



MASSACHUSETTS BAY TRANSPORTATION AUTHORITY MEETING OF THE AUDIT AND FINANCE SUBCOMMITTEE

November 10, 2021 at 12:00 p.m.

This meeting was held virtually in accordance with the Order Suspending Certain Provisions of the Open Meeting Law issued by Governor Baker on March 12, 2020. Members participated remotely and had materials provided to them prior to the meeting. Public participation and comment occurred via written communication, voice message and live public comment through conference call.

This meeting was broadcast virtually.

BOARD MEMBERS

PARTICIPATING:

Chair Betsy Taylor, Director Scott Darling, and
Director Mary Beth Mello

BOARD MEMBERS ABSENT:

OTHERS PRESENT:

General Counsel Marie Breen, Managing
Attorney-Corporate and Regulatory Eileen
Fenton, Noah Potash, Esq.

PRESENTERS

PARTICIPATING

REMOTELY:

Chief Financial Officer Mary Ann O'Hara, Deputy
Chief Financial Officer Doug LaRose, Chief
Administrative Officer David Panagore, Director
of Capital Program Planning and Oversight Jillian
Linnell, Executive Director of the Office of
Transportation Planning David Mohler

Call to Order by the Chair

Chair Taylor called the meeting of the MBTA's Audit and Finance

Subcommittee to order at 12:05 p.m.

Noah Potash called the roll of the Members participating, being a quorum of
the Audit and Finance Subcommittee:

Chair Taylor	Yes
Director Darling	Yes
Director Mello	Yes

Chair Taylor began with Agenda Item A, an executive session to discuss strategy with respect to collective bargaining which she determined, and the General Counsel concurred, discussion during an open session may have a detrimental effect on the negotiating position of the MBTA. Chair Taylor stated that the subcommittee would return to open session at the conclusion of the executive session.

On motion duly made and seconded, it was by roll call:

VOTED: to enter an Executive Session.

Chair Taylor	Yes
Director Darling	Yes
Director Mello	Yes

The subcommittee returned to open session at 12:52 p.m.

Chair Taylor turned to Agenda Item B, a review of FY 21 year-end capital results. Chief Financial Officer MaryAnn O'Hara reviewed the budget summary. She then introduced Deputy Chief Financial Officer Doug LaRose to discuss Agenda Item C, FY22 first quarter financial results. Both updates were reviewed in accordance with the power point presentation provided to the subcommittee members.

Upon conclusion of the respective reports, Chair Taylor asked if federal funds were traditionally allocated to operating expenses or capital expenses. Ms. O'Hara replied that federal funds usually cover capital expenses.

Director Mello commended the presenters and staff on their good work and expressed appreciation for their reports. Director Darling asked if the amount to be received from the federal infrastructure bill was yet known to the staff. Chief Administrative Officer David Panagore stated that preliminary analysis is currently being conducted and that he would return with a report when the analysis was complete. Director Darling followed-up on his initial question, asking if any funds could be used for operating expenses. Mr. Panagore replied that it was not likely, but the infrastructure act is being closely reviewed.

For Agenda Item D, Director of Capital Program Planning and Oversight Jillian Linnell presented a review in accordance with the power point presentation provided to the subcommittee members of the FY23-27 Capital Investment Plan ("CIP"). Ms. Linnell's presentation began with a review of the staff organizational chart and the recent one-year CIP.

Chair Taylor asked about planning coordination with the MassDOT Capital Planning group, to which Ms. Linnell replied that there is close cooperation and coordination with MassDOT. Chair Taylor then asked about the timing for when a draft CIP would be provided to the MBTA Advisory Board. Ms. Linnell stated that she would need to work through the timeline to determine exact dates but that

essentially advisory boards receive drafts when those same drafts are released to other boards.

Chair Taylor then introduced Executive Director of the Office of Transportation Planning David Mohler to discuss Agenda Item E, a GLX Project Participation Agreement Amendments with Somerville and Cambridge, in accordance with the power point presentation provided to the subcommittee members. Mr. Mohler reviewed the amendments, which provide a mechanism for returning funds to Somerville and Cambridge from the GLX Project currently held in trust and contributed by the respective cities.

Director Darling asked what the City of Somerville could expect to receive regarding the amount of funds. Mr. Mohler replied that Somerville could expect to receive the return of all funds.

Director Mello asked if the assumption is that the plan to return the funds is complete, and approval by the subcommittee and full board is all that is needed. Mr. Mohler replied that if the amendment is not approved, funds collected for the trust will continue. Director Mello inquired if the agreement requires the return of the funds if the project is under budget by 75 million or more. Mr. Mohler replied that the amendment is primarily a timing issue regarding fund returns.

Chair Taylor agreed that the issue is one of timing and recounted the MassDOT Finance and Audit committee's decision to not recommend the amendment to the full MassDOT Board until more discussion on the topic occurred. Director Mello stated that it would be prudent for the subcommittee to

also await more information and answers to questions posed by both committees before voting on the proposed amendment. Chair Taylor agreed and stated that the subcommittee would not act on the proposed recommendation at this time.

At the conclusion of the discussion of the last agenda item, Chair Taylor asked for a motion to adjourn the meeting.

On motion duly made and seconded, it was by roll call:

Chair Taylor	Yes
Director Darling	Yes
Director Mello	Yes

VOTED: to adjourn the meeting of the Audit and Finance Subcommittee at 1:54 p.m.

Documents relied upon for this meeting:

- November 10, 2021 Audit and Finance Subcommittee Agenda
- FY 21 Year End Capital Results
- FY 22 First Quarter Results
- FY 23-27 CIP Process
- GLX Project Participation Agreement Amendment with Somerville and Cambridge