

**Minutes**  
**Finance, Administration and Oversight Committee**  
**April 12, 2007**

Mr. Graham called the meeting to order at 10:20 a.m. Present were:

**Committee Members**

Mr. Jim Graham, Chair  
Ms. Elizabeth Hewlett  
Mr. Christopher Zimmerman  
Mr. Emeka Moneme  
Mr. Peter Benjamin  
Mr. Dana Kauffman  
Mr. William Eulle  
Mr. Gordon Linton  
Mrs. Catherine Hudgins  
Mr. Anthony Giancola

**Approval of Agenda**

The agenda was approved as submitted.

**Approval of Minutes**

The minutes were approved unanimously.

**Action Items**

Mr. Graham requested that two action items be added to the agenda: Amend FY07 SAP for Replacement of Southeastern Bus Garage and Police Training Facility and Authorize Negotiations to Amend Metro Matters Funding Agreement to Include Bus Expansion. Following a discussion, the first item was added to the agenda.

**A. Amend FY07 SEP for Largo Project Close-Out Legal Fees**

Mr. Harcum requested Committee approval of a resolution to amend the FY07 SEP by \$2,340,000 to fund Largo legal fees. Ms. Hewlett moved approval, Mr. Benjamin seconded, and the motion was unanimously approved.

**B. Amend FY07 SAP for Replacement of Southeastern Bus Garage and Police Training Facility**

Mr. Dittmeier requested Committee approval of a resolution to amend the FY07 SAP by

\$6,359,764, to establish a project for the MTPD training facility and combine it with the Southeastern Bus Garage replacement project and to authorize supplemental tasks to the on-call consultant. The proposed funding will provide project management and consultant services for a new bus garage and police facility to be built on 16 acres at D.C. Village. Staff will return to the Committee in May with a financial plan, general plans and information on costs for CNG buses. Mr. Moneme moved approval, and Mr. Giancola seconded the motion. Mr. Graham amended the motion to delay further action on the project until there is an approved final plan to relocate a homeless shelter at D.C. Village. A discussion followed on the \$6.3 million budget, the schedule and phases of construction. The amendment was unanimously approved.

## **Information Item**

### **A. FY07 Monthly Operating Financial Report (January 2007)**

Mr. Harcum presented bus ridership data and stated that most bus growth was occurring in the Maryland and Virginia suburbs. Through January, subsidy is exactly on budget, and revenue and expenditures are below budget. Preliminary February data is showing a budget overrun which is expected to continue for the balance of the fiscal year. The Board approved a \$10 million reserve which would cover any year end overrun.

## **FY08 Budget Review**

### **A. Status of Organizational Assessment**

Mr. Catoe stated that Gayland Moffat Associates, the consultant hired to conduct the organizational assessment, will present their final report on April 16, 2007. Structural issues found during the review will be fixed, staff reductions to non-operating functions are proposed, and the changes will occur during the next few weeks. Mr. Catoe stated that each Board member will receive a copy of the consultant's full report. In response to Mr. Benjamin's question, Mr. Woodruff stated that a full FY08 budget will be presented to the Committee in May. Jurisdictional subsidies will remain very close to the proposed budget numbers identified in December.

### **B. Policy On Reserve Balance for Claims**

Mr. Woodruff discussed the recent history on claims and stated that the FY08 budget for claims reserve is \$29.3 million. As part of the resolution approving the FY08 budget, staff will recommend to annually budget reserve contributions at a level sufficient to maintain the reserve balance equal to 20% of the next year's actuarial estimate.

### **C. Living Wage Policy**

Mr. Graham requested that this item be discussed as part of the FY08 budget action.

## **Subsequent Finance, Administration and Oversight Committee Agenda**

The meeting was adjourned at 11:30 a.m.