



Management / Financial Advisory Committee Hampton Roads Transit Special Called Meeting

Monday, February 4, 2018 • 1:30 p.m.
509 E 18th Street, Board Room, Norfolk, VA 23504

MEETING MINUTES

Committee members in attendance:

Brian DeProfio, City of Hampton – Chair
Lauren DiEugenio, City of Norfolk
Amy Inman, City of Norfolk
Brian Solis, City of Virginia Beach
Jessica Dennis, City of Norfolk
Constantinos Velissarios, City of Newport News
Carl Jackson, City of Portsmouth
Karl Daughtrey, City of Hampton
Michael Hayes, City of Hampton
Miryam Woodson, City of Virginia Beach
Alex Gottschalk, City of Virginia Beach
Cheryl Spivey, City of Portsmouth
Earl Sorey, City of Chesapeake
Lisa Cipriano, City of Newport News
Sheila McAllister, City of Newport News
Tara Reel, City of Virginia Beach

Hampton Roads Transit Staff in attendance:

Brenda Green, Executive Administrative Assistant
Ashely Johnson, Budget Analyst II (recorder)
Debbie Ball, Director of Finance
Keisha Branch, Grants Administration and DBE Officer
Conner Burns, Chief Financial Officer
Angela Glass, Director of Budget and Financial Analysis
Shanti Mullen, Auditor I
Gene Cavazos, Director of Marketing and Communications
Robert Travers, Attorney
Alesia Cain, Chief Information Officer/Chief Technology Officer
Sheri Dixon, Director of Treasury
William Harrell, President and Chief Executive Officer
Kim Ackerman, Chief Human Resources Officer
Tom Holden, Media Specialist
Jamie Jackson, Director of Transit Development
Sibyl Pappas, Chief Engineering and Facilities Officer
Sonya Luther, Director of Procurement
Juanita Davis, Budget Analyst III



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Derrick Snowden, Chief Safety and Security Officer
Antoinette White, Manager of Service Planning
Alisa Crider, Public Relations and Social Media Coordinator
Vincent Jackson, Director of Service Planning and Scheduling
Ben Simms, Director of Transportation
Scott Demharter, Director of Facilities
Ron Hodges, Director of Business Development
Ray Amoruso, Chief Planning and Development Officer

Others in attendance:

Commissioner Keith Parnell, City of Norfolk
Jeffrey Raliski, Hampton Roads Transportations Planning Organization (HRTPO)
Rob Casey, Hampton Roads Transportations Planning Organization (HRTPO)

Call to order

Brian DeProfio, Chair, City of Hampton, called the meeting to order at 1:30 pm.

The special Management/Financial Advisory Committee (MFAC) meeting called February 4, 2019 invitation was distributed to committee members. The meeting agenda consisted of:

- Agenda
- Proposed FY20 Budget

Welcome

Mr. DeProfio welcomed everyone to the meeting.

Mr. DeProfio reviewed the questions that the City of Hampton sent to Mr. William Harrell, President and CEO and Mr. Conner Burns, Chief Financial Officer, in response to the revised HRT preliminary FY20 budget.

Mr. Harrell gave an overview of feedback received from the localities at the prior MFAC meeting. In order to meet the three percent threshold that was requested, the preliminary draft FY20 budget was presented to include service reductions on poor performing routes along with elimination of enhancements to facilities and security. The security mandates



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are still funded and remain in the revised budget. Mr. Burns presented a revised FY20 budget of \$99,785,360 and a breakdown of each locality contribution.

There was some discussion on how reducing service effects the cost per hour and the locality contributions.

Mr. Harrell briefed the Committee regarding the reductions that were made to reach the newly proposed FY20 budget. There was some additional discussion on the methodology on the cuts to service and the cuts to the cost drivers.

Angela Glass, Director of Budget and Financial Analysis, explained that all non-essential vacancies have been frozen, and the three percent merit increase was left in place for this budget scenario.

Operating Cost Efficiencies:

Kimberly Ackerman, Chief Human Resources Officer, gave a presentation on the Operating Cost Efficiencies that HRT has implemented in the past several years.

There was some discussion on salary adjustments outside of the merit increases.

There was some discussion on the administrative positions that were eliminated with the reduction in force two years ago.

There was some discussion on HRT's contribution to VRS.

There was some discussion on duplicative contract services and how contracts are currently being managed.

There was some discussion on analysis being performed to bring some contract work in house versus contracting those services to bring costs down.

Overview of the Proposed Reductions:

The service reductions and route eliminations for each of the cities were discussed. There was some discussion on analysis being done to review how to make some of the inefficient routes more efficient. Ray Amoruso, Chief Planning and Development Officer, briefed the committee on HRT's policy regarding poor performing routes and the thresholds for analyzing those routes. Additionally, public hearings and additional



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analysis would need to be completed prior to a route being eliminated. The route reductions and/or eliminations for each city was reviewed. There was discussion about concerns with the proposed changes.

The cost drivers that were identified by HRT were discussed. As well as, how those cost drivers would be affected by the revised budget scenario with route reductions or eliminations.

The anticipated changes to the State funding was discussed and what assumptions were made with the State revenue when the revised preliminary FY20 budget was developed.

ACTION ITEM: Prepare an additional budget scenario without any route reductions and/or eliminations.

There was some discussion on reducing evening service for all routes throughout the localities.

The MFAC committee will meet again on February 6, 2019 at 2:30 in the Hampton boardroom.

Adjournment

The meeting was adjourned at 3:54 p.m.