



Management / Financial Advisory Committee

Tuesday, February 21, 2023, • 1:30 p.m.
3400 Victoria Blvd, Hampton, VA
Hybrid In-Person/Zoom Teleconference

MEETING MINUTES

Call to Order

Megan Gribble, Chair, City of Virginia Beach, welcomed everyone and called the meeting to order at 1:31 p.m.

Attendance was taken for the meeting.

Committee members in attendance in person:

Megan Gribble – Chair, City of Virginia Beach
Lisa Cipriano, City of Newport News
Troy Eisenberger, City of Chesapeake
Carl Jackson, City of Portsmouth

Committee members in attendance virtual:

Rebecca Spurrier, City of Hampton
Sheila McAllister, City of Newport News
Angela Hopkins, City of Newport News
James Burke, City of Portsmouth
Karl Daughtrey, City of Hampton
Jason Beasley, City of Norfolk
John Stevenson, City of Norfolk
Constantinos Velissarios, City of Newport News
Hunter Anderson, City of Virginia Beach

Hampton Roads Transit Staff in attendance in person:

William Harrell, President and Chief Executive Officer
Conner Burns, Chief Financial Officer
Michael Price, Chief Information Office/Chief Technology Officer
Malika Blume, Director of Internal Audit
James Lyons, Staff Accountant
Adrian Tate, Assistance Director of Finance
Donna Brumbaugh, Director of Finance
John Powell, Telecommunications Specialist
Angela Glass, Director of Budget and Financial Analysis
Robert Travers, Attorney
Brenda Green, Accounting Coordinator (recorder)



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Kim Wolcott, Chief Human Resources Officer
Ray Amoruso, Chief Planning and Development Officer
Sonya Luther, Director of Procurement
Sibyl Pappas, Chief Engineering and Facilities Officer
Sherri Dawson, Director of Transit Development
Vincent Jackson, Director of Service Planning and Scheduling
Alexis Majied, Chief Communications and External Affairs Officer
Brian Smith, Deputy Chief Executive Officer

Hampton Roads Transit Staff in attendance virtual:

Shelley Harris, Budget Analyst
Mindy Sweeney, Staff Accountant
Dawn Sciortino, Chief Safety Officer
Amy Braziel, Director of Contracted Services and Operational Analytics
Robert Lee, Regional Transit System Program Manager
Misty Gordon, Risk Management
Ashley Johnson, Assistant Director of Budget and Financial Analysis
Benjamin Simms, Chief Transit Operations Officer
Keisha Branch, Director of Capital Programs
Sheri Dixon, Director of Revenue
Danielle Hill, Director of Human Resources
Kristy Lockhart, Management Analyst
Noelle Pinkard, Organizational Advancement Officer

Others in virtual attendance:

Jeff Raliski, Hampton Roads Transportation Planning Organization (HRTPO)

The February 2023 Management/Financial Advisory Committee (MFAC) package was posted to HRT's website and distributed electronically to Committee Members in advance of the meeting. The meeting package consisted of:

- Meeting Agenda
- January 23, 2023, Meeting Minutes
- January 2023 FY 2023 Financials
- FY2024 Preliminary Operating Budget
- Route Ridership FY2019-FY2023 – ALL ROUTES



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The following presentations were viewed with MFAC Members during the February 2023 meeting.

- COVID Relief Funding Spending Plan 2023
- FY2023/2024 Implementation Service Plan
- Future Service Improvements Implementation Plan

Approval of the January 23, 2023, Special MFAC Minutes

A motion to approve the January 23, 2023, special meeting minutes was made and properly seconded.

The January 2023 special meeting minutes were approved by unanimous vote.

January 2023 FY 2023 Financials

Conner Burns, Chief Financial Officer, welcomed everyone to the meeting. Mr. Burns presented the Draft Financial Statement, ending January 31, 2023, to the Committee Members. The January 2023 financials include the operating financial statement, RTS financial statement, farebox revenue/expenses, consolidated crosswalk, and locality crosswalk. Mr. Burns also presented the locality reconciliations, which reflect the estimated year-to-date Locality Service Reliability Plan credit for each of the cities. The Statement of Operations is structured to reflect the traditional operating budget without specific COVID spending. In addition, the Regional Transit System (RTS) expenses and operations are added to this statement. Page three addresses RTS specifically, whereas the non-operating revenue and specific spending related to COVID is \$96,877.00 and is reflected in the footnotes. The Agency's line of credit balance as of January 31, 2023, is \$6,736,538. The financial operating crosswalk reflects the Hampton Roads Regional Transit Funding (RTF) for the 757 Express 15-minute increment services. The year-to-date estimate of the locality Service Reliability Plan (SRP) credits were included in the budget status totals, as it relates to the financial crosswalk.

There were discussions concerning the delta in Personnel Service, as it relates to the January 2023 Operating Financial Statement. Mr. Burns stated 3 holiday pay periods fell in the month of January which resulted in an increase in personal services.

Action item: HRT was asked whether the union personnel vacation buybacks was a contributing factor to the reported delta? HRT was asked to review if there were any additional anomalies outside of the 3 reported holiday payouts and the vacation buybacks that could account for the delta in personnel services.



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FY2024 Preliminary Operating Budget Update.

Angela Glass, Director of Budget and Financial Analysis presented the FY2024 Preliminary Operating Budget and Transportation Service Plan (TSP) to the MFAC attendees. Ms. Glass gave an overview of the FY2024 budget calendar, cost allocation agreements guiding principles, revenue assumptions, cost drivers, local contributions, and local TSPs related to the preliminary budget. The final FY2024 Operating Budget and TSPs will be distributed to the MFAC members for review on May 1, 2023, and the final budget will be presented at the May 22, 2023, regularly scheduled MFAC meeting. Next, the Transportation District Commission of Hampton Road (TDCHR) Committee Board is scheduled to vote on the final FY2024 preliminary budget at the May 25, 2023, board meeting.

There were discussions concerning the reduction in bus “service hours” and how these reductions impact the FY2024 budget. HRT stated that the fewer service hours allocated against the overall costs results in an increase in cost per service hour. Nevertheless, the Agency is dedicated to keeping the localities at a 5% increase over last year.

Reserve Fund Committee Update

Ms. Gribble announced that the Reserve Fund Committee updates will be tabled until the March 2023 MFAC meeting.

Quarterly Balance Sheet Update

This agenda item was tabled during the February 21, 2023, MFAC meeting and will be addressed at a forthcoming meeting.

Free Fare Earth Day Observance

All modes of transit will be free on April 21, 2023, in observance of Earth Day.

Action item: HRT was asked to provide the Localities with ridership data, as it relates to the FY2023 free fare days. (Election Day and Transit Equity Day) – Forwarded to Commission by William Harrell on March 13, 2023.



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Strategic Allocation – Update

Ms. Gribble discussed the benefits that the Localities have encountered in the past several years by adopting the strategic allocation resolution. She remarked on the various meetings and discussions among the MFAC members concerning the possibilities of expanding this agreement for the next 3 years or potentially incorporating it into the regular budgeting process. Ms. Gribble opened the floor-up for discussions to the MFAC members, as it relates to the continuation of this conversation and its subject matter. Carl Jackson, City of Portsmouth, stated that all of the localities benefit from HRT having the ability to strategically allocate federal funds, and he would like to see it become more of a permanent fixture. Robert Travers, Attorney, stated that the Agency is flexible and is prepared to adjust the allocation agreement in accordance with the request of the committee members, whether for multiple years, long term, permanent or on a year-by-year basis. HRT will be able to accommodate the committee members' needs once the localities have provided some directions on how they would like to move forward. Mr Travers also reminded the members that any adjustments to the Cost Allocation Agreement (CAA) requires council resolutions and approval from all of the 6 partnering cities. HRT asked the Localities to provide their drafted resolutions by the end of March 2023.

Service Implementation Strategy – Update

Ray Amoruso, Chief Planning and Development Officer, reviewed the strategy that the Agency will be taking as it relates to the implementation of service for the next 3 service boards to the attendees. He also gave an overview of the service improvement categories, total operators needed, anticipated improvements needed to the service plan based on the current workforce, total number of operators required to implement full service and the forecast implementation of anticipated service improvements, as it relates to the upcoming service boards that will occur May 2023, October 2023, and May 2024. In addition, Mr. Amoruso presented an implementation summary table that outlined the routes, routes names, service improvement, number of operators needed to support these routes and the service board target dates. William Harrell, President and Chief Executive Officer, stated that the Agency is taking a conservative approach towards its strategy of implementation for future service improvements. HRT will use this as a template as the Agency hires more or less operators and makes the appropriate adjustments to the service boards. HRT will continue to keep the members abreast of their progress.



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COVID Federal Spending -Update

Mr. Burns reviewed the Agency’s revised COVID Relief Fund spending plan, as it relates to the Coronavirus Aid Relief and Economic Security Act (CARES), Coronavirus Response and Relief Supplement Appropriations Act (CRRSAA), American Rescue Plan Act (ARPA) and ARPA Supplement funds.

Operating Budget Projections

Currently, HRT is projected to be at or under budget for FY2023. These projections include the Service Reliability credits. Nevertheless, these projections are subject to change depending on the service levels and unforeseen circumstances of that nature.

Permitting Process for Passenger Amenities -Update

Ms. Gribble gave a brief update concerning the Cities of Hampton and Virginia Beach’s permitting process challenges related to the Shelter Improvement Projects and amenities. HRT was able to resolve these conflicts with both cities and the program is currently making progress and moving forward efficiently.

Update on Passenger Amenities Installations

Sibyl Pappas, Chief Engineering and Facilities Officer provided the passenger amenities installations for each locality

• Chesapeake	37
• Hampton	63
• Newport News	96
• Norfolk	112
• Portsmouth	43
• Virginia Beach	52

Currently, HRT has installed 23% of its 623 amenities, as it relates to the Regional Transit System (RTS)



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There were discussions concerning Paratransit's service zones. Paratransit service zones are designated within $\frac{3}{4}$ of a mile from a fixed route. HRT was asked if there could be a report, or a study performed analyzing the cost and the need related to expanding the zone to one mile. HRT stated that they will review the potential projection and its cost, however, the Agency is forthcoming in stating that such a change will create a budgetary impact on the partnering localities.

Action item: HRT stated that the Agency will provide the data and the cost, as it relates to expanding Paratransit service zones to one mile from a fixed route.

There were discussions concerning Micro-Transit providing service to bridge the gap between Paratransit service zones. Currently, Micro-Transit pilot programs are only being tested in limited areas of Newport News, and Virginia Beach. HRT is actively researching Micro-Transit as a potential additional mode of transit for the Agency. Additional information pertaining to this matter is forthcoming.

Adjournment

There being no further business, the meeting was adjourned at 3:10 p.m.