

**Regional Transit Authority
Finance Committee Meeting
Meeting Highlights**

March 19, 1998

Call to Order

12:10 by Committee Chair Greg Nickels.

Attendance

(P) Greg Nickels, Chair	(P) Paul Miller
(P) Mary Gates, Vice Chair	(A) Sid Morrison
(A) Ed Hansen	(A) Cynthia Sullivan
(P) Rob McKenna	

Report of the Chair

None.

Finance Director Report

Ms. Hendrickson stated that the Citizen Oversight Panel was in a meeting as of 8:30 a.m. to do their evaluation of the RTA. She apologized to the committee that the COP would be receiving information about the audit by Deloitte & Touche before the committee and that timing was the only reason for this. She said that things were going very well in the COP meeting. She also stated that the Panel would be on the April 2 agenda to give their report.

Ms. Hendrickson went on to give a report on the press release dated March 17, 1998, Financing Team Named by Sound Transit (copy on file). She stated that the RTA financial plan has been scrubbed by teams across the nation and that we have received very high marks. She also stated that she will be bringing back contract approval to the committee.

Ms. Hendrickson briefed the committee on upcoming contracts for service implementation planning, LTK Engineers, and KJM, Inc. KJM will develop procedures and systems that will assist the modal departments project reporting, along with cost and schedule control objectives, in an efficient and cost effective manner. KJM, Inc. will also develop quality assurance guidelines for the agency.

Resolution No. 98-6 - Amending Resolution No. 98 authorizing a contract for the issuance and use of credit cards for official government purchases and acquisitions, and adopting a system for credit card use by the RTA

Contact: Hugh Simpson, Controller/Treasurer at 684-1717

It was moved by Ms. Gates, seconded by Mr. Miller and carried by the unanimous vote of all members present that Resolution No. 98-6 be approved as presented.

Resolution No. 98-7 – Establishing and revising policies relating to the authorization of per diem allowances for Board members and reimbursement for travel and other expenses incurred by Board members, officers and employees of the Regional Transit Authority, appointing an auditing officer, and superceding Resolution No. 83

Contact: Hugh Simpson, Controller/Treasurer at 684-1717

It was moved by Mr. Miller, seconded by Ms. Gates and carried by the unanimous vote of all members present that in Section 1 of Resolution No. 98-7 the first sentence should read “Board members, officers, employees and approved individuals, being those individuals approved for travel reimbursement by the Executive Director of the Authority shall be reimbursed for lawful, actual, necessary, and documented expenses incurred in the conduct of official business for the Authority and are hereby authorized to apply for and receive allowances to cover reasonable and necessary subsistence and lodging expenses while engaged in official business of the Authority outside the boundaries of the Authority.” In Section 7, the second sentence should be changed to read “Reimbursement for phone expenses to secure family or personal information while in travel status shall not exceed ten minutes in duration and shall be limited to no more than two calls per day within the United States or one call every three days while outside the United States.”

Committee members also discussed raising the compensation amount for part time public officials from \$85 for each day. No action was taken on this item in order to give staff time to research what other jurisdictions have done.

Introduction to Results of Financial Audit

Contact: Hugh Simpson, Controller/Treasurer at 684-1717

Ms. Hendrickson introduced Mr. Pete Scheimer and Mr. Don Cox of Deloitte & Touche

Mr. Sheimer passed out a draft of the statements and stated that the audit was 99% complete. He stated that it is the desire of the staff of Deloitte & Touche to establish a good working relationship with the Finance Committee and staff of the RTA. He went on to say that D&T would be willing to meet with the committee as needed. He recommended twice a year, once before the audit and once after. He went on to say that he would issue letters of recommendation for 1997 but that there were no significant findings to report.

Mr. Cox went over the significant areas of the audit: sub-area equity, the regional fund, information systems, project management systems and capitalization. He stated that there were no significant difficulties in performing the audit.

Committee members stated that we are in great change and would appreciate input from the auditing team. They also stated that any erosion of capital needs to be identified and brought to the Board’s attention early.

Motion No. 98-20 – Authorizing the Executive Director to purchase all necessary furnishings and equipment to complete the occupancy of Phase 11, 3rd floor at RTA 1100 Second Avenue Headquarters

Contact: Jan Hendrickson, Director of Finance and Administration, at (206) 689-3148

It was moved by Mr. Miller, seconded by Ms. Gates and carried by the unanimous vote of all members present that Resolution No. 98-20 be approved as presented and forwarded to the Executive Committee with a do pass recommendation.

The Finance Committee went into an Executive Session at 1:15 p.m. to discuss headquarters' location alternatives and 13(c) labor negotiations. The meeting was reconvened at 2:45 p.m. and as there was no other business, the meeting was adjourned.

Next Meeting

Thursday, April 2, 1998 from 12:00 to 2:00 p.m. at the King County Courthouse 12th Floor SW Conference Room, 516 Third Avenue, Seattle, WA.

Recorded by Bernie Wagar,
Board Administrative Assistant