

FINANCE COMMITTEE MONTHLY MEETING  
Monday, January 14, 2013  
POINT BREEZE HEADQUARTERS BUILDING  
BALTIMORE, MARYLAND

OPEN SESSION

MEMBERS ATTENDING:

Mary Beyer Halsey  
Arthur Hock

STAFF ATTENDING:

Harold Bartlett  
David Chapin  
Patrick Fleming  
Jaclyn Hartman  
Derek Jones  
Major Michael Kundrat  
Kimberly Millender, Esq.  
Michael Rice  
Kitty Sarvinas  
Deborah Sharpless  
Dennis Simpson  
Cheryl Sparks  
Chris Thompson  
Ricky Williams

OTHERS ATTENDING:

David Fleming – MDOT  
Jacquelyn Seneschal – Parsons Brinckerhoff

At 9:03 a.m., Member Mary Beyer Halsey called the meeting of the Finance Committee to order.

At 9:04 a.m., upon motion by Member Arthur Hock and seconded by Member Halsey, the Members voted unanimously to move into closed session under Section 10-508(a)(10) of the State Government Article of the Annotated Code of Maryland to discuss the development and implementation of specific security plans and procedures at MDTA facilities including the deployment of police services and staff.

At 9:56 a.m. Member Hock made a motion to return to open session. It was seconded by Member Halsey and unanimously passed. The Members discussed the one topic noted above and no actions were taken during the Closed Session.

**Approval: Meeting Minutes – December 17, 2012**

Upon motion by Member Hock and seconded by Member Halsey, the minutes of the December 17, 2012 Finance Committee were unanimously approved.

**Update – Revenue Review – FY2012 Toll Increase**

Patrick Fleming presented to the Finance Committee the results of the toll increases implemented in November 2011 and January 2012. A comparison of actual revenue numbers with the Jacobs forecast at the time of the toll increase shows an additional \$6.3 million was realized as a result of the toll increase.

Based on a review of the FY 2011 January to June actual transactions versus the FY 2012 January to June actual transactions; the total number of transactions increased by 0.7% from 54,049,209 to 54,452,464. Total revenue in FY 2012 versus FY 2011 increased by 34.9% to \$202,464,927. The system wide average toll increased from \$2.78 in FY2011 to \$3.72 in FY 2012, a 33.9% increase.

Member Halsey suggested that the report be presented to the full MDTA Board. Executive Secretary Harold Bartlett said that the agenda for this month's Board meeting was very full, but agreed that the item should be presented in February.

**Update – FY 2013 2<sup>nd</sup> Quarter Budget vs. Actual**

Ms. Chris Thompson updated the Finance Committee on the status of spending against the FY 2013 Operating Budget.

As of December 31, 2012, 38% of the budget has been spent. Target spending is 46% based on 12 of 26 payrolls being posted. There are 12 RCs above 46% (excluding equipment), but none are over the target by more than 5% or greater than 51%. Nineteen RCs are more than 5% below target spending or less than 41% spent. There are 3 line items above target spending (State Retirement Agency Fee, Insurance and Vehicle Expenses). However, vehicle expenses are not more than 5% above target or above 51%.

Ms. Thompson asked if in the future, she could present the variances greater than +/- 5% for line items budgeted at \$500,000 or more. The members agreed this would be acceptable but stated they would still like to know of any unusual variances that didn't fit this criteria.

**Update – ETL Opening**

Ms. Jacquelyn Seneschal advised the Members of the issues and activities underway to support the opening of the I-95 Express Toll Lanes (ETL) Section 100. Ms. Seneschal provided the Members with an attachment that provides details of the status of the associated activities and major issues for the I-95 ETLs. A final recommendation on the toll setting process and opening dates will be made at a future meeting.

### **Update – Financial Forecast**

Mr. David Chapin reviewed the adjustments that were made to the Financial Forecast approved by the MDTA Board in November 2012. (That approval was made with the understanding that minor adjustments might be made after approval and that such adjustments would be reported to the Finance Committee.) This presentation indicated what changes were made, compared the key results in the original and revised versions, and presented the revised Financial Forecast for review.

Three categories of changes were made: (a) adjustments were made per MDOT/DBM to allowance rates; (b) estimates of I-95 ETL revenues were revised – using the former forecast rather than the very preliminary updated figures which had been included in the November forecast; and (c) changes were made to several reported end of year FY 2012 figures to reflect actual revenues and expenses. Over the six year period, the result of these adjustments is a cumulative decrease in net revenues (after subtracting operating expenses) of \$22.8 million. These changes did not have a significant impact on the Financial Forecast, i.e., the debt service coverage and rate covenant ratios were not significantly altered

### **Update – Traffic and Revenue**

Ms. Deborah Sharpless reported that the system revenues for the month of December were \$32.7 million, which is up \$1.7 million from the previous year. Revenues for the fiscal year-to-date were \$210.5 million, which is up \$40.0 million from the previous year. Fiscal year-to-date revenues were \$0.2 million, or 0.1%, below the current Jacobs Base Case revenue forecast.

Ms. Sharpless also reported that transactions for the month of December were 9.3 million, which is down 0.3 million from the previous year. Fiscal year-to-date system transactions were 58.8 million, which is down 1.8 million from the previous year. Fiscal year-to-date system transactions are 0.1 million, or 0.2%, below the current Jacobs Base Case transaction forecast.

There being no further business, the meeting of the Finance Committee was adjourned by general consensus at 10:35 a.m., following a motion by Member Hock, and seconded by Member Halsey.



MARYLAND TRANSPORTATION AUTHORITY FINANCE COMMITTEE

STATEMENT FOR CLOSING A MEETING

LOCATION: Maryland Transportation Authority
Point Breeze Headquarters Building
2310 Broening Highway.
Baltimore, Maryland 21224

DATE: January 14,2013

TIME: 9:00 a.m.

MOTION BY: f.-.- od£.

SECONDED BY: Mary Halsey

VOTE TO CLOSE SESSION:

Table with 4 columns: AYE, NAY, ABSTAIN, ABSENT. Rows for P. Jack Basso, Mary Beyer Halsey, and Arthur Hock. AYE column has checkmarks for all three names.

STATUTORY AUTHORITY TO CLOSE SESSION
STATE GOVERNMENT ARTICLE, §10-508(a)

- (1) [ ] To discuss:
(i) the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction; or
(ii) any other personnel matter that affects 1 or more specific individuals.
(2) [ ] To protect the privacy or reputation of individuals with respect to a matter that is not related to public business.
(3) [ ] To consider the acquisition of real property for a public purpose and matters directly related thereto.
(4) [ ] To consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State.
(5) [ ] To consider the investment of public funds.
(6) [ ] To consider the marketing of public securities.
(7) [ ] To consult with counsel to obtain legal advice.
(8) [ ] To consult with staff, consultants, or other individuals about pending or potential litigation.

STATEMENT FOR CLOSING A MEETING

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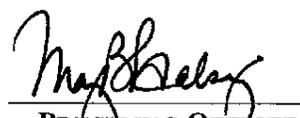
- (9)  To conduct collective bargaining negotiations or consider matters that relate to the negotiations.
- (10)  To discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including:
- (i) the deployment of fire and police services and staff; and
  - (ii) the development and implementation of emergency plans.
- (11)  To prepare, administer, or grade a scholastic, licensing, or qualifying examination.
- (12)  To conduct or discuss an investigative proceeding on actual or possible criminal conduct.
- (13)  To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter.
- (14)  Before a contract is awarded or bids are opened, discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

**TOPICS TO BE DISCUSSED:**

The meeting will be closed under Section I0-508(a)(10) of the State Government Article of the Annotated Code of Maryland to discuss the development and implementation of specific security plans and procedures at MDTA facilities including the deployment of police services and staff.

**REASON FOR CLOSING:**

To discuss matters permitted by statute to be discussed during a closed session of a meeting of a public body.

  
PRESIDING OFFICER