

Berkshire Regional Transit Authority
Minutes of the Finance/Audit Committee

September 19, 2019 at 2:30 PM
BRTA Intermodal Transportation Center
One Columbus Avenue, Pittsfield, MA 01201

MINUTES

Berkshire Regional Transit Authority Finance/Audit Committee Members present:

Sandy Lamb, North Adams; Peter Gallant, Lanesborough; and Doug McNally, Windsor
Also present: Robert Malnati, Sarah Vallieres, and Kaylyn Hunkler, BRTA staff; and David Irwin, Adelson.

1. **Approval of Minutes for August 22, 2019 -VOTE**

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

2. **FY 19 Draft Financial Statements- David Irwin**

Mr. Irwin thoroughly reviewed the audit and stated that Adelson provided BRTA an unmodified or clean opinion on the financial statements with no deficiencies and no weaknesses. He explained the narrative of the details of the audit, which is found in the management letter and went through the financial statements. Mr. Irwin explained the net pension liability. Mr. Malnati noted to the Finance Committee that of the total operating and non-operating expenses, 96% were for transportation services and only 4% went to Administration. There were no losses and BRTA didn't drawdown anything that shouldn't have been. Mr. Irwin had a couple of recommendations. 1- Work with Scheidt and Bachmann to create a report to tell the value of the unused Charlie Cards. Ms. Hunkler is currently working on this. 2-The GASB standard in FY 21 will change; all leases will drop to the balance sheet. 3- He has provided a blanket statement to all of his clients about cyber and ransomware attacks, to which Mr. Malnati responded that BRTA already has a policy in place. Mr. Irwin also recommended to Mr. Malnati discussing pages 5 and 25 at the Board meeting. The final financial statements are due to the State on October 1.

3. **FY 19 Draft Financial Statements recommendation by the Audit/Finance Committee to BRTA Advisory Board- VOTE**

Mr. Malnati asked for motion for a recommendation by the Committee to the BRTA Advisory Board to accept the FY 19 Draft Financial Statements as Mr. Irwin explained. Mr. Gallant made the motion, was seconded by Mr. McNally, and approved by all.

4. **Old Business**

BRTA has made a payment to the pension as recommended by the actuary and auditors in the amount of \$130,000.

5. **New Business**

Mr. Malnati discussed the various recommendations from Operations about the bus routes. There will be tweaks to the Route 3, Route 4 and to discontinue the Route 21 X evening rouse (28 people were transported so far in September). Create a Great Barrington Circulator loop as the result of conversations with Simon's Rock and the survey. Mr. McNally stated this is worth trying and this could really take off. Mr. Malnati said the costs were about the same and hopefully will have a higher revenue. Mr. McNally stated that there is both North County and South County criticism of BRTA

being Pittsfield-centric. This would show the adjustment of the need to focus on South County.

Mr. Gallant asked about the interest on the BRTA's accounts and if we are receiving compound interest. Mr. Malnati replied that Ms. Hunkler is diligent in this effort and BRTA received \$20,546 in interest last year.

6. **Next Meeting**

The next meeting will be February 27, 2020 to review budget unless something comes up sooner.

F E N A L