



Special Joint Meeting Audit/Budget Review Committee and Management / Financial Advisory Committee

Monday, February 24, 2020 • 1:30 p.m.
2nd Floor Board Room 509 East 18th Street, Norfolk, VA 23504

MEETING MINUTES

Commissioners in attendance:

Commissioner Gray, City of Hampton-Chair
Commissioner Hunter, City of Portsmouth
Commissioner Parnell, City of Norfolk
Commissioner Rowe, City of Portsmouth
Commissioner Woodbury, City of Newport News
Commissioner Kanoyton, City of Hampton (via phone)
Commissioner Ross-Hammond, City of Virginia Beach

Alternate Commissioners in attendance:

Commissioner DeProfio, City of Hampton
Commissioner Jackson, City of Portsmouth
Commissioner Inman, City of Norfolk

Committee members in attendance:

Jessica Dennis, City of Norfolk
Earl Sorey, City of Chesapeake
Alex Gottschalk, City of Virginia Beach
James Burke, City of Portsmouth
Angela Hopkins, City of Newport News
Michael Hayes, City of Hampton
Steven Jenkins, City of Chesapeake
Cole Fisher, City of Virginia Beach
Seth Parker, City of Norfolk

Hampton Roads Transit Staff in attendance:

Brenda Green, Accounting Coordinator
Adrian Tate, Finance Manager (recorder)
Larry Kirk, Assistant Director of Finance
Sonya Luther, Director of Procurement
Sheri Dixon, Director of Revenue Services
Misty Allen, Risk Manager
Tom Holden, Media Specialist
Julisa Williams, Budget Analyst II
Debbie Ball, Director of Finance
Conner Burns, Chief Financial Officer



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Angela Glass, Director of Budget and Financial Analysis
Brian Smith, Chief of Staff
Erin Glenn, Interim Chief Information Officer/Chief Technology Officer
Ray Amoruso, Chief Planning and Development Officer
Jim Price, Chief Transit Operations Officer
Amy Braziel, Manager of Operations Administration
William Harrell, President and Chief Executive Officer
Kim Wolcott, Chief Human Resources Officer
Juanita Davis, Budget Analyst III
Gene Cavazos, Director of Marketing and Communications
Danielle Hill, Compliance Manager

Others in attendance:

Jeff Raliski, HRTPO
Tracy Bedgood, Cherry Bekaert
Krista Edoff, Cherry Bekaert
Luke Reynolds, Cherry Bekaert

Call to order

Commissioner Gray, Chair, called the Special Joint Meeting of the Audit & Budget Review Committee (ABRC) and the Management/Financial Advisory Committee (MFAC) to order at 1:30 pm.

The February 2020 joint meeting package was distributed electronically to Committee members in advance of the meeting. The meeting package consisted of:

- Agenda
- Route Ridership FY16-FY20 – All Routes
- FY 2020 – January Financial Statement

The following was distributed to the ABRC and MFAC members in attendance.

- FY 2019 External Audit Presentation
- FY 2021 Preliminary (Recommended) Operating Budget



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Welcome

Commissioner Gray welcomed everyone to the meeting.

January 2020 FY20 Financial Report

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

The January Financials, including the locality crosswalk and locality budget status to date, were presented in detail to the Committee. The projections for the localities were also presented.

There was discussion concerning the expenses associated with Paratransit and how they are affecting the bottom line.

There was discussion regarding FY20 Paratransit purchase transportation projection.

ACTION ITEM: Request for Paratransit ridership report for next month to see growth rate per city

FY19 External Audit Presentation

Mr. Burns introduced the auditing team from Cherry Bekaert including, Krista Edoff, Partner, Tracy Bedgood, Senior Manager and Luke Reynolds, Manager.

Ms. Edoff gave a presentation regarding the FY19 External Audit.

There was discussion concerning the completion date of the financial audit. Ms. Edoff stated that the anticipated completion date of the audit will be March 2020.

Mr. Burns stated that Cherry Bekaert has started an audit of the D365 implementation.

FY 2021 Preliminary Operating Budget

Mr. Burns confirmed that diesel fuel is locked in for \$1.874 per gallon and gasoline is locked in for \$1.716 per gallon for FY21.



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There was a brief discussion about the decrease in technology's budget and how it will be included in the Capital Expenditure Budget (CapEx).

Mr. Burns mentioned that light rail expenses are specific to the City of Norfolk and were expressed accordingly in the budget presentation.

There was a discussion about the arrival and amount of State funding.

There was a discussion regarding budget attrition as it relates to new hires and vacancies, and overtime of mechanics. There was a brief discussion about increase in training costs.

ACTION ITEM: Request for breakdown of Dues & Subscriptions as it relates to cost drivers in the FY21 budget.

Other Business

None

Adjournment

The meeting was adjourned at 2:41 p.m.