

**RICHMOND METROPOLITAN TRANSPORTATION AUTHORITY
MINUTES OF THE OPERATIONS AND
FINANCE COMMITTEE MEETING
HELD MARCH 31, 2022**

A Committee Meeting of the Operations and Finance Committee of the Board of Directors of the Richmond Metropolitan Transportation Authority was held on the 31st day of March 2022 at the RMTA Main Office, 901 East Byrd Street, Suite 1120, Richmond, VA, pursuant to due notice.

Operations and Finance Committee Chairman Thomas Hawthorne and the following Committee members were present in person and acting throughout the committee meeting, except as noted below: Unwana Dabney (electronically via Zoom platform, entered at 11:29 a.m.), Aubrey Fountain (electronically), Barrett Hardiman, Darius Johnson (electronically), Marvin Tart, Gregory Whirley (electronically, entered at 11:18 a.m.), and Donald Williams (electronically). Committee member Ian Millikan was not present. Board members Jane duFrane (electronically), Lane Ramsey (entered at 11:08 a.m., exited at 12:33 p.m.), and Chairwoman Marilyn West (electronically) were also present.

Also in attendance were RMTA staff members Joi Dean, Sheryl Johnson (electronically), James Madison, Leslie Mehta, Theresa Simmons, and Paula Watson. Additionally, Christian and Barton counsel Belinda Jones and HNTB consultants Dan Papiernik and Cherie Gibson were present.

There was no in-person quorum for the meeting.

Committee Chairman Hawthorne called the meeting to order at 11:03 a.m. As Secretary, Leslie Mehta conducted a roll call of everyone present at the meeting.

Because there was not a quorum present, the February 21, 2022 minutes were not approved.

Next, Ms. Dean provided her CEO comments. She noted staff will present an Operations Budget Review, Capital Budget Review, and a Toll System Adjustment update.

Mr. Madison discussed the FY23 Draft Operating and Capital Budgets. He noted the toll revenue FY22 current forecast is \$33.6 million and FY22 budget is \$30.5 million. Traffic for the same period is 55.0 million and 49.7 million, respectively. The toll revenue FY23 budget is \$35.7 million and traffic is 56.3 million. FY22 forecast versus FY22 budget in terms of total revenue is a 6.5% change; operating expense is (9.3%) change; and net revenue is a 20.5% change. FY22 forecast compared to FY23 budget in terms of total revenue is a 6.1% change; operating expenses is a 10.2% change; net revenue is a 3.4% change; debt service is a (40.8%) change; funds available for capital is a 69.1% change; and capital expenditures is a 209.5% change. Mr. Madison noted that there was a \$94,000 net increase in FY23 budgeted expenses from the FY22 budget. He also reviewed the bond covenants and policies.

Next, Ms. Simmons discussed the FY23 Capital Improvement Plan. She noted that the planning methodology is proactive and planning is asset based and not project based. She reviewed the asset condition assessments, including the 2014-2022 overall bridge condition ratings and the RMTA average pavement condition rating scores. She noted that there was a FY21 Capital Plan Budget downward adjustment of \$3.6 million and for FY22 a downward adjustment of \$3.7 million. To maintain the system in a "state of good repair" the Authority can no longer delay required cyclical and preventative maintenance. Ms. Simmons reviewed the revised capital improvement plan for FY22-FY28 and FY28-41. Ms. Simmons also again discussed preparations for AET implementation.

Next, Ms. Dean again discussed the Toll System Adjustment update based on the Operating and Capital Budgets discussions earlier in the meeting and Mr. Madison reviewed traffic trends and toll revenue trends estimates for 2022 through 2030. Mr. Madison discussed future cash flow

options: do nothing; expend reserves to supplement the shortfall; issue debt or adjust the current toll rate. In terms of forecast options summaries, Mr. Madison noted the following: forecast 1 above represents making no changes to the current toll rate structure; forecast 2 represents increasing the cash toll rate for the mainline to \$1.00 and leaving the electronic toll rates at \$0.70; and forecast 3 represents increasing the both the cash and electronic toll rates to \$1.00 and the ramps to \$0.50. He also explained the forecast assumptions and long-range forecasts with toll rate unchanged, toll rate differential (cash \$1.00 and ETC \$0.70), and toll rate adjustment to \$1.00.

Having no further business, Committee Chairman Hawthorne adjourned the meeting at 12:38 p.m.