

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

June 25, 2020

10:00 AM

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

**Audit Committee Members Present:**

Michael Jankowski, Commissioner-Chair  
William Ansbrow, Commissioner  
Geoffrey Astles, Commissioner  
Richard Kosmerl, Commissioner

**Finance Committee Members Present:**

Richard Kosmerl, Commissioner-Chair  
James Bensley, Commissioner  
Michael Jankowski, Commissioner

**Others Present:**

Donald Jeffries, Chairman of the Board of Commissioners  
Jacques Chapman, Commissioner  
Bill Carpenter, RGRTA, CEO  
Scott Adair, RGRTA, CFO  
Michael Burns, RGRTA, Director of Accounting Services  
Gregg Evans, Partner, Bonadio & Co., LLP  
Michelle Lesser, Audit Manager, Bonadio & Co., LLP  
Christian Mahood, RGRTA, Director of Information Technology  
Sharon Muir-Eddy, RGRTA, Director of Budget  
Kelly Parisi, Executive Assistant to the CEO

The meeting was called to Order by Commissioner Jankowski at 10:06am. Commissioner Jankowski then turned the meeting over to Scott Adair, Chief Financial Officer, to go over the agenda.

Mr. Adair reviewed the following agenda with the Committees:

- Financial Statement Presentation
- The Bonadio Group
  - Independent Auditor's Report
  - Required Communications
  - Agreed Upon Procedures-Variable Pay Program
  - Investment Compliance Report
- Executive Session
- Review of Documents – No proposed changes
  - Investment Guidelines (Finance/Investment Committee)
  - Debt Policy (Finance/Investment Committee)
  - Audit Committee Charter (Audit Committee)

- PARIS Report
- COVID-19 Update

Mr. Adair turned the discussion over to Mike Burns to walk the committee through the financial statement presentation. Mr. Burns began with the Condensed Schedule of Net Position and explained each line item and any major fluctuations from the prior year.

- *Commissioner Jankowski asked when the pension plans will be looked at to see if we have money we need to make up since the stock market has dropped. Mike Burns, Director of Accounting Services, stated that the pension committee will receive the pension plan actuarial valuation throughout the late summer/early fall timeframe and that the impact of recent market conditions on the plans will be a point of focus. We will have that information to factor into the next year's budget.*
- *Commissioner Jankowski asked how much we are receiving in State operating assistance and when will we get that money. Mike Burns, Director of Accounting Services stated that it is just north of \$11M and we have not yet received those funds.*

Mr. Adair reviewed with the Committees the OPEB Liability.

- *Commissioner Astles asked if we have established standards or thresholds on the OPEB that helps guide us in determining if we change our approach. Scott Adair, Chief Financial Officer, stated that we continue to monitor the retiree health insurance and what is happening in health care on an ongoing basis. We do offer information and classes/trainings to help avoid health issues down the road.*

Mr. Adair reviewed the Reconciliation of Net Position with the Committees.

Mr. Adair turned the discussion back to Mr. Burns to review the Schedule of Revenues, Expenses and Changes in Net Assets, which Mr. Burns reviewed with the Committee in detail.

- *Commissioner Jankowski asked how much is reflected in the Salary & Benefits due to COVID-19. Scott Adair, Chief Financial Officer, stated that really nothing for this fiscal year we are reporting on, as the impact will really be in the current fiscal year.*

Mr. Adair then reviewed the reconciliation of the financial statements to the year-end financial "Greens".

- *Commissioner Ansbrow commented that he appreciates the team's effort on ending the year on a positive note with the financials.*

Mr. Burns concluded the presentation by reviewing the major components of the Statement of Cash Flows.

Mr. Adair then introduced Gregg Evans to discuss the Audit, Independent Auditors Report and the agreed upon procedures in reference to the Variable Pay Plan. Mr. Evans

then proceeded to introduce Michelle Lesser, Manager, to discuss how the audit process was different this year and in particular despite not being in the field due to the use of technology tools and strong communication with management.

Upon completion of Mr. Evans' presentation, the meeting moved into Executive Session on motion of Commissioner Kosmerl, and a second from Commissioner Bensley. All were in favor.

Commissioner Kosmerl stated that the meeting came out of Executive Session and no votes were taken during executive session.

Mr. Burns then briefly reviewed the Investment Guidelines and Debt Policy (no changes). Commissioner Kosmerl made the motion as Chair of the Finance/Investment Committee, with a second from Commissioner Astles. All were in favor.

Commissioner Jankowski made the motion as Chair of the Audit Committee to accept the Audit Committee Charter (no changes) and Debt Policy (no changes), with a second from Commissioner Astles. All were in favor.

Mr. Adair then reviewed and asked if there were questions on the PARIS Report.

- *Commissioner Astles asked if there were any changes with this year's report compared to previous years. Scott Adair, Chief Financial Officer stated that there were none.*

The PARIS Report will be recommended to the full Board for approval during the Board Meeting later today.

Mr. Adair then gave a brief review of COVID-19 Update.

- *Commissioner Chapman asked about payments from the Governor and if aid will be cut. Bill Carpenter, Chief Executive Officer, stated that we have not yet received any STOA payments that should have been received in April 2020. We will not find anything out until after the second week of July at this time.*

Commissioner Kosmerl made a motion to accept the Audit as presented by Bonadio. With a second from Commissioner Astles, the Audit was accepted and will be presented to the full Board for approval. All were in favor.

With no further matters to discuss Commissioner Jankowski, adjourned the meeting at 11:34am. All were in favor.