

SUMMARY MINUTES
RISK MANAGEMENT COMMITTEE
MEETING OF JUNE 17, 2015

Mr. Session chaired the June 17 Risk Management Committee Meeting, calling it to order at 9:31 a.m. A quorum was present during the Meeting: Ms. Wells, Co-Chair, Mr. Griffin, Mr. Kennedy, Mr. Mims and Mr. Conner, *ex officio*. Mr. Caputo, Mr. Chapman, Mr. Curto, Ms. Hanley, Ms. Lang, Mr. McDermott and Mr. Williams were also present.

Mr. Session called the executive session to order noting that Mr. Conner had read the premise for the Committee's business prior to the first meeting of the day.

In executive session, the Committee received a Report of Pending and Recently Closed Litigation Involving the Metropolitan Washington Airports Authority; a Report of the Vice President for Audit; and Audits of Airports Authority's Retirement Plans.

Mr. Session adjourned the executive session at 10:03 a.m., at which time the regular session began. A quorum was present.

Audits of the Dulles International and Reagan National Airports' Public Parking Contracts for the Twelve-Month Period Ending June 30, 2014. Julia Hodge, Deputy Vice President for Corporate Risk & Strategy, reported that a contractor operates the public parking operations at both Airports under separate management contracts. She stated that the Authority reimburses the contractor for expenses incurred in managing and operating the lots and pays fixed management and performance based incentive fees. Ms. Hodge noted that the audited contracts included a three-year base period that had begun in June 2010, with two one-year extension options, both of which had been exercised. She reported that the Authority's net revenue from parking operations for the audited period at Dulles International was \$53.5 million on gross parking revenue of \$60.9 million. At Reagan National, the Authority's net revenue from parking operations for the same period was \$46.8 million on gross parking revenue of \$50.9 million. Ms. Hodge reviewed the objectives of the reviews and the actions the Office of Audit staff and consultants had taken to assess compliance. She reported that no exceptions had been noted in either of the reports; therefore, no recommendations for improvement had been made. Recognition had

been given to Authority staff and contractors with a recommendation to continue the good work in the area.

Audit of Agent Cashier's Office at Ronald Reagan Washington National Airport for the Calendar Year Ended December 31, 2013. Ms. Hodge reported that the Agent Cashier's Office (ACO) is responsible for processing payments received from tenants, concessionaires, airlines and Authority employees for parking, fingerprinting fees, identification badges and miscellaneous charges. She noted that the ACO had processed approximately 15,000 transactions totaling \$2.3 million during 2013. Ms. Hodge reviewed the objective of the review and stated that the Office of Audit staff had interviewed ACO management. She reviewed the results and noted that the report contained four observations and recommendations to continue to enhance controls. Ms. Hodge reported that management had accepted the recommendations and had developed adequate action plans to address all four recommendations.

The meeting was thereupon adjourned at 10:10 a.m.