



## **Meeting of the Audit & Budget Review Committee of Hampton Roads**

Monday, May 21, 2018 • 10:00 a.m.

2nd Floor Board Room • 3400 Victoria Blvd, Hampton, VA 23661

### **MEETING MINUTES**

#### **Commissioners in attendance:**

Commissioner Parnell, City of Norfolk-Chair  
Commissioner Kanoyton, City of Hampton  
Commissioner Hunter, City of Portsmouth  
Commissioner Rowe, City of Portsmouth

#### **Alternate Commissioners in attendance:**

Commissioner Cipriano, City of Newport News

#### **Hampton Roads Transit Staff in attendance:**

Gene Cavasos, Director of Marketing and Communications  
Brenda Green, Accounting Coordinator  
Ashley Johnson, Budget Analyst III (recorder)  
Angela Glass, Director of Budget and Financial Analysis  
William Harrell, President and Chief Executive Officer  
Conner Burns, Chief Financial Officer  
Sylvia Shanahan, Director of Finance  
Brian Smith, Assistant to the President for Organizational Advancement  
Margaret Denoncourt, Internal Auditor  
Ray Amoruso, Chief Planning and Development Officer  
Robert Travers, Attorney  
Sheri Dixon, Manager of Revenue Services  
Sonya Luther, Director of Procurement  
Sibyl Pappas, Chief Engineering and Facilities Officer  
Luis Ramos, Executive Assistant to the President and CEO  
Kim Ackerman, Chief Human Resources Officer  
Brandon Singleton, Assistant Director of Budget and Financial Analysis  
Debbie Ball, Assistant Director of Finance



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### **Call to Order**

Commissioner Parnell called the meeting of the Audit & Budget Review Committee (ABRC) to order at 10.00 am.

The May 2018 Audit & Budget Review Committee meeting package was distributed electronically to the ABRC and Commissioners in advance of the meeting. The meeting package consisted of:

- Meeting Agenda
- Minutes of the March 2018 Meeting
- Financial Report- April 2018
- Proposed FY19 Budget

### **Approval of March 22, 2018 ABRC Meeting Minutes:**

A motion to approve the March 22, 2018 Audit & Budget Review Committee (ABRC) meeting minutes was made and properly seconded. A vote resulted the following:

The March 22, 2018 minutes were approved.

### **Summary of the February FY18 Financial Statement**

Mr. Conner Burns, Chief Financial Officer, welcomed everyone to the meeting.

Mr. Burns gave an overview of the April 2018 Financial Statement.

Mr. Burns discussed the expenditures that are anticipated between now and the end of the fiscal year. Those expenses were entered into the cost allocation model which resulted in an anticipated positive variance to be reimbursed to the localities in the amount of \$448,200. It should be noted that this is based on a projection and that this amount is subject to change.

There was some discussion regarding federal funding being \$700,000 less. This was due to not having sufficient time in the fiscal year to complete certain state of good repair projects. Those funds will be made available in FY19 and the state of good repair projects will be completed during that time.



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There was some discussion about the City of Newport News' projection to owe a true-up balance to HRT and Newport News' understanding of the balance. Mr. Burns advised that the variance is due to actual ridership being lower than projected, which impacted Newport News' farebox significantly.

### **Procurements**

There were no Procurements in April between \$50,000-\$100,000.

Mr. Burns concluded the April Financial Report.

### **Summary of the Proposed FY19 Budget**

Mr. Burns gave a brief introduction to the development of the Proposed Fiscal Year 2019 Budget.

Mr. Burns thanked his staff, Director of Budget and Financial Analysis – Angela Glass, Assistant Director of Budget– Brandon Singleton, Director of Finance – Sylvia Shanahan, Assistant Director of Finance – Debbie Ball, Manager of Revenue Services – Sheri Dixon, Budget Analyst III – Ashley Johnson and the entire Senior Executive Team for their hard work in developing the FY19 budget.

The Proposed FY19 Budget was presented by Mr. Burns.

There was some discussion about the projections for FY18 Operating Revenue budget.

There was some discussion about the Union Contract negotiations in terms of salaries and benefits and the impact both might have on the budget and when the contract negotiations will be finalized. There was additional discussion about pay increases and cost of living increases for employees.

Mr. Burns concluded the Proposed FY19 Budget Presentation

### **Other Matters**

The Financial Plan for the internal Budget Audit was submitted by Mr. Burns and the Board will advise the Operations and Oversight Committee that the Financial Plan has been provided.



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### **Action Items:**

Commissioner Gaylene Kanoyton asked for a breakdown of the Commission expenses.

### **Adjournment**

With no further business to discuss, the May 2018 ABRC meeting was adjourned at 10:53 am by Commissioner Parnell.