

NANTUCKET REGIONAL TRANSIT AUTHORITY
20 R South Water Street
Nantucket, MA 02554
508-325-9571 nantucket@nantucket-ma.gov

DRAFT FINANCE AND AUDIT COMMITTEE

Minutes of the Finance and Audit Committee Meeting of March 15, 2017. The meeting took place in the Training Room of the Nantucket Police Station, 4 Fairgrounds Road, Nantucket, MA 02554. Members of the Board present were: Jim Kelly, Robert DeCosta, Matthew Fee, Rick Atherton, Dawn Hill Holdgate. Absent: Karenlynn Williams. Chairman DeCosta opened the meeting at 6:03 p.m.

Approval of Minutes from the March 23, 2016 Meeting. The minutes of the March 23, 2016 meeting were approved by unanimous consent of the Board.

Presentation of FY16 Audited Financial Statement by Bruce Norling, PC. Per 801 CMR 53.00 and MassDOT Policy. The NRTA's auditor Bruce Norling and accountant Tom Thevenin presented the FY16 Audited Financial Statements. Paula Leary, NRTA Administrator left the room for the presentation. Mr. Norling made the following comments to the Board: NRTA is a well run organization, Administrator is required to do what other Administrators do with no staff, always on budget, within available funding, in compliance with OMB, FTA and MassDOT rules and regulations, complies with applicable GASB and FASB, controls are excellent, monthly financial statements are completed and reviewed each month, per MASSDOT NRTA's audit report was best ones reviewed, administrative costs are only 5% of total expenses, has not required RAN in FY15 and FY16 only RTA in that situation, has obtained private funding that RTA's don't have, financial position is good with a net position of \$3.3 million. Mr. Atherton asked why the RAN was reduced to zero, if it was the state or us. Mr. Thevenin responded that it was both, the state with forward funding but the NRTA eliminated it. Mr. Fee asked if the net position goes down over time should we be concerned. Mr. Thevenin responded no because basically that is caused by the amount of capital funding and depreciation. Mr. Fee asked if we effect pension and OPEB. Mr. Norling responded that pension was completely implemented. OPEB is in compliance with current GASB's and that new GASB's will be implemented when effected.

Presentation of FY18 Preliminary Budget. Paula Leary, NRTA Administrator presented the FY18 Preliminary Budget and stated that the budget supports the level of service for the seasonal fixed route and year round demand response service. The budget breakdown is \$1,937,375 in expenses; \$1,033,500 in revenue with local assessment of \$427,600 and state contract assistance of \$476,275 making up the net cost of service. The budget does not include ferry connector service but does include enhancements to the seasonal service.

The meeting was unanimously adjourned at 6:10 p.m.
Approved: **DRAFT**

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TO: NRTA ADVISORY FINANCE AND AUDIT COMMITTEE
FROM: PAULA LEARY, NRTA ADMINISTRATOR
RE: REVIEW AND COMMENT OF FY18 FINAL BUDGET
DATE: MARCH 16, 2017

Attached is the NRTA's final FY18 budget. There were no changes made to the budget based on the March 15th meeting.

I recommend the finance and audit committee vote to accept the budget and present it to the NRTA Advisory Board for final approval.

Thank you.

NRTA FY18 FINAL BUDGET

	FY16 ACTUALS	FY17 APPROVED	FY18 FINAL
Revenue			
Transportation services revenue:Farebox revenue	\$ 426,132.91	\$ 435,000	\$ 440,000

Contract revenue	\$ 3,120.15	\$ 3,500	\$ 3,000
Transportation services revenue:Other income	\$ 1,800.00	\$ 2,500	\$ 2,000
Federal 5311	\$ 535,231.00	\$ 550,000	\$ 530,000
Interest income	\$ 2,059.94	\$ 4,000	\$ 2,500
Other Income	\$ 2,787.50	\$ 7,000	\$ 3,000
Third party reimbursements (private funding)	\$ 137,200.00	\$ 21,000	\$ 53,000
TOTAL REVENUE	\$1,108,331.50	\$ 1,023,000	\$ 1,033,500
Expenses			
Other salaries & wages	\$ 173,317.81	\$ 180,500	\$ 187,000
Fringe benefits	\$ 72,959.10	\$ 65,367	\$ 78,000
Post Employment Benefits	\$ 21,757.00	\$ 25,000	\$ 22,000
Purchased Transportation	\$ 1,322,908.70	\$ 1,294,604	\$ 1,232,000
Legal expense	\$ 191.25	\$ 100	\$ 100
Accounting expense	\$ 48,478.16	\$ 45,000	\$ 50,000
Consulting	\$ 4,009.47	\$ 1,000	\$ 2,000
Auditing expense	\$ 11,547.25	\$ 10,000	\$ 13,500
Outside services	\$ 46,584.80	\$ 35,000	\$ 49,909
Vehicle repairs	\$ 7,901.51	\$ 3,000	\$ 5,000
Fuels and lubricants	\$ 70,218.36	\$ 100,000	\$ 82,525
Tires	\$ 5,066.98	\$ 3,000	\$ 3,000
Parts	\$ 21,146.74	\$ 10,000	\$ 20,000
Vehicle Supplies	\$ 1,418.55	\$ 1,000	\$ 1,000
Miscellaneous maintenance expense	\$ 7,090.02	\$ 3,000	\$ 6,000
Insurance - Vehicle	\$ 79,178.11	\$ 46,000	\$ 85,000
Insurance - Other	\$ 12,871.95	\$ 9,000	\$ 15,000
Utilities	\$ 6,920.91	\$ 5,200	\$ 7,500
Promotion & marketing	\$ 14,669.57	\$ 10,000	\$ 20,000
Miscellaneous operating expense	\$ 1,807.44	\$ 1,000	\$ 1,000
Office supplies and expense	\$ 17,421.31	\$ 10,000	\$ 12,000
Leases	\$ 46,572.16	\$ 47,000	\$ 47,000
Travel	\$ 5,902.84	\$ 10,000	\$ 6,000
Training	\$ -	\$ 400	\$ 250
Uniforms	\$ 44.00	\$ 500	\$ 500
Interest expense	\$ -	\$ 4,500	\$ 3,000
TOTAL EXPENSE	\$1,999,983.99	\$ 1,920,171	\$ 1,949,284
Net Cost of Service		\$ 897,171	\$ 915,784
Local Assessment	\$ 398,943	\$ 417,171	\$ 427,600
State Contract Assistance	\$ 488,184	\$ 480,000	\$ 488,184