



Birmingham-Jefferson County Transit Authority
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Report to the Board Finance Committee

Opening: The regular meeting of the Finance Committee was called to order at 11:20 a.m. on Wednesday, November 15, 2006 in the Executive Briefing Room, located at Central Station, 1735 Morris Avenue, Birmingham, Alabama by Committee Chairman, Johnnye P. Lassiter.

Committee members present: Robert Kelly and Johnnye P. Lassiter

Committee members absent: Hugo Isom

Others present: David Hill, Kenneth Simon, Joi Scott, Michael Vercher, Debra Anderson-Burse, Richard Nardecchia, Julie McMillan, Collina Washington, Rev. Patrick Sellers, Brian Hamilton, Ronald Lyas, Doris Powell, Guin Robinson and LaChaune Slater.

Approval of Agenda: The agenda was adopted as presented.

Items for Information and Discussion:

Financial Reports for period ending October 31, 2006 - Assets were \$31,366,117.69 while total liabilities were \$7,692,657.35. The Income Statement for the first month of Fiscal Year 2007 ending October 31, 2006, details revenues of \$2,130,018.44 and expenses of \$2,167,843.67 resulting in a difference of \$(37,825.23). The total unencumbered cash balance at October 31, 2006 was \$1,160,593.67 leaving us short of our 3 month reserve requirement by \$4,320,362.98. Total debt owed to Compass Bank as of October 31, 2006 was \$2,405,245.05. Total revenues have a positive variance of 52,373.27 while expenses have a negative variance \$31,719.55.

Mr. Richard Nardecchia reported that the external auditors have completed their field work. He feels the process is going well since the fieldwork was completed before the expected date.

Mr. Nardecchia is also researching available options in establishing a very restrictive line of credit. This would provide an additional safeguard if the three month reserve

requirement is not met. A report will be provided to the Committee after further investigation.

Resolutions for Consideration & Recommendation

- A. **Resolution 2007-04** - Authorization to Amend Renewal with McGriff, Seibels & Williams (Broker) for the Auto & General Liability Insurance, Including Public Officials Coverage was forwarded to the full board for its consideration.

Old Business: None

New Business:

The Executive Director addressed the Committee regarding the pension for contract employees. The current contract will expire in 2008.

Mr. Hill also explained that there will be a significant decrease in the amount of JARC funding awarded to the Authority in FY 2009. This further emphasizes the necessity of obtaining a dedicated and reliable funding source.

Adjournment: The meeting was adjourned.

Minutes submitted by: LaChaune N. Slater

Date: _____

Approved: _____
Johnnye P. Lassiter, Committee Chairman