



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 11:00 a.m. on Wednesday, January 17, 2007 in the Executive Briefing Room, located at Central Station, 1735 Morris Avenue, Birmingham, Alabama by Committee Chairman, Johnnye P. Lassiter.

Committee members present: Frank Galloway, Jr. and Johnnye P. Lassiter

Committee members absent: Robert Kelly

Others present: David Hill, Kenneth Simon, Joi Scott, Michael Vercher, Debra Anderson-Burse, Al Rollins, Richard Nardecchia, Collina Washington, Rev. Patrick Sellers, Brian Hamilton, Ronald Lyas and LaChaune Slater.

Approval of Agenda: The agenda was adopted as presented.

Items for Information and Discussion:

Financial Reports for period ending December 31, 2006 - Assets were \$30,575,593.81 while total liabilities were \$7,064,711.65. The Income Statement for the three months ending December 31, 2006, details year to date revenues of \$6,381,377.62 and expenses of \$6,581,781.03 resulting in a difference of \$(200,403.41). The total unencumbered cash balance at December 31, 2006 was \$1,712,141.95 leaving us short of our 3 month reserve requirement by \$3,704,832.20. Total debt owed to Compass Bank as of December 31, 2006 was \$2,295,261.95.

Mr. Richard Nardecchia reported that some ad valorem monies have been received.

Mr. Galloway inquired about the 3 month reserve requirement. Mr. Nardecchia explained that the total amount of the reserve should be greater than or equal to the expenses for any 3 month time period. Mr. Hill added that this amount should be present in the reserve at all times. However, the current reserve total is \$0.00. To reduce misunderstanding, the committee agreed that reserve should not be mentioned during financial reporting.

Annual Ethics Certification – Collina Washington, Manager of Procurement, explained that the Code of Ethics consists of a mass agreement that is to be signed by all

members of the Board of Directors and an annual certification that asks for the disclosure of all potential conflicts of interests. Ms. Washington asked all committee members to please sign the annual agreement by the Regular Meeting of the Board of Directors to be held January 24, 2007.

Non-Disclosure Agreement – Recent Procurement updates from the Federal Transit Administration require that all board members agree not to discuss contracts, proposal documents, trade secrets, etc. with anyone outside the BJCTA, including and relating to all vendors. Ms. Washington asked all committee members to also sign this agreement no later than the Regular Meeting of the Board of Directors to be held January 24, 2007.

Resolutions for Consideration & Recommendation

- A. **Resolution No. 2007-05** – Authorization to Exercise a One (1) Year Renewal Option with The Lewis Group for Marketing Communication Services for an Amount Not to Exceed \$60,000 was forwarded to the full board for its consideration with the stipulation that a letter is sent from Legal Counsel confirming the terms of the renewal.
- B. **Resolution No. 2007-08** – Authorization to Exercise a One Year Renewal Option with Petroleum Traders for the Purchase of Low Sulfur Diesel and Unleaded Fuel was forwarded to the full board for its consideration.

Old Business: None

New Business:

The Committee Chair inquired about Resolution 2007-07 that references the Finance Committee. Ms. Lassiter stated that the BJCTA Employee Handbook already outlines what is detailed in Resolution No. 2007-07. Mr. Hamilton, Human Relations Committee Chairman, explained that the resolution originated from discussion during the HR Committee Meeting and serves as a future guide and clarification of the current policy.

Adjournment: The meeting was adjourned.

Minutes submitted by: LaChaune N. Slater

Date: _____

Approved: _____
Johnnye P. Lassiter, Committee Chairman