

Berkshire Regional Transit Authority
Minutes of the Finance/Audit Committee Held Virtually

September 22, 2020

10:00 AM

BRTA Intermodal Transportation Center
One Columbus Avenue, Pittsfield, MA 01201

1.) Approval of Minutes for May 20, 2020 – VOTE

The Finance Committee members reviewed the minutes of May's meeting. Mr. McNally made the motion to accept the minutes, was seconded by Ms. Lamb, and approved by all.

2.) FY 20 Draft Financial Statements- David Irwin

Mr. Irwin thoroughly reviewed the audit and stated that Adelson provided the BRTA an unmodified or clean opinion on the financial statements. Finances were accurate with nothing missing and no material deficiencies. He explained the narrative of the details of the audit, which is found in the management letter and went thoroughly through the financial statements with the Finance Committee. The BRTA met all compliance with both Federal and MGL 161 B contractual obligations, including the net cost of service to allocate assessment to the local communities. There was a discussion on the measurement of pension liability and used an actuary, Odyssey Advisory for the calculation. Adelson reviewed and tested this in accordance with GASB. No issues were found. Mr. Irwin stated that Mr. Malnati has worked with Odyssey to create a good plan. Mr. Irwin reviewed the statements of net position and concluded there was no deficit and no surplus. He mentioned that due to the COVID-19 pandemic BRTA is under revenue but has CARES Act funding to assist.

Mr. Irwin discussed the unknowns of State budget and suggested the Finance Committee review the finance report analysis that BRTA provides to the Board, keeping in mind the potential lack of State funding and the COVID-19 impact to the BRTA. From the cashflow analysis and a not fully funded SCA, the RAN increased \$150,000 this year in case of a cash shortfall. Mr. Malnati shared the BRTA already drew down Quarter 1 and 2 reimbursements prior to the Federal TRAMS shutdown. Mr. Irwin concluded with the BRTA is providing good fiscal management of operations and there were no comments this year. Last year's comments have been worked on by the BRTA. The fare collection system reporting methods are being worked on, GASB 87 has been extended to FY 22, and BRTA purchased a cybersecurity insurance policy.

Mr. McNally asked about adding more funding to the pension, to which Mr. Irwin discussed needing to follow the actuary's calculation. Mr. Malnati stated some of the pension funds have been moved to an investment to create a larger return.

3.) FY 20 Draft Financial Statement recommendation by Audit/Finance Committee to BRTA Advisory Board

Mr. Irwin stated the audit is due to the State by October 5.

Mr. McNally made the motion to recommend the Draft Financial Statement to the BRTA Advisory Board. This was seconded by Ms. Lamb and approved by all.

4.) Old Business

None

5.) New Business

None

6.) Next Meeting

Mr. Malnati will find out when the State budget will be released. Mr. McNally stated to wait until this information is released and possibly a meeting in November.

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