



**AUDIT COMMITTEE
MINUTES**

February 2, 2021

4:00PM-5:00PM

Zoom and RGRTA Conference Room 309
1372 East Main Street, Rochester NY

Committee

Members Present: Commissioner Rich Kosmerl, Committee Chair
Commissioner Geoff Astles
Commissioner Michael Jankowski

Others Present: Commissioner Jacques Chapman
Chairman Don Jeffries
Commissioner William McDonald
Bill Carpenter, Chief Executive Officer
Scott Adair, Chief Financial Officer
Mike Burns, Director of Accounting Services
Christian Mahood, Director of Information Technology
Sharon Muir-Eddy, Director of Budget
Kelly Parisi, Executive Assistant to the CEO
Miguel Velázquez, Chief Operating Officer

The meeting was called to Order by Commissioner Kosmerl at 4:03PM.

Commissioner Kosmerl turned the meeting over to Scott Adair, CFO.

Scott Adair went through the agenda as follows:

- FY 2021 Financial Update
 - Expenses
 - Revenues
- Multi Year Projection Update
- OSC Audit Update

Scott Adair presented the FY 2021 Financial Update on projected revenue and expenses. Bill Carpenter, CEO then gave a brief description of President Biden's \$1.9 Trillion plan. Scott Adair then asked if there were any questions.

Commissioner Jankowski asked about Mortgage Recording Tax and stated that he heard that they will be raising the interest rates and that he believes we will see a drop in Mortgage Recording Tax revenue as soon as that happens. Scott Adair stated we are seeing continued positive growth in this revenue category this year and agree it will probably not continue in FY22.

Commissioner McDonald asked what the impact of the state budget would be. Scott Adair stated we will not be as negatively impacted as we originally thought. The Governor's proposed budget is a reduction of 10% from FY 2021.

Commissioner Kosmerl asked if we are assuming anything from the Biden rescue package this fiscal year. Scott Adair stated we are not at this time.

Scott Adair then moved to presenting the Multi-Year Projection Update.

Commissioner Astles stated we have a budget of about \$115M and we have an unrestricted fund balance of \$40M. Is the fund balance going to be so high that it gets the attention of the State Comptroller and could this impact any future COVID relief. Scott Adair stated we show the spend down of that fund balance in our Multi-Year Projection so we don't believe this is an issue but certainly will continue to monitor. The COVID relief funds are meant to be used over the next couple of years while typical Transit Revenues recover.

Commissioner Astles asked how are the other Upstate Transit Authorities doing financially during this time?. Bill Carpenter stated that there are several Authorities that have only drawn down 30-40% of their available stimulus funds while, we have drawn down our entire \$36M.

Commissioner McDonald asked if we can use the unrestricted net assets for capitol items. Bill Carpenter stated yes, we can use it for whatever we choose to.

Commissioner Kosmerl asked if we have covered all one-time costs for Reimagine RTS. Scott Adair stated that yes, we have to date and will provide for during the upcoming relaunch period.

Scott Adair then moved on to the OSC Audit Update.

Commissioner Kosmerl asked a question about the OSC letter and it stated that recommendation 1 & 2 are complete, but it does state that we need to complete something in February. Chris Mahood, Director of Information Technology stated that we have forwarded the policy that they are referring to.

Commissioner Jankowski asked if Chris Mahood could forward him this policy. Commissioner Jankowski stated that Cyber Security is something that he is very interested in and he may have additional questions for Chris Mahood after reviewing. Commissioner Jankowski stated that he would talk separately with Chris Mahood. Commissioner Kosmerl stated he would also like to join that call.

Scott Adair stated that with no other items to cover are there any other questions before we adjourn.

Bill Carpenter thanked the Committee for its leadership during the pandemic.

There being no other matters for the Committee, Commissioner Astles made a motion to adjourn the meeting, with a second from Commissioner McDonald at 4:48PM.