

Berkshire Regional Transit Authority  
Finance/Audit Committee

September 21, 2023

In Person

BRTA Boardroom, 2<sup>nd</sup> Floor, 1 Columbus Avenue, Pittsfield, MA

**Berkshire Regional Transit Authority Finance/Audit Committee Members present:**

Sheila Irvin, Pittsfield; Doug McNally, Windsor; and Sandy Lamb, North Adams

David Irwin, Adelson & Company, PC

Also present: Robert Malnati, Sarah Vallieres, and Kaylyn Hunkler-BRTA

R. Malnati called the Finance/Audit Committee meeting to order at 10:00 AM.

1. **Approval of Minutes for May 10, 2023 -VOTE**

The Finance Committee members reviewed the minutes of the May 10, 2023 meeting. D. McNally made the motion to accept the minutes, was seconded by S. Irvin, and was approved by all.

Town	(1) Minutes of May10, 2023	3) Draft Financial Statements
North Adams	Yes	
Pittsfield	Yes	
Windsor	Yes	

2. **FY 23 Draft Financial Statements Review-David Irwin, Adelson**

D. 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, no issues and no material deficiencies. He explained the narrative of the details of the audit, which is found in the management letter and thoroughly reviewed the financial statements with the Finance Committee. The finances were in conformance with the auditing principles, including government auditing standards and the BRTA complied with FTA and State funding requirements.

Discussion:

Now that CARES funding is complete, how will BRTA fund operations? D. Irwin explained that BRTA used CARES funding in lieu of 5307 funding. 5307 funds were still received by the Authority, have a 5-year use cycle, and not yet used.

3. **FY 23 Draft Financial Statements- VOTE**

D. McNally made the motion to accept the draft Financial Statements to recommend to the Advisory Board as presented by D. Irwin, was seconded by S. Irvin, and approved by all.

Town	(1) Minutes of May 10, 2023	3)Draft Financial Statements
North Adams		Yes
Pittsfield		Yes
Windsor		Yes

After the vote, D. Irwin shared there were no findings and no deficiencies with internal controls, but Adelson provided two recommendations: using the NYMEX Strip Average on the next fuel procurement and proof of confirmation of payroll taxes applied by the third party company.

Discussion:

Check with BRPC about their annual fuel procurement for the towns, as it may provide economies of scale.

#### **4. Pension Overview**

R. Malnati discussed the LPL Financial Pension Overview document. The pension fund is growing and most of the funds are in a money market with a 4-5% return. All funds from the cancelled Guardian Life Insurance policies are now contributed to this plan.

Discussion:

BRTA employees can take the pension as an annuity or a lump sum. BRTA to research cascading CDs.

#### **5. FY 24 RTA Funding Update**

R. Malnati gave a FY 24 Fair Share funding update which included language in the legislation about equitable distribution of funding, in reference to Regional Transit Authorities local assessment and the net cost of service. The average is 75% and the RTAs agreed to use a portion of the Fair Share funding to become more equitable across the State. The BRTA currently is at 74.1%. After the remaining Fair Share funding is distributed by legislative language, BRTA will receive an additional \$1.4M. There are many questions tied to this funding and BRTA is waiting for MassDOT's guidance. BRTA is currently working with the Operating company for transportation solutions using this funding that will not be impacted by the lead-time for additional vehicles or the current labor market. Once proposals are created, the Finance Committee and Advisory Board will review and decide what to implement then release the proposed project(s) for public comment.

Discussion:

Retrofitting diesel buses to hydrogen buses as a possible use of funding. R. Malnati is unsure this is a possibility. He did bring up a possible grant opportunity to fund BRTA as a pilot program researching hydrogen buses.

#### **6. Next Meeting**

TBD until BRTA knows the state of the State funding.

The Finance Committee meeting adjourned at 11:12 AM.

##### **Meeting Materials**

- **BRTA Finance/Audit Committee Agenda**
- **BRTA Finance/Audit Committee Packet**
- **BRTA FY 23 Financial Statements Package**
- **LPL Financial Pension Overview 9/15/23**
- **RTA Net Cost of Service Percentage Spreadsheet**