

**TRANSIT AUTHORITY OF NORTHERN KENTUCKY**  
**Board of Directors**  
**February 8, 2017**

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The Board of Directors meeting was called to order at 5:30 p.m. in the Conference Room of the TANK office, 3375 Madison Pike, Ft. Wright, Kentucky by Mr. Ed Kuehne, Board Chair. Mr. Kuehne requested all to stand for the Pledge of Allegiance.

Mr. Kuehne requested Mr. Dave Anneken, Secretary/Treasurer, to call the roll. In attendance were: Mr. Ed Kuehne, Board Chair; Mr. Timothy Donoghue, Board Vice-Chair; Mr. Jim Parsons; Mr. Dave Sogar; Mr. Bill Voelker; Mr. Andrew Aiello, General Manager; Mr. Mike Duncan, Legal Counsel and Mrs. Nancye McClanahan, Executive Assistant.

Absent from the Board meeting were: Mrs. Jean Miller; Ms. Jody Robinson; Mr. Brian Ellerman and Mr. Steve McCoy.

Mr. Kuehne reported the first order of business was to approve the minutes of the January 11, 2017 Board meeting. *Mr. Donoghue made a motion to approve the January 11, 2017 Board minutes. Mr. Parsons seconded the motion. MOTION PASSED.*

**PENSION COMMITTEE – Mr. Donoghue**

- Mr. Donoghue reported the Pension Committee met on January 25, 2017. He reported Mr. Harold Kremer from Barnes Dennig has been asked by the pension committee to provide a three year price proposal for the Plan's annual audit. Through the years Mr. Kremer has been involved off and on in preparing TANK's annual audit. He reported Mr. Kremer and Mr. Conover were given an overview of the Plan and both asked questions of the committee and US Bank representatives to get a better understanding of the Plan's requirements and the pension committee's expectations. The committee may seek additional proposals depending on the results of the Barnes Dennig pricing proposal.

Mr. Donoghue said Mr. Donaldson, US Bank representative, reported that the Plan's account as of 12/30/16 was valued at \$10,604,797 with realized capital gains of \$91,736 at a yield of 2.2%. Projected annual income was \$234,754. Account allocations remain at 60/40 stocks to bonds. He reported on a one year basis (gross of fees) the account was up 7.2%. Domestic equity came in at 7.4% and foreign equity at 3.04%. Fixed income was strong for the year coming in at 6.91%. All the funds in the Plan's account are quality funds at 4 or 5 star ratings. Distributions out of the account remain more than contributions coming in; however with investment returns the account saw considerable growth.

Mr. Kuehne reported the Planning and Marketing Committee, Finance Committee and the Operations and Safety Committee did not meet in February.

**GENERAL MANAGERS REPORT – Mr. Aiello**

- Mr. Aiello reported on the following:
  - Mr. Aiello reported staff has been spending their time on the budget, both the capital and operating budget for FY 2018. The timing for that is it needs to be completed by March so we can get the budget to the three fiscal courts so they can begin their budgeting process. We will report our findings to you at our combined committee meetings in March so we can go through the budget in detail with everyone.
  - Mr. Aiello reported we continue to work in Frankfort seeking more support from the State for transit funding. We continue to work on this and each month we continue to get more people to understand why we are there and what needs to be done.
  - Mr. Aiello reported on the Operations side we had a good January with respect to preventable accidents, meeting our target in that area.
  - Mr. Aiello reported within the Maintenance Department a lot of time has been spent on the last finishing details for bus purchases. Mr. Miller, Director of Maintenance, has been in Wisconsin observing the final assembly of our Trolley vehicles and this week he will be at Gillig in California observing the final assembly of our forty foot buses. After those vehicles arrive here at TANK, there is a considerable amount of work that the maintenance department does to get them into service. This work will be done in February and March.
  - From the Communications Department, Mr. Aiello reported Mrs. Patricia Herald, Information Specialist, retired after seventeen years at TANK. He thanked her for years of outstanding service.
  - Mr. Aiello thanked staff for their work over the past couple of months throughout the winter and the budgeting process.

Mr. Donoghue added he attended the Safety Day on January 12<sup>th</sup>. He enjoyed it and he felt the drivers did as well – a day of appreciation. Mr. Aiello said we do appreciate the work they do. Mr. Kuehne reported TANK carried 260,000 passengers last month and operated over 420,000 miles.

**GENERAL COUNSEL REPORT – Mr. Duncan**

- Mr. Duncan reported the Board should have received a memo from him. He had nothing else to report.

**AUDIENCE RECOGNITION – Mr. Kuehne**

- Mr. Kuehne asked for Audience Recognition and there was none.

**OLD BUSINESS – Mr. Kuehne**

- Mr. Kuehne asked for Old Business and there was none.

**NEW BUSINESS – Mr. Kuehne**

- Mr. Kuehne wished the staff well in finalizing the budget.

***Mr. Kuehne requested a motion to adjourn the meeting. Mr. Sogar made the motion to adjourn the Board Meeting. The motion was seconded by Mr. Voelker. MOTION PASSED.***

The TANK Board of Directors meeting adjourned at 5:45 p.m.

Respectfully Submitted:  
Nancye McClanahan  
Executive Assistant

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**David L. Anneken, Secretary-Treasurer**

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**Ed Kuehne, Board Chair**