



# Meeting of the Audit & Budget Review Committee of Hampton Roads

Monday, July 24, 2023, • 10:00 a.m.  
2<sup>nd</sup> Floor Board Room, 3400 Victoria Blvd., Hampton, VA  
**Hybrid In Person Zoom Tele/Video Conference**

## MEETING MINUTES

### **Call to Order**

Jimmy Gray, Chair – City of Hampton, welcomed everyone and called the meeting to order at 10:00 am.

Attendance was taken for the meeting.

### **Alternate Commissioners in attendance In-person:**

Commissioner Velissarios, City of Newport News

### **Hampton Roads Transit Staff in in-person attendance:**

William Harrell, President and Chief Executive Officer  
Conner Burns, Chief Financial Officer  
Robert Travers, Attorney  
Angela Glass, Director of Budget and Financial Analysis  
Donna Brumbaugh, Director of Finance  
Brenda Green, Accounting Coordinator (recorder)  
Brian Smith, Deputy Chief Executive Officer  
Adrian Tate, Assistant Director of Finance  
Kim Wolcott, Chief Human Resources Officer  
Malika Blume, Director of Internal Audit  
Michael Price, Chief Information Officer/Chief Technology Officer

### **Hampton Roads Transit Staff in virtual attendance:**

Ashley Johnson, Assistant Director of Budget and Financial Analysis  
Vanity Faulkner, Budget Analyst  
Robert Lee, Regional Transit System Program Manager  
Ray Amoruso, Chief Planning and Development Officer  
Dawn Sciortino, Chief Safety Officer  
Keshia Branch, Director of Capital Programs  
Sibyl Pappas, Chief Engineering and Facilities Officer  
Sonya Luther, Director of Procurement  
Benjamin Sims, Chief Transit Operations Officer  
Shleaker Rodgers, Staff Auditor



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Chad Pritchett, Senior Budget Analyst

### **Others in attendance:**

Jeff Raliski, Hampton Roads Transportation Planning Organization (HRTPO)  
Hunter Anderson, City of Virginia Beach  
Brian Swets, City of Portsmouth  
Danielle Nikolaisen, Brown Edwards & Company

### **Call to Order**

The July 2023 Audit & Budget Review Committee meeting package was posted to HRT's website and distributed electronically to the ABRC members and Commissioners in advance of the meeting. The meeting package consisted of:

- Meeting Agenda
- Meeting Minutes for May 23, 2022
- Meeting Minutes for October 24, 2022
- Meeting Minutes for January 23, 2023
- Meeting Minutes for May 22, 2023
- June 2023 FY23 Financial Report
- Route Ridership FY19-FY23 All Routes

### **Approval of May 23, 2022, October 24, 2022, January 23, 2023, and May 22, 2023, ARBC Meeting Minutes:**

Due to a lack of a quorum at the July 24, 2023 meeting, ABRC was not able to vote on the approval of the May 23, 2022, October 24, 2022, January 23, 2023, and May 23, 2023 meeting minutes.

Conner Burns, Chief Financial Officer stated that due to time restraints of HRT's visiting Auditors from Brown Edwards & Company, he will start with "Old Business" first. This included the Financial Audit status update.



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### **Financial Audit Status Update**

Mr. Burns introduced Danielle Nikolaisen of Brown Edwards to the ABRC Members and attendees. Ms. Nikolaisen provided a brief overview and status update of the FY 2021 financial audit to the MFAC attendees. Since the last meeting, HRT's management has reviewed all of the project expenses, which enables Brown Edwards to reconcile those expenses to the general ledger. However, there are a final series of adjustments to the financial statement that still need to be completed. Revenue testing is completed, as well as the audit testing work. Both the draft and the financial statements are in audit partner review. In addition, Brown Edwards is responding to some administrator review notes, which is the last of the information needed to wrap up the testing of the single audit. HRT is working with the auditors as relates to the Federal program expense testing and no further adjustments are anticipated. As noted in the last meeting, Brown Edwards has not indicated at this point that they will not issue an unmodified opinion. The auditors do anticipate issuing the financial statement and a single audit at the same time within a month. Brown Edwards confirms that the audit team is prepared to begin FY22's Financial Audit immediately upon the completion of FY21, as well as starting FY2023 in the fall. The ABRC is schedule to reconvene again on September 25, 2023.

### **June 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.

There was discussion concerning the Agency awarding one-time service bonuses to staff members based on their number of service years.

**Action item:** HRT was asked to provide the time gap and the receivable balances, as it relates to the local, state and federal funding, and the impact to the Agency's current line of credit.

There was discussion concerning the maintenance inventory physical count of bus parts material and supplies in the Norfolk storeroom that resulted in an inventory loss of \$1.36 million.

There was discussion concerning the Agency's line of credit and its historical balances and usage.

### **Adjournment**



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With no further business to discuss, the July 24, 2023 ABRC Committee meeting was adjourned at 10:48 am.