

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

RESOLUTION 06-08

APPROVING THE REQUEST OF FINANCIAL ASSISTANCE FOR SHORT-TERM OPERATING COSTS

WHEREAS, the Northern Virginia Transportation Authority (NVTA) has adopted some or all of the seven regional taxes and fees detailed in NVTA Resolutions 01-08A, 01-08B, 01-08C, 01-08D, 01-08E, 01-08F, and 01-08G; and,

WHEREAS, these taxes and fees will be implemented January 1, 2008, with receipts anticipated beginning in March 2008; and

WHEREAS, staff from the local jurisdictions have drafted an estimate of short-term costs associated with developing the necessary physical and financial infrastructure and recruiting key staff, a copy of which is attached, as Attachment I; and,

WHEREAS, preliminary start-up operating costs are estimated to total approximately \$700,000 through March 2008, and approximately \$300,000 from March 2008 to June 30, 2008 ; and,


WHEREAS, the Commonwealth of Virginia has indicated its willingness to provide financial assistance through the Department of Finance in advance of the receipt of taxes and fees.

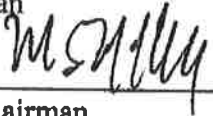
NOW, THEREFORE, BE IT RESOLVED BY NVTA THAT:

1. The NVTA authorizes the Chairman, acting on behalf of the Authority, to apply for financial assistance from the Commonwealth of Virginia, Department of Finance, at an amount not to exceed \$1,000,000, to be fully repaid no later than April 30, 2008.
2. The financial assistance will be limited to authorized operating expenditures for the Authority until such time as tax and fee revenue collections are posted.
3. The Council of Counsels and the Financial Working Group are hereby directed to provide support to the Chairman to ensure that the terms of the agreement will be financially and legally appropriate.
4. The NVTA authorizes the amendment of its current agreement with the Virginia Department of Transportation for an FY 2008 grant for \$50,000 to allow NVTA to receive these grant funds directly after a bank account is established.

Adopted by the Northern Virginia Transportation Authority, on this 12th day of

July, 2007.

BY 
Chairman

Attest 
Vice Chairman

ATTACHMENT A
RESOLUTION 06-08

Northern Virginia Transportation Authority
Estimate of Start-Up Costs

Assumptions

1. State continues to provide \$50,000 annual grant.
2. NVTA taxes become effective January 08 with revenue postings beginning in March 08.
3. State provides revenue anticipation loans, per HB 3202.
4. NVTA adopts 6-year construction plan in November 07, bonds issued in January 08, verified by bond validation suit.
5. Project six staff by end of FY 08 (Exec. Director, CFO, accountant, admin. staff, two proj. mgmt. staff)
6. Assume building lease will include basic build-out, furniture provided by lessee.
7. 20% contingency covers unanticipated expenditures/underasssumptions.

Initial Phase (Thru March 2008)

Legal	\$100,000	Per working group recommendation
Public Outreach	20,000	Per working group recommendation
Organizational	150,000	Hire executive director and temporary support staff in September 07
Financial	100,000	Contractual financial management through March 08.
Project Implementation	60,000	Hire 2 project management staff in January 08
Office Space Lease	52,500	Shared space with VDRPT, est. 3,000 sf @ \$35/sf beginning in September 07
Office Space Build-Out	81,000	Estimate 2 hardwall offices, 8 systems furniture
Office Equipment	9,000	Estimate \$3,000 one-time cost for additional employees (computers, fax, etc.)
Vehicle/Transportation	26,530	Purchase one vehicle, add transit allowance for employees
Operating Expenses	15,000	Estimate \$10,000 annual rate per employee (supplies, telecommunications, etc.)
Insurance	5,000	Estimate \$10,000 per year for NVTA board coverage and liability insurance
Subtotal:	619,030	
<u>Contingency (20%):</u>	<u>123,806</u>	
Total Initial Phase:	\$742,836	
State Grant:	\$50,000	
Revenue Anticipation Loan:	\$692,836	

Balance of FY 08 (Thru June 30, 2008)

Legal	\$25,000	
Public Outreach	5,000	Contingency for continued outreach, website maintenance
Organizational	62,500	
Financial	62,500	Hire CFO & accountant in April 08
Project Implementation	60,000	
Office Space Lease	26,250	
Office Equipment	9,000	
Vehicle/Transportation	9,030	Vehicle depreciation + transit allowance
Operating Expenses	15,000	
Insurance	2,500	
Subtotal:	276,780	
<u>Contingency (20%)</u>	<u>55,356</u>	
Total Balance of FY 08:	\$332,136	Paid by NVTA Tax Revenue