



Management / Financial Advisory Committee

Monday, May 20, 2024 • 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 1:31 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
Brian DeProfio, City of Hampton
Hank Morrison, City of Virginia Beach
John Stevenson, City of Norfolk

Committee members in virtual attendance:

Jason Beasley, City of Norfolk
Andrea Kerley, City of Chesapeake
William Landfair, City of Portsmouth
Taiub Mohammad, City of Hampton
Hunter Anderson, City of Virginia Beach
Angela Hopkins, City of Newport News
Sheila McAllister, City of Newport News
Karl Daughtrey, City of Hampton
James Burke, City of Portsmouth

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
Robert Travers, Attorney
Brian Smith, Deputy Chief Executive Officer
Donna Brumbaugh, Director of Finance
James Lyons, Staff Accountant
Adrian Tate, Assistant Director of Finance
John Powell, Telecommunications Specialist



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Chad Pritchett, Management Analyst
Angela Glass, Director of Budget and Financial Analysis
Ashley Johnson, Assistant Director of Budget and Financial Analysis
Ray Amoruso, Chief Planning and Development Officer
Brenda Green, Accounting Supervisor (recorder)

Hampton Roads Transit Staff in virtual attendance:

Vanity Faulkner, Budget Analyst
Sheri Dixon, Director of Revenue Services
Amy Braziel, Director of Contracted Services and Operational Analytics
April Garrett, Senior Executive Assistant
Benjamin Simms, Chief Transit Operations Officer
Heather Harmon, Senior Staff Accountant
Dawn Sciortino, Chief Safety Officer
Dudley Clark, Budget Analyst
Toni Hunter, Staff Auditor
Danielle Hill, Director of Human Resources
Keisha Branch, Director of Capital Programs
Sibyl Pappas, Chief Engineering and Facilities Officer
Malika Blume, Director of Internal Audit
Shleaker Rodgers, Staff Auditor
Michael Price, Chief Information Office/Chief Technology Officer
Sonya Luther, Director of Procurement

Others in virtual attendance:

Jeff Raliski, Hampton Roads Transportation Planning Organization (HRTPO)
Rhonda Russell, City of Portsmouth

The May 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
- April 22, 2024, MFAC Meeting Minutes
- April 2024 FY2024 Financials
- FY2025 Final 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.

- FY2024/2025 Draft Budget Inquiring Responses
- Free Fare Day “Earth Day” Update

The link to the following presentation was distributed to the MFAC members after the meeting.

- Transit Service Delivery Advisory Committee (TSDAC) FY2025 Six Year Improvement Plan (SYIP) Review - April 30, 2024

Approval of the April 22, 2024 Meeting Minutes

John Stevenson, City of Norfolk, made a motion to approve the April 22, 2024 meeting minutes.

Troy Eisenberger, Chair, City of Chesapeake properly seconded.

The April 22, 2024 meeting minutes were approved by unanimous vote.

April 2024 FY2024 Financials

Conner Burns, Chief Financial Officer, welcomed everyone to the meeting. Mr. Burns presented the March Draft Financial Statement included with the meeting Agenda. The updated adjustments to the Regional Transit System service hours, which were omitted from the March 2024 Financial Statement, were presented to the MFAC attendees.

There was discussion concerning the major drivers behind the surplus for the non-localities portion of funding reflected on Operating Crosswalk. Angela Glass, Director of Budget and Financial Analysis, stated that \$533K of those funds were the result of the Elizabeth River Crossing (ERC) efficiency credit. HRT receives revenue credit from ERC and these funds are held until year end and allocated towards the repowering or the purchasing new buses. Ms. Glass also stated that \$369K of these funds are the result of interest income and gains from the sale of assets and scraps. HRT plans to incorporate the \$369k gain into the FY2025 budget.

Action Item: HRT was asked to provide the drivers behind the interest income gain.



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FY2024/2025 Draft Budget Inquiry Responses

Ms. Glass reviewed the responses to FY 2025 Draft Budget questions that were submitted via email from the City of Newport News to the MFAC members. The responses were also electronically distributed to MFAC on April 25, 2024 for their review.

FY2025 Final Operating Budget Presentation

Ms. Glass presented the FY2025 Final Operating Budget presentation included with the meeting Agenda. The FY2025 Final Operating Budget will be presented to the Transportation District of Hampton Roads (TDCHR) Committee for adoption consideration at the May 23, 2024 board meeting.

There was discussion concerning the forecasted decrease in funding from the Department of Rail and Public Transportation (DRPT) FY2025 Making Efficient and Responsible Investments in Transit (MERIT) Operating Assistance program and its impact on the Agency. Ray Amoruso, Chief Planning and Development Officer, expounded on the information gathered from the meeting with DRPT's leadership team. He shared the forecasted changes and the methodology DRPT used to formulate and allocate fund allotments of the Operating Assistance Program among the transit agencies in Virginia. There was discussion concerning how the Agency and the Localities could maximize revenue opportunities to assist in mitigating the possibility of future depletion of state funding. William Harrell, President, and Chief Executive Officer stated that the Agency has will prepare a System Optimization Plan (SOP). This plan will be a comprehensive study that evaluates all 69 routes and addresses those that are underperforming. Mr. Harrell stated that the Agency understands that some routes are in place for political reasons and/or unique needs. However, these certain critical areas could be addressed with micro transit on-demand services. The SOP will identify those routes, their specific needs, and will offer an alternate mode of transit that would better fit the needs in those areas. HRT will work closely with the Cities to take the next steps.

There was discussion concerning HRT's strategy for seeking additional funding to help bridge the gap related to the forecasted shortfall related to pandemic funding. HRT will be seeking approval for funding of a special study on Thursday, May 23, 2024 at the TDCHR Board meeting. This study will provide a framework and build a body of knowledge relative to the structural cost and needs that are unique to this region of Virginia. HRT plans to document and capture the cost for structure and the funding needs for both the ferry and light rail by providing the detail of how these services are not provided in the Northern region, and how they warrant additional state funding support. HRT will be presenting their findings in Richmond at the General Assembly in the



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foreseeable future. In the interim, Mr. Harrell stated that the Agency will be looking for some cost saving strategies within the Agency.

There was discussion concerning the COIVD funding the Agency was awarded. These funds are earmarked to last through 2027.

Action Item: Brian Smith, Deputy Chief Executive Officer, stated that HRT will provide the link to the April 30, 2024, Transit Service Advisory Committee (TSDAC) Six Year Improvement Plan FY2025 (SYIP) Review presented to the MFAC members in today's meeting.

There was discussion concerning the uniqueness of the commuter rail service, Virginia Railway Express (VRE) in Northern Virginia and their participation in the statewide program. VRE was allocated 3% of the total amount of the DRPT's MERIT operating assistance program, equating to approximately \$16 million annually.

Reserve Funding Update

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

Quarterly Staff Update

This agenda item was tabled and will be addressed at the August 2024 meeting.

Quarterly Balance Sheet Update

This agenda item was tabled and will be addressed at the June 2024 meeting.

FY2025 Strategic Allocation Resolution

The deadline to return the approved FY2025 Resolution agreement to the Agency is June 30, 2024.

Budget Projections

This agenda item was requested to remain open.

Budget Tracking Expectations

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



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Free Fare Day “Earth Day” Update

Mr Amoruso presented an overview of the Agency’s ridership on Earth Day’s Free Fare Day. The Agency reported an increase in ridership on that day in comparison to last year.

Agency’s Line of Credit Discussion

This agenda item was tabled and will be addressed at the July 2024 meeting.

Adjournment

There being no further business, the meeting was adjourned at 3:15 PM.