

Finance and Audit Committee Meeting

Minutes of the Finance and Audit Committee Meeting of July 22, 2015. 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:, Robert DeCosta, Rick Atherton, Matthew Fee, Tobias Glidden, Dawn Holdgate-Hill and Karenlynn Williams. Chairman Atherton opened the meeting at 5:50 p.m.

Approval of Minutes from the March 18, 2015 Meeting. The minutes of the March 18, 2015 meeting were approved by unanimous consent of the Board.

Discussion of the Fiscal Affairs of the Authority. Paula Leary, NRTA Administrator provided the Board with the following information: The NRTA has an independent accountant that reviews the financial activities of the NRTA on a monthly and annual basis. An internal controls checklist has been developed that verifies various transactions. A review of various areas is done to identify fraud risk and inherent risk and make sure they don't exist and are covered by controls. The independent accountant completes and does an internal audit of balance sheet accounts both monthly and annually. An analytical review is done monthly and annually. Monthly financial reports and analytical reviews are provided to the Board.

The NRTA has an Accounting Procedure Manual in accordance with the Federal Government's Office of Management and Budget's (OMB) Common Rule (49 CFR Part 18). There are internal controls Relative to Federal Award Programs that are reviewed and tested. Effective for fiscal year 2015 there are new pension accounting standards under GASB 68 that requires entities to report net pension liability, as well as the fair value plan assets available to pay pension benefits and significant footnote disclosures are part of the requirement. The independent auditor reviews internal controls over financial reporting and testing internal controls and transactions. The NRTA has not had any findings relative to internal controls for the past several years and none are expected for FY15. The fiscal affairs of the Authority are sound. The FY15 audit is currently being conducted and the auditor will make a report to the Finance and Audit Committee upon its issuance. Mr. Glidden asked about the reduction in the borrowing.

Ms. Leary stated the NRTA was in good cash flow position. Mr. Atherton followed up that it was due to forward funding. Mr. Atherton asked if the independent accountant made all the daily entries. Ms. Leary responded that those were done by her. Mr. Fee moved to accept the report given; seconded by Mr. Glidden. So voted.

The meeting was unanimously adjourned at 5:54 p.m.

Approved: March 16, 2016