crocker; Program Manager, Strategic Transformation Initiative Davis Allen; Manager Yolanda King; Executive Manager to the Board Rebbie Ellisor-Taylor; Manager, Executive Office Administration Tyrene L. Huff; Sr. Executive Administrator Brenda L. Williams; Finance Administrative Analyst Tracy Kincaid. Others in attendance Carlos Arietta, Abebe Girmay, Daniel Goodridge, Don Lawrence, Anthony Pines and Srinath Remala.

Also in attendance Pam Alexander of LTK Engineering; Peter Bruno of TRA; Clarence Coleman, Wyman Cook, Corrine Dunson, Curtis Howard and Jack Jackson of ATU; Matt Pollack of MATC.

**Consent Agenda**

---

- a) Approval of the August 26, 2013 Business Management Committee Meeting Minutes

On motion by Mr. Durrett seconded by Mr. Daniels the Consent Agenda was unanimously approved by a vote of 3 to 0, with 3\* members present.

\*Jannine Miller is Executive Director of the Georgia Regional Transit Authority (GRTA) and is therefore a non-voting member of the MARTA Board of Directors.

**Individual Agenda**

---

**Briefing – July Year-to-Date FY 2013 Budget Variance Analysis**

---

Mr. Hutchinson briefed the Committee on the July Year-to-Date (YTD) FY 2013 Budget Variance Analysis.

During the month of July, total net revenues were \$1.0M or 2.8% less than budget due to an unfavorable variance of \$1.0M or 6.6% in Sales Tax Revenue, resulting from underperforming sales tax relative to plan as forecasted by the Georgia State Economic Forecasting Center.

In the month of July, net operating budget expenses were under budget by \$5.6M or 15.8%, primarily due to the combined effects of the following:

- 1) Salaries & Wage – the largest portion of labor expenses which, when combined with overtime and benefits, constitute over 74% of the Annual Operating Budget – were favorable by \$2.1M or 11.5%
- 2) Benefits were under budget by \$1.8M or 16.8% primarily due to vacancies and Healthcare being less than planned
- 3) Contractual Services were \$0.7M or 28.6% under budget
- 4) Other Non-Labor charges were \$0.6M or 20% under budget primarily due to a positive variance in injuries and damages, as well as telephone related expenses due to timing differences

***Sales Tax Subsidy***

- The Year-to-Date actual Net Operating Surplus of \$3.2M requires a sales tax subsidy of 38.5%, which is favorable to the budget
- The Annual Budgeted Sales Tax Subsidy is 58.2%

***July FY14 Performance***

- Bus Ridership is better than FY13 but slightly lower than forecast – Rail is consistent with Bus
- Bus On-Time Performance (OTP) is off to an encouraging start for the fiscal year

**Business Management Committee**

**9/23/13**

**Page 3**

- Bus Mean Distance Between Failure (MDBF) is still in decline – the Authority has made some maintenance improvement and expects to see MDBF increase as new buses arrive
- Mobility MDBF is better than FY13
- Part I Crime Rate is close to forecast – it will likely take 2-3 more months to establish a trend

Mr. Daniels asked when will MARTA receive its new fleet delivery.

Mr. Krisak said it is a three-year schedule.

Mr. Daniels asked what is the target time for Bus MDBF improvement.

Mr. Krisak said approximately 6-8 months after the first delivery of 86 buses.

Ms. Miller said this is great work – actuals coming in are better than expected. She asked what is the benchmark.

Mr. Parker said MARTA is trying to establish where it should be and improve from that point. Mr. Krisak has established a group to help us determine a benchmark. The Board will receive more briefings in the coming months.

Ms. Miller asked if the initial findings will come before the General Assembly.

Mr. Parker said yes.

**Other Matters**

---

The Committee received the July FY 2013 Key Performance Indicators as informational only.

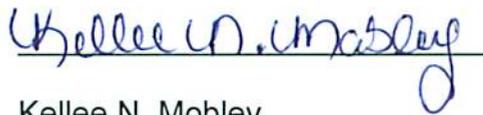
**Business Management Committee**  
9/23/13  
Page 4

**Adjournment**

---

The meeting of the Business Management Committee adjourned at 10:51 a.m.

Respectfully submitted,



Kellee N. Mobley  
Sr. Executive Administrator to the Board