

Approved 4/30/24

Pursuant to written notice sent to Board Members and pursuant to notice posted at least forty-eight hours prior to the meeting, copies of said notice having been sent to the Secretary of the Commonwealth, William F. Gavin and the Secretary of the Executive Office of Administration and Finance, Matthew Gorzkowicz, the meeting of the Finance and Audit Committee of the Franklin Regional Transit Authority was held on September 25, 2023 virtually on the Zoom.us platform by computer and by phone.

1. INTRODUCTION:

Finance and Audit Committee Members present were:

<u>Name</u>	<u>Town</u>
Peter Otten	Buckland
Robert J. Decker III	Deerfield
Eric Twarog	Greenfield

Also present were:

David Irwin, Adelson & Company PC.

Peter Otten called the meeting to order at 12:00pm.

2. REVIEW AND APPROVE MEETING MINUTES FROM MAY 3, 2023:

Review and approval for meeting minutes from May 3, 2023 were tabled until the next meeting.

3. REVIEW DRAFT FY23 AUDIT AND FINANCIAL STATEMENTS:

Peter Otten turned the meeting over to David Irwin to present the draft audit and financial statements.

The auditor's report issued a clean opinion. The financial statements are fairly stated in accordance with accounting principles, they accurately present the FRTA's financial position, there were no material weaknesses, and no significant deficiencies.

There were two corrected misstatements: 1) adjusted depreciation expense in the amount of \$222,856 to agree with the fixed asset depreciation schedule; and 2) recorded a

receivable due from the Federal 5311 operating subsidy contract in the amount of \$360,472, which is the amount determined upon the completion of the audit.

There were two recommendations: 1) the Authority request from the Operating Company on a monthly basis a copy of reports including the balance sheet, income statement, budget vs. actual, and any other financial and non-financial reports necessary; and 2) The Authority needs to remove the prior board member as an authorized signer from one of its bank accounts.

Highlights from FY23 included operating revenues decreasing by \$99,026 from FY22; \$78,616 of which we due to a decrease in grant funds from the Metropolitan Area Planning Council. Operating expenses increased by \$395,022 due to a combination of return to full Fixed Route service, wages, fuel, and maintenance costs. Other highlights from FY23 included an increase in capital assets of \$9,528,288; the majority of which was in relation to construction of the new Maintenance and Operations Facility and associated roadway improvements.

Peter Otten made a **motion** to accept the audit report as presented. Eric Twarog seconded, and the vote was as follows:

<u>Name</u>	<u>Town</u>	<u>Vote</u>
Peter Otten	Buckland	Yes
Robert J. Decker III	Deerfield	Yes
Eric Twarog	Greenfield	Yes

The vote passed and the **motion** carried.

Robert J. Decker III made a **motion** to adjourn, Peter Otten seconded, and the meeting was adjourned at 12:55pm.