



Management / Financial Advisory Committee

Monday, May 22, 2023, • 1:30 p.m.
2nd Floor, 3400 Victoria Blvd, Hampton, VA
Hybrid In-Person/Zoom Teleconference

MEETING MINUTES

Call to Order

Troy Eisenberger, Chair, City of Chesapeake, welcomed everyone and called the meeting to order at 1:30 p.m.

Attendance was taken for the meeting.

Committee members in in-person attendance:

Troy Eisenberger, City of Chesapeake
Constantinos Velissarios, City of Newport News
John Stevenson, City of Norfolk
Lisa Cipriano, City of Newport News

Committee members in virtual attendance:

Angela Hopkins, City of Newport News
Sheila McAllister, City of Newport News
Brian Swets, City of Portsmouth
James Burke, City of Portsmouth
Brian DeProfio, City of Hampton
Rebecca Spurrier, City of Hampton
Jason Beasley, City of Norfolk
Hunter Anderson, City of Virginia Beach

Hampton Roads Transit Staff in in-person attendance:

William Harrell, President, and Chief Executive Officer
Conner Burns, Chief Financial Officer
Brian Smith, Deputy Chief Executive Officer
Donna Brumbaugh, Director of Finance
Sibyl Pappas, Chief Engineering and Facilities Officer
Ray Amoruso, Chief Planning and Development Officer
April Garrett, Senior Executive Assistance
Benjamin Simms, Chief Transit Operations Officer
Dawn Sciortino, Chief Safety Officer
Amy Braziel, Director of Contracted Services and Operational Analytics
James Lyons, Staff Accountant



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Adrian Tate, Assistant Director of Finance
Sonya Luther, Director of Procurement
John Powell, Telecommunications Specialist
Angela Glass, Director of Budget and Financial Analysis
Robert Travers, Attorney
Shane Kelley, Manager of Security and Emergency Preparedness
Brenda Green, Accounting Coordinator (recorder)
Kim Wolcott, Chief Human Resources Officer
Kristy Lockhart, Management Analyst

Hampton Roads Transit Staff in virtual attendance:

Michael Price, Chief Information Officer/Chief Technology Officer
Misty Gordon, Risk Manager
Ashley Johnson, Assistant Director of Budget and Financial Analysis
Vanity Faulkner, Budget Analyst
Chad Pritchett, Senior Budget Analyst
Sheri Dixon, Director of Revenue
Shleaker Rodgers, Staff Auditor
Sophia Owen-Allen, Staff Auditor
Malika Blume, Director of Internal Audit
Robert Lee, Regional Transit System (RTS) Program Manager
Keisha Branch, Director of Capital Programs
Alexis Majied, Chief Communications and External Affairs Officer
John Nason, Director of Bus Maintenance

Others in virtual attendance:

Jeff Raliski, Hampton Roads Transportation Planning Organization (HRTPO)

The May 2023 Management/Financial Advisory Committee (MFAC) package was posted to the GoHRT.com website and distributed electronically to the Committee Members in advance of the meeting. The meeting package consisted of:

- Meeting Agenda
- April 24, 2023 Meeting Minutes
- May 8, 2023 Special MFAC Meeting Minutes
- April FY2023 Financials
- FY2024 Final Operating Budget and Transit Service Plan (TSP)
- Route Ridership FY2019-FY2023 – ALL ROUTES



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Approval of the April 24, 2023, and May 8, 2023, MFAC Minutes

A motion to approve the April 24, 2023 and May 22, 2023 meeting minutes was made and properly seconded.

The April 24, 2023 and May 8, 2023 minutes were approved by unanimous vote.

April 2023 FY2023 Financials

Conner Burns, Chief Financial Officer, welcomed everyone to the meeting. Mr. Burns presented the Draft Financial Statement included with the meeting Agenda.

Action item: As it relates to the City of Norfolk’s ridership shortage, HRT was asked to provide the percentage of light rail riders that were represented in the shortage.

There were discussions concerning the difference between MTD and YTD Personnel Services presented on the April 2023 Operating Statement. HRT stated the delta was the result of the reported “leveling out” of operator’s overtime and platform time usages in the month of April.

FY2024 Final Operating Budget & Transportation Service Plan (TSP)

Angela Glass, Director of Budget and Financial Analysis, presented a brief overview of the FY2024 Final Operating Budget & Transportation Service Plan (TSP) to the ABRC Members. The overview consisted of the budget calendar, final budget and local contributions & TSPs. Ms. Glass also reviewed the 3-year funding summary, revenue, and the expenses, as it relates to the FY2024 Final Operating Budget.

There was discussion concerning the federal government’s recent talks related to a recall of the American Rescue Plan Act (ARPA) funding. Brian Smith, Deputy Chief Executive Officer, stated that the Agency has been closely monitoring these talks and there is the possibility of a recall. Mr. Smith stated that to the only funds potentially “at risk” are unobligated funds. Mr Smith confirmed that all of the Agency’s awarded ARPA funds are obligated and are in active grants with the Federal Transportation Administration (FTA). Accordingly, Mr. Smith does not anticipate any active threat to HRT funding.

There was discussion concerning the 10 allotments of new administrative, non-union positions allocated in the FY2024 Operating Budget. HRT stated that 8 of those positions were filled in FY2023 by the promotion of existing personnel and will backfill the resulting vacancies. HRT agreed to clarify its nomenclature to prevent any confusion in the future.



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There were discussions concerning the additional \$1.25 per hour incentive premium that HRT implemented to help aid the Agency's retention and recruitment efforts related to the hiring of operators. MFAC expressed their concern regarding the need for more open disclosure of the potential financial impact. HRT noted that the incentive premium had been previously disclosed and discussed by the Committee as part of Mr. Burns' financial report during the February 2023 MFAC meeting. Mr. Harrell, citing multiple recent agency activities, reiterated HRT's commitment to transparency and being good stewards of the public's money. Mr. Harrell advised that HRT will continue to work collaboratively with partnering localities to deliver the best possible and mutually beneficial public transportation solutions.

Action items: It was suggested that MFAC continues the conversation and add a level of reporting, as it relates to vacancies on the meeting agenda.

Approval of the FY2024 Final Operating Budget and TSP

A motion to approve the FY2024 Final Operating Budget and TSP was made and properly seconded.

The FY2024 Final Operating Budget and TSP was approved by unanimous vote.

Reserve Funding Update

Lisa Cipriano, City of Newport News, stated that in light of the recent updates that were presented at today's Audit/Budget Review Committee (ABRC) Meeting by Brown Edwards, that the Reserve Fund Committee would like to table their updates until the completion of the Agency's FY2022 Financial Audit. The Audit is scheduled to be completed by late fall of this year. Ms. Cipriano stated that the finalized FY2022 Audit, along with the FY2020 and FY2021 final budgets, would give the committee members a 3-year picture and allow them a broader perspective from which to move forward.

Strategic Allocation – Update

Mr. Eisenberger announced that five out of the six City Councils for partnering cities have approved a Resolution for the proposed FY2024 Operating Budget. However, due to issues related to public meeting publication/advertisement, the City of Norfolk's City Council vote was delayed and will be rescheduled for late June 2023.



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Quarterly Balance Sheet Update

This agenda item was tabled during the May 22, 2023, MFAC meeting and will be addressed at a future meeting.

Action Item Update

John Nason, Director of Bus Maintenance, gave an overview of the Agency's methodology, as it relates to the evaluation and preparation of obsolete parts, equipment, and vehicles for auction. The Agency plans to perform this process annually at each of the warehouse locations.

Adjournment

There being no further business, the meeting was adjourned at 2:35 p.m.