



Management / Financial Advisory Committee

Tuesday, February 20, 2024, • 1:30 p.m.
2nd Floor, 509 East 18th Street, Norfolk 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 1:32 p.m.

Attendance was taken for the meeting.

Committee members in in-person attendance:

Troy Eisenberger, Chair, City of Chesapeake
Lisa Cipriano, City of Newport News
Constantinos Velissarios, City of Newport News
Hank Morrison, City of Virginia Beach

Committee members in virtual attendance:

Angela Hopkins, City of Newport News
Sheila McAllister, City of Newport News
John Stevenson, City of Norfolk
Jason Beasley, City of Norfolk
James Burke, City of Portsmouth
Taiub Mohammad, City of Hampton
Brian DeProfio, City of Hampton
Uros Jovanovic, City of Virginia Beach

Hampton Roads Transit Staff in in-person attendance:

William Harrell, President, and Chief Executive Officer
Conner Burns, Chief Financial Officer
Kim Wolcott, Chief Human Resources Officer
Ray Amoruso, Chief Planning and Development Officer
Sibyl Pappas, Chief Engineering and Facilities Officers
Robert Travers, Attorney
Sherri Dawson, Director of Transit Development
Donna Brumbaugh, Director of Finance
James Lyons, Staff Accountant
Adrian Tate, Assistant Director of Finance
John Powell, Telecommunications Specialist
Angela Glass, Director of Budget and Financial Analysis



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Keisha Branch, Director of Capital Programs
Michael Price, Chief Information Officer/Chief Technology Officer
Ashley Johnson, Assistant Director of Budget and Financial Analysis
Brenda Green, Accounting Coordinator (recorder)

Hampton Roads Transit Staff in virtual attendance:

Vanity Faulkner, Budget Analyst
Chad Pritchett, Senior Budget Analyst
Sheri Dixon, Director of Revenue Services
Amy Braziel, Director of Contracted Services and Operational Analytics
Heather Harmon, Senior Staff Accountant
Dawn Sciortino, Chief Safety Officer
Dudley Clark, Budget Analyst
Brian Smith, Deputy Chief Executive Officer
Shleaker Rodgers, Staff Auditor
Robert Lee, Regional Transit System Program Manager
April Garrett, Senior Executive Assistant
Benjamin Simms, Chief Transit Operations Officer
Toni Hunter, Staff Auditor
Malika Blume, Director of Internal Audit
Misty Gordon, Risk Manager
John Nason, Director of Bus Maintenance
Michael Perez, Operations Project and Contract Administrator

Others in virtual attendance:

Jeff Raliski, Hampton Roads Transportation Planning Organization (HRTPO)

The February 2024 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
- January 23, 2024 MFAC Meeting Minutes
- January 2024 FY2024 Financials
- FY2025 Preliminary Operating Budget Presentation
- Route Ridership FY19-FY24 – ALL ROUTES



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The following additional items were distributed electronically to the Committee members after the meeting.

- Transit Equity Day Ridership Presentation
- Grants Projects Presentation

Approval of the January 23, 2024, Meeting Minutes

Due to the lack of a quorum, MFAC members were not able to vote on the approval of the January 23, 2024 meeting minutes.

January 2024 FY2024 Financials

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

Action Item: HRT was asked to provide a consolidated statement of the savings reflected in Personnel Services in the January 2024 Operating Statement that would include the Regional Transit Service (RTS) funds. Angela Glass, Director of Budget and Financial Analysis, stated that because RTS funding is driven by the number of service hours allocated directly to that program and that the personnel cost for RTS is strictly based on the portion used and operating service hours for the personnel cost are allocated through the Cost Allocation Agreement (CAA), there is no direct method for the Agency to allocate this cost. HRT will provide a more detailed analysis of this methodology forthcoming.

FY2025 Preliminary Operating Budget Presentation

Ms. Glass presented the FY2025 Preliminary Operating Budget Presentation included with the meeting Agenda.

There was discussion regarding HRT's plan to present a solution to the forecasted funding gap anticipated once the American Rescue Plan Act (ARPA) funds are depleted. William Harrell, President, and Chief Executive Officer stated that HRT has petitioned the General Assembly in Richmond to conduct a joint legislative study that would identify a long-term sustainable funding source to assist with public transit needs for Planning District #23 = the Tidewater Region. This study would be similar to the one conducted in Northern Virginia. In addition, HRT is seeking additional State support to help address future funding issues. Mr. Harrell also stated that the Agency will be doing a system optimization kick-off. This kick-off will consist of the Agency performing an analysis reviewing productivity of all of the local routes from a historical standpoint. This will allow the Agency to identify the routes that are low performers and could be modified, deleted, or better served with an alternative mode of transit. One such alternative mode may be



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on-demand response service, i.e. HRT's Micro Transit pilot program. Once the study is completed, HRT will work closely with Partnering Cities to develop comprehensive strategies in support of Partner Locality efforts to improve route performance and system efficiency and enhance customer service and satisfaction.

Reserve Funding Update

This agenda item was tabled and will be addressed at a future meeting.

Quarterly Staff Update

This agenda item is scheduled to be reviewed at the April 2024 MFAC Meeting

Quarterly Balance Sheet Update

This agenda item was tabled and will be addressed at a future meeting.

Quarterly Grants Update

Keisha Branch, Director of Capital Programs, presented the updated Quarterly Grants/Projects presentation to the MFAC members. These grant projects were reviewed by project name, grant award funding amount, grant expensed fund amount, encumbered fund amount, and grant balances as of January 31, 2024.

Action Item: It was requested that the Quarterly Grant Update presentation be added to the March 25, 2024, MFAC meeting Agenda to allow members ample time to review and compare this report to the adopted Capital Improvement Plan (CIP) and the Quarterly Grant report presented in July 2023.

There was discussion regarding the mechanisms and methodology HRT has in place to address a funding expenditure gap related to grant projects. Donna Brumbaugh, Director of Finance, stated that the Agency has the option to fill identified gaps with Advanced Capital Contribution (ACC) or Operating funds. Ms. Brumbaugh also stated that the Agency is still experiencing difficulty with the grants project module not calculating properly. Accordingly, HRT will reformulate findings from today's grants presentation and report any anomalies to MFAC members at the March meeting.

Budget Projections

Mr. Burns stated that the Agency is projected to finish the fiscal year on budget, or slightly under. Mr. Burns stated that, based on current projections, he anticipates the Agency landing on a budget status to date of \$525,000 - \$550,000. This is based on the service



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reliability credits reflected on page 6 of the January 2024 Financial Report, ridership levels, and any services that may come online in May 2024.

Action Item: MFAC requested that the presentation of Budget Projections be continued and added to the March 25, 2024, meeting agenda.

Free Fare Day – Transit Equity Update

Ray Amoruso, Chief Planning and Development Officer presented an overview of the Agency's ridership on Transit Equity Free Fare Day. The Agency reported a 37% increase in ridership on that day in comparison to last year.

Budget Tracking Expectations

This agenda item was tabled and will be addressed at a future meeting.

Adjournment

There being no further business, the meeting was adjourned at 2:52 p.m.