



Meeting of the Audit & Budget Review Committee of Hampton Roads

Monday, May 24, 2021 • 10:00 a.m.
Zoom Tele/Video Conference

MEETING MINUTES

Attendance was taken via teleconference.

Commissioners in attendance:

Commissioner Gray, City of Hampton-Chair
Commissioner Woodbury, City of Newport News
Commissioner Glover, City of Portsmouth
Commissioner Bullock, City of Newport News
Commissioner Ross-Hammond

Alternate Commissioners in attendance:

Commissioner Cipriano, City of Newport News
Commissioner Jackson, City of Portsmouth
Commissioner Shea, City of Virginia Beach
Commissioner Velissarios, City of Newport News

Hampton Roads Transit Staff in attendance:

William Harrell, President and Chief Executive Officer
Conner Burns, Chief Financial Officer
Angela Glass, Director of Budget and Financial Analysis
Ashley Johnson, Capital Budget Analyst
Sheri Dixon, Director of Revenue Services
Adrian Tate, Finance Manager
Robert Travers, Attorney
Gene Cavazos, Director of Marketing and Communications
Kim Wolcott, Chief Human Resources Officer
Ray Amoruso, Chief Planning and Development Officer
Debbie Ball, Director of Finance
Larry Kirk, Assistance Director of Finance
Juanita Davis, Budget Analyst III
Keshia Branch, Director of Office of Program and Project Excellence
Joe Dillard, Organizational Advancement Officer
Dawn Sciortino, Chief Safety Officer
Brenda Green, Accounting Coordinator (recorder)
John Powell, Telecommunications Specialist
Misty Allen, Risk Manager



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Sibyl Pappas, Chief Engineering and Facilities Officer
Brian Smith, Deputy Chief Executive Officer
Michael Price, Chief Information Officer/ Chief Technology Officer
Jim Price, Chief Transit Operations Officer
Danielle Hill, Director of Human Resources

Others in attendance:

Jeff Raliski, Hampton Roads Transportations Planning Organization (HRTPO)
Krista Edoff, Cherry Bekaert, LLP

Call to Order

Commissioner Gray called the meeting of the Audit & Budget Review Committee (ABRC) to order at 10:01 am.

The May 2021 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
- ABRC April 2021 Meeting Minutes
- April 2021 FY21 Financial Report
- FY2022 Final Operating Budget-In-Brief

Approval of April 19, 2021 ABRC Meeting Minutes:

A motion to approve the April 2021 Audit & Budget Review Committee (ABRC) meeting minutes was made and properly seconded. The April 2021 minutes were approved by unanimous vote.

FY 2021 March 2021 Financials

Conner Burns, Chief Financial Officer, welcomed everyone to the meeting. Mr. Burns stated that the Agency will be asking the Audit/Budget Review Committee (ABRC) for their proposed approval of the FY 2022 Operating Budget for consideration of adoption by the Transportation District Commission of Hampton Roads Committee (TDCHR) at the May 27, 2021, board meeting.



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The April financials, including the operating financial statement, non-operating COVID revenue/expenses, farebox revenue/expenses, locality crosswalk and locality reconciliation, were presented in detail by Mr. Burns to the Committee. Mr. Burns mentioned that additional rows have been added that separate the traditional 5307 preventive maintenance monies from the CARES preventive maintenance money. Mr. Burns stressed that CARES funding is 5307 operating money, citing *United States Code 49, chapter § 5307, Urbanized area formula grants*.

Mr. Burns stated that page two (2) represents the statement of operations without specific COVID revenue and expenses, and page three (3) represents the COVID expenditures separately.

FY 2022 Final Operating Budget-In-Brief

Angela Glass, Director of Budget and Financial Analysis presented the FY 2022 Operating Budget-In-Brief to the Committee Members. Ms. Glass gave an overview of the FY 2022 Budget Calendar, the Revenue Assumptions, Cost Drivers, the Final Operating Budget, the Final Service Plan, and the Final TSP's. Ms. Glass stated that the final steps would be the adoption of the FY 2022 Budget & TSP at the TDCHR board meeting on May 27, 2021.

Approval of FY 2021 Budget & TSP

William Harrell, President and Chief Executive Officer, reviewed some of the regional transit changes that will occur in FY 2022 upon the approval and the adoption of the FY 2022 Budget & TSP. Mr. Harrell acknowledged the funding benefits reflected in the FY 2022 Budget are due to the use of the CARES ACT. He also stated how the Agency, for the past 3-years has maintained a level funding contribution for its local partners. Mr. Harrell stated that with the added aid of the federal dollars, HRT will be able to balance the lower revenues, in anticipation of the slow increase of ridership and revenue recovery upon the re-opening of the nation after the pandemic. This problem has plagued all transit properties equally nationwide. However, Mr. Harrell ensures the Committee Members that with the approval of the FY 2022 Budget & TSP, which includes the regional 15- minutes services program, that the Agency will be able to increase its ridership in years to come.

There were discussions concerning what steps HRT would be taking to increase ridership numbers post-COVID. Mr. Harrell stated that HRT will continue with marketing and advertising services to encourage the benefits of public transportation. The Agency will



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continue with the additional cleaning associated with COVID, ensuring that all modes of transit are safe. The Agency understands the complications that may be encountered, and the unpredictable length of time needed to recover its ridership post-COVID. HRT is working closely with the Planning District Commission, the Hampton Roads Transportation Planning Organization (HRTPO), and local business leaders who are assisting with the improvement of the regional transit, as the agency looks to increase the overall economic advancement of the 757 area.

Brian Smith, Deputy Chief Executive Officer stated that there are many components needed to increase ridership. The major component is the ability to provide good, reliable, and consistent service. These major elements are needed for the success of the 757 Express and the Regional Program. New marketing and out-reach services are also key elements for increasing ridership as well as providing information to the public/riders concerning scheduling and available services.

Ray Amoruso, Chief Planning and Development Officer presented an overview of the HRTPO and its subcommittees as it relates to the increase of transit ridership. Mr. Amoruso stated the business communities in the private sector will be HRT's "Army of Advocates", encouraging employees and customers of the use and benefits of public transit. Currently, the Federal Government still requires mask to be worn on public transit, but this discourages some riders from using public transportation and is a contributing factor to the decline/slow growth in ridership.

There were discussions concerning the regional services being billed per billable hours. Regional funds not allocated due to lack of service will be reallocated and used for future regional use.

A motion was given to recommend the FY 2022 Budget & TSP be sent forward to the TDCHR board for consideration of adoption at the May board meeting. The motion was properly second and approved.

FY2020 Annual Audit Update

Mr. Burns stated that the FY 2020 Annual Audit Financial Audit Draft is with the external auditor. The intention is that the audit will be complete and presented to the ABRC Members in June 2021.



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Vaccination Access Transportation Program

Mr. Smith provided a status update of the Vaccination Access Transportation Program to the ABRC members. He also recognized Sheri Dixon, Director of Revenue and several of the key partnering member city associates, for their hard work ensuring that transportation to vaccination centers would not be an issue for those participating in the vaccination program in the six localities. Passes were made available through the respective cities 311 services for those citizens who had a vaccination transportation needs. In addition, Paratransit has serviced over 190 trips to help assist in this need. HRT will be seeking approval from the TDCHR board for an “on-demand” service, this additional service will help aid more people who have transportation needs get to the COVID vaccination centers. Once the information has been gathered and analyzed, HRT will provide the Committee with the update concerning the exact number of tickets distributed and the number riders who have benefited from the use of this program.

Other Matters

Chairman Gray stated that the next meeting will be June 21, 2021, at 10 am, via Zoom teleconference.

Adjournment

With no further business to discuss, the June 2021 Audit/Budget Review Committee meeting was adjourned at 10:59 am by Chairman Gray.