

**JOINT COMMITTEE MEETING OF THE
AUDIT COMMITTEE AND
THE FINANCE AND INVESTMENT COMMITTEE
MINUTES**

June 22, 2017

10:00 AM

RGRTA Board Room

1372 East Main Street, Rochester NY

Audit Committee Members Present:

Michael Jankowski, Commissioner/Committee Chair

Paul Battaglia, Commissioner

Richard Kosmerl, Commissioner

Milo Turner, Commissioner

Finance Committee Members Present:

Bill Faber, Commissioner/Committee Chair

Milo Turner, Commissioner

Henry Smith, Jr., Commissioner

Others Present:

Jerdine Johnson, Commissioner

Geoffrey Astles, Chairman of the Board of Commissioners

Don Jeffries, Commissioner

Bill Carpenter, RGRTA CEO

Scott Adair, RGRTA CFO

Christopher Dobson, RGRTA VP of Finance

Mike Burns, RGRTA Director of Accounting and Payroll

Greg Evans, Partner, Bonadio Group

The meeting was called to Order by Commissioner Jankowski and Commissioner Faber at 10:05am.

Scott Adair stated that this is a very important event for the Authority, this Joint meeting of Audit and Finance/Investment Committees concludes the 2016-17 year. The Auditors are here to audit the numbers and give us suggestions and ultimately express an opinion on those numbers. Mr. Adair reviewed the agenda with the committees:

- Financial Statement Presentation- Mike Burns
- The Bonadio Group- Greg Evans
 - Independent Auditor's Report
 - Required Communications
 - Agreed Upon Procedures-Variable Pay Program
 - Investment Compliance Report
- PARIS Report- Scott Adair

The financial statements were presented and reviewed by Mike Burns to the Committee. Mike Burns reviewed the statements of Net Position, Activities and Cash Flows along with major changes to the notes to the financial statements.

- *In response to a question from Commissioner Battaglia about the OPEB liability. Scott Adair, Chief Financial Officer, stated in 2019 that will be moved to the balance sheet.*
- *Commissioner Jankowski made a comment that we do have a reserve and most authorities have not done that as far as the OPEB liability is concerned.*

Scott Adair went over the unrestricted net assets with the Committee and mentioned that we are up \$1.2M in available unrestricted net assets.

Upon her arrival at 10:27AM, Bill Carpenter, CEO introduced new Commissioner Jerdine Johnson for the City of Rochester.

Scott Adair turned it over to Mike Burns to review the Statement of Activities.

- *In response to a question from Chairman Astles on the state operating assistance increase Bill Carpenter, CEO responded that our efforts of meeting and discussing the needs of Public Transportation with the State, all levels, our STOA is increasing.*

Scott Adair went over the reconciliation of the financial statements to the Greens year-end. Mike Burns then went over the Condensed Schedule of Cash Flow.

Scott then turned it over to Greg Evans to discuss the Audit, Independent Auditors Report and the agreed upon procedures in reference to the Variable Pay Plan.

- *In response to a question from Commissioner Jankowski on the actuarial review and when they will be available. Scott Adair, Chief Financial Officer stated that will be completed for OPEB liability next year.*

After Greg Evans completed his review of the items the Bonadio Group completed noting that it was an unmodified audit opinion on the financial statements, the single audit was clean and all other items were in good order. No questions were asked.

On motion of Commissioner Battaglia, and a second from Commissioner Kosmerl the meeting moved to Executive Session.

Commissioner Jankowski stated that the meeting came back into open session and no votes were taken during executive session.

On motion of Commissioner Battaglia, with a second by Commissioner Smith was made to accept the financial statements and reports as they were presented and recommended to the full Board for approval. Both Committees agreed with the recommendation to approve the reports as presented for to the Full Board.

Scott Adair then reviewed and asked if there were questions on the PARIS Report, none noted.

With no further matters to discuss Commissioner Jankowski, second by Henry Smith adjourned the meeting at 11:24am. All were in favor.