



**MASSACHUSETTS BAY TRANSPORTATION AUTHORITY
MEETING OF THE AUDIT AND FINANCE SUBCOMMITTEE**

June 2, 2022 at 9 a.m.

This meeting was held virtually in accordance the law recently signed by the Governor permitting public bodies to continue to hold meetings remotely. Public participation and comment was available 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

OTHERS PRESENT: Chief Counsel Kevin Scanlon, Noah Potash, Esq.

PRESENTERS PARTICIPATING REMOTELY: Chief Financial Officer Mary Ann O’Hara, Deputy Director of Treasury Services Christina Marin

Call to Order by the Chair

Chair Taylor called the meeting of the Massachusetts Bay Transportation Authority (“MBTA”) Audit and Finance Subcommittee to order at 9:00 a.m.

Noah Potash called the roll of the Members participating, being a quorum of the MBTA’s Audit & Finance Subcommittee:

Chair Taylor	Present
Director Darling	Present
Director Mello	Present

Chair Taylor turned to the approval of the minutes of the May 12, 2022 meeting.

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

VOTED: to approve the minutes of the May 12, 2022 Meeting of the

Audit & Finance Subcommittee.

Chair Taylor	Yes
Director Darling	Yes
Director Mello	Yes

Chief Financial Officer Mary Ann O’Hara presented the final budget for Fiscal Year 2023 for Agenda Item 1. Director Mello thanked Ms. O’Hara for the comprehensive presentation. Chair Taylor thanked staff for fully funding safety and service and emphasized the importance of HR’s hiring ability. The Chair also said she looked forward to discussing further efficiencies and cost-saving measures that could be implemented.

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

VOTED: to recommend that the MBTA Board of Directors:

- **approve the Authority’s itemized budget of current operating expenses and debt service costs, for a one-year period from July 1, 2022 through June 30, 2023, in the amount of \$2,553,539,284, as presented June 9, 2022; and**
- **authorize and direct the General Manager to submit the approved itemized budget, in the name and on behalf of the Authority, to the MBTA Advisory Board no later than June 15, 2022 in accordance with Section 20 of Chapter 161A of the Massachusetts General Laws; and**
- **authorize the transfer of surpluses, defined as total revenues less total expenses, above the amounts identified in the adopted FY23 budget, as may be amended, to the Operating Budget Deficiency Fund to mitigate the projected deficit in FY24 or FY25 and any other current or future obligations.**

Chair Taylor	Yes
Director Darling	Yes
Director Mello	Yes

Deputy Director of Treasury Services Christina Marin presented Agenda Item 2, proposed revisions to the MBTA's Debt Management and Derivatives Policies. Chair Taylor said that the revised policies catch up with significant changes and suggested caution when considering entering future derivatives. Director Mello thanked the Chair for her advice.

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

VOTED: to recommend that the MBTA Board of Directors approve the Debt Management and Derivatives Policies of the Massachusetts Bay Transportation Authority (the "MBTA") in the form presented at this meeting.

Chair Taylor	Yes
Director Mello	Yes

At the end of the agenda, Chair Taylor asked for a motion to adjourn.

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

Chair Taylor	Yes
Director Mello	Yes

VOTED: to adjourn at 9:29 a.m.

Documents relied upon for this meeting:

- June 2, 2022 Audit and Finance Subcommittee Agenda
- Minutes of the May 12, 2022 Audit & Finance subcommittee meeting
- FY23 Final Itemized Presentation – V4
- Proposed Debt Management and Derivatives Policy Revision
- Proposed Debt Management Policy – Clean
- Proposed Master Derivatives Policy 2022