



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

Thursday, November 8, 2018
7:00pm
3040 Williams Drive, Suite 200
Fairfax, VA 22031

AGENDA

- I. Call to Order** Chairman Nohe
- II. Roll Call** Ms. Thomas-Jones, Clerk
- III. Minutes of the October 11, 2018 Meeting**
Recommended action: Approval [with abstentions from members who were not present]

Presentation

- IV. FY 2018 Audit Presentation** Mr. Michael Garber, PBMares, LLP

Consent

- V. Approval of Standard Project Agreement for the City of Fairfax---Regional Funding 2018-046-1 (Jermantown Road Corridor Improvements)**
- VI. Approval of Standard Project Agreement for the City of Fairfax---Regional Funding 2018-049-1 (Northfax West Roadway Network)**
- VII. Approval of Standard Project Agreement for Prince William County---Regional Funding 2018-036-1 (Summit School Rd Ext and Telegraph Rd Widening)**

Action

- VIII. Acceptance of the FY2018 Financial and Compliance Audit Reports**
Mayor Rishell, Vice-Chair, FC
Recommended action: Acceptance of the Audit
- IX. Approval of Project Monitoring and Management System Contract Award**
Mr. Longhi, CFO
Recommended action: Approve Contract Award
- X. Approval of Investment Monitoring and Management Subscriptions and Related Budget Adjustments** Mr. Longhi, CFO

Recommended action: Approval of Subscriptions and Related Budget Adjustments

XI. Authorize the Executive Director to Submit Comments to the Commonwealth Transportation Board on Transportation Projects and Priorities

Ms. Backmon, Executive Director

Recommended action: Authorize Executive Director to Submit Comments

XII. Approval of Calendar Year 2019 Meeting Schedule

Ms. Backmon, Executive Director

Recommended action: Approval of Meeting Schedule

XIII. Appointment of the Nominating Committee

Chairman Nohe

Recommended action: Appointment of Committee

Discussion/Information

XIV. FY2018-2023 Six Year Program Report

Ms. Backmon, Executive Director

XV. 2018 Joint Commission on Transportation Accountability Annual Report

Mr. Nampoothiri, Transportation Planner

XVI. Finance Committee

Mayor Rishell, Vice-Chair, FC

XVII. Governance and Personnel Committee

Councilmember Snyder, Vice-Chair, GPC

XVIII. Investment Portfolio Report

Mr. Longhi, CFO

XIX. Monthly Revenue Report

Mr. Longhi, CFO

XX. Operating Budget Report

Mr. Longhi, CFO

XXI. Executive Director's Report

Ms. Backmon, Executive Director

XXII. Chairman's Comments

Closed Session

XXIII. Adjournment

Correspondence

Next Meeting: December 13, 2018 at 6:00pm

NVTA Offices



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

Thursday, October 11, 2018

7:00 PM

3040 Williams Drive, Suite 200

Fairfax, VA 22031

Meeting Minutes

I. Call to Order

Chairman Nohe

- **Chairman Nohe called the meeting to order at 7:10 PM.**

II. Roll Call

Ms. Thomas-Jones, Clerk

- Voting Members: Chairman Nohe; Chairman Bulova; Chair Randall; Chair Cristol; Mayor Silberberg; Mayor Meyer; Mayor Parrish; Councilmember Snyder; Delegate Hugo; Mayor Rishell; Ms. Hynes; Mr. Kolb; Mr. Minchew
- Non-Voting Members: Ms. Cuervo; Ms. Mitchell.
- Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Harun Rashid (Transportation Planner); Peggy Teal (Assistant Finance Officer); Erica Hawksworth (Communications & Public Affairs Manager); Richard Stavros (Investment and Debt Manager); Sree Nampoothiri (Transportation Planner); various jurisdictional and agency staff.

III. Minutes of the June 14, 2018 Meeting

Chairman Bulova moved approval of the June 14, 2018 minutes; seconded by Chair Randall. Mayor Meyer noted a correction to Item IV, Jermantown Road Corridor Improvements Project, changing 'Lee Highway' to 'Old Lee Highway'. Amended Motion carried unanimously.

Mr. Kolb apologized for not being in attendance at the June Authority meeting. He acknowledged his support for the remarks made by the Authority members at the meeting regarding the adoption of the FY2018-2023 Six Year Program. Mr. Kolb thanked the NVRTA staff and jurisdictional staff for all their efforts.

Presentation

IV. Update on Status of Concessionaire Payment Funded Projects

Ms. Shaw, VDOT, Mega Projects Director

- Ms. Shaw presented the I-66 Outside the Beltway Concession Fee Projects Annual Update.
- Ms. Shaw reviewed the \$500 million Concession Fee Project requirements:
 - ✓ Projects must benefit the toll facility user.
 - ✓ Projects have to be federally eligible.

- ✓ Each project must meet one of the project improvement goals as given by the Authority.
- Ms. Shaw discussed the types of projects to be considered noting one of the following types of multimodal transportation improvements:
 - ✓ Capital projects for new or enhanced local and commuter bus service, transit priority improvements and roadway improvements.
 - ✓ Expansion or enhancement of transportation demand strategies, including van pool and carpool programs and assistance.
 - ✓ Capital improvements for expansion or enhancement of WMATA rail and bus service, and for improved access to Metrorail stations and Metro bus stops.
 - ✓ New or enhanced park and ride lots and access or improved access.
 - ✓ Capital improvements for new or enhanced VRE facilities or services.
 - ✓ Roadway improvements.
 - ✓ Transportation Systems Management and operations.
- Identified in studies and plans or projects in the region's constrained long-range plan or regional transportation plans
- Ms. Shaw highlighted the Concession Fee Project Selection Process.
 - ✓ NVTA issued a Call for Projects to member jurisdictions and agencies on June 8, 2017.
 - ✓ On June 28, 2017, 26 applications were received, totaling \$1.2 billion from 7 jurisdictions and agencies.
 - ✓ NVTA recommended 14 projects totaling \$496,287,000 that went on to the Commonwealth Transportation Board (CTB).
 - ✓ Ms. Shaw noted the two adjustments that were made:
 - One project had a reduced estimate.
 - Route 29 projects were added.
 - ✓ On January 10, 2018 CTB approved the projects totaling \$500 million.
 - ✓ NVTA and VDOT entered into a Memorandum of Understanding (MOU) about how the projects would be selected in the future.
- Ms. Shaw informed the Authority that the MOU details:
 - ✓ Total project funding is \$500 million.
 - ✓ Project funds planned to be expended by Toll Day 1 (December 2022), without a firm requirement.
 - ✓ Projects to be administered by VDOT, DRPT, local jurisdiction, or agency, using standard agreements with VDOT.
 - ✓ NVTA's role is to select and recommend additional projects from available Concession Fee funds until \$500 million has been expended.
 - ✓ The CTB reviews and approves selected projects including any adjustments. CTB also considers and approves project delivery method.
 - ✓ VDOT is responsible for providing an annual report to the NVTA on the balance of the \$500 million and project progression.
- Ms. Shaw referred to the Approved Projects slides outlined in page 3 of the presentation. She noted the bolded items are projects that had changes after the NVTA and CTB approved.
- Ms. Shaw discussed the Concession Fee Project Categories and status that included:

- ✓ Four projects are within the Transform 66 project construction limits.
- ✓ Agreements in process for transit improvement projects. DRPT is leading the efforts to put the agreements in place.
- ✓ Three pedestrian improvement projects with some agreements in place and work underway.
- ✓ Four roadway projects being administered by VDOT and Prince William County.
- Ms. Shaw summarized the Concession Fee Project status.
 - ✓ All projects are established in VDOT system with UPC's and project numbers.
 - ✓ Five project agreements are complete.
 - ✓ Five project agreements in progress.
 - ✓ Four projects to be accomplished within the overall I-66 Outside the Beltway Project.
 - ✓ There is a \$10 million balance in the \$500 million Concession Fee Project account.
 - ✓ Three projects in Fairfax County have reduced estimates. One project reduction is a result of negotiations with the change order with the EMP (Express Mobility Partners) team.
 - ✓ Many of the projects are in the early stages of implementation so the \$10 million balance may be quickly absorbed in future cost increases.
- Mayor Rishell inquired about the status of the additional \$79 million, (excluding the \$500 million for projects) for VDOT to manage the funds. Ms. Shaw replied the concession payment was \$579 million and the additional \$79 million is being used by VDOT for project contingencies and project associated costs.
- Mayor Rishell asked if NVTA would have the opportunity to make additional project recommendations if the \$79 million was not fully utilized by VDOT. Ms. Shaw replied that the agreed amount for projects was capped at \$500 million. She stated that she was uncertain of what would become of the overage of funds. Ms. Shaw added that the funds have to benefit the toll payers in the Transform 66 OTB Corridor.
- Mayor Parrish asked if the projects must be completed by toll day one. Ms. Shaw stated the goal is approximately toll day one, noting that there are projects that will not be ready by toll day one. The toll day date is approximate.
- Mayor Parrish asked what is the date for toll day one. Ms. Shaw replied, December 20, 2022.

V. State Transit Funding Reforms

Ms. Mitchell, DRPT

- Ms. Mitchell gave the State Transit Funding Reforms presentation noting that many of these changes were contained in HB1539.
- Ms. Mitchell highlighted the changes to the Transit Capital Funding Program.
 - ✓ Effective July 1, 2019 for FY2020.
 - ✓ WMATA exempt from prioritization process.
 - State of Good Repair (SGR)
 - Based on transit asset management principles, including federal requirements

- for Transit Asset Management
 - Major Expansion
 - Based on SMART SCALE Factors
- Ms. Mitchell discussed the Capital Prioritization Policy Process.
 - ✓ DRPT has been working extensively with the Transit Service Delivery Advisory Committee (TSDAC).
 - ✓ DRPT has done extensive outreach to MPO's, transit agencies and local governments.
 - ✓ DRPT began with the framework from the Revenue Advisory Board (RAB) report, approved by CTB in July 2017.
- Ms. Mitchell discussed the Transit Capital Program structure as it relates to the funding levels for State of Good Repair (SGR), Minor Enhancement and Expansion.
 - ✓ Minimum funding level (floor) for SGR funding can be moved from expansion to SGR based on need.
 - ✓ Funding cannot move from SGR to Expansion but funding can move from Expansion to SGR.
- Ms. Mitchell explained the Project Types.
 - ✓ State of Good Repair (projects/programs replacing or rehabilitating an existing asset).
 - ✓ Minor Enhancement (projects/programs to add capacity, new technology, or a customer enhancement meeting the following:
 - Project costs less than \$2 million, OR
 - Expansion vehicles; less than 5 vehicles or less than 5% of fleet
 - ✓ Major Expansion (new projects/programs that add, expand, or improve service - greater than \$2 million).
- Ms. Mitchell discussed the Capital Prioritization Status.
 - ✓ A draft prioritization policy has been created. DRPT briefed the CTB in September 2018 and will request approval by the CTB at the October 2018 meeting.
 - ✓ The policy addresses program structure and prioritization methodology.
 - ✓ Draft was released for public comment on September 10, 2018. The comment period closes on October 25, 2018.
- Ms. Mitchell noted the Strategic Planning requirement of the legislation, stating that DRPT now requires a Strategic Plan from transit agencies with the intent to ensure that transit agencies are planning and operating as cost effectively as possible.
 - ✓ Major Components of Strategic Plans will include:
 - Assessment of state of good repair needs
 - review of the performance of fixed-route bus service
 - evaluation of opportunities to improve operating efficiency of the transit network
 - examination and identification of opportunities to share services where multiple transit providers' services overlap
 - Examination of opportunities to improve service in under-served areas
 - Strategic Plans must also include opportunities to streamline and better coordinate with other co-local systems.
 - ✓ Ms. Mitchell noted that a draft policy on Strategic Plans has been created and was released for public comment on September 10, with the public comment period closing on October 25, 2018.
 - ✓ DRPT has begun a pilot with two transit agencies (Hampton Roads Transit and Greater Lynchburg Transit) regarding the strategic plan guidelines. Ms. Mitchell added that

- CTB approval of guidelines and implementation is planned by December 1, 2018.
- Ms. Mitchell addressed the Statewide Transit Operating Funds noting the following:
 - ✓ Effective date July 1, 2019 (FY2020).
 - ✓ WMATA exempt from the process.
 - ✓ 100% of Statewide Operating funds allocated on the basis of service delivery factors.
 - ✓ Current performance factors include:
 - Passengers per revenue hour.
 - Passengers per revenue mile.
 - Net cost per passenger.
 - ✓ Ms. Mitchell noted the next steps for the Operating Allocation.
 - December 4, 2018-CTB Workshop briefing on operating allocation policy.
 - December 20, 2018-The release of draft operating allocation policy for public comment.
 - December 2018/January 2019-Legislator outreach on draft CTB policy for operating allocation.
 - January 15, 2019-CTB Workshop briefing on draft CTB policy for operating allocation.
 - February 20, 2019-Action on CTB policy for operating allocation.
 - ✓ Legislation requires Northern Virginia Transportation Commission (NVTC) to provide a detailed report on the performance and condition of the WMATA system.
 - NVTC staff has provided a draft report to their board. The report is due to the General Assembly by November 1, 2018.

Action

- VI. Approve FY2019 Revenue Fund Appropriations** Mr. Longhi, CFO
- Mr. Longhi requested budget appropriation action for projects in the FY2018 - FY2023 Six Year Program (SYP) requiring FY2019 Regional Revenue Funds.
 - Mr. Longhi noted the action item is appropriating \$527 million for first 16 of 44 projects approved in the SYP. He referred the project list on page 1 of Item VI of the report.
 - Mr. Longhi discussed the background of the appropriation:
 - ✓ The Authority's Finance Committee initiated development of a funding strategy for the Authority's inaugural FY2018 through FY2023 Six Year Program in May of 2017.
 - ✓ Over the next 13 months, the Finance Committee received reports and analyses and provided feedback on numerous matters critical to determining the level of PayGo funding available for the SYP. These include:
 - Regional Revenue Projections
 - Investment Portfolio Interest Earnings
 - Debt Service Commitments
 - Future Technical Support Expenses for TransAction Updates, Long Term Benefits and Congestion Reduction Relative to Cost Analyses
 - Out Year Taper
 - Cash Flow (Liquidity) Analysis
 - Appropriation Schedule Options
 - Fiscal Impact Analysis of the 2018 General Assembly action
 - Mr. Longhi noted, on June 6, 2018, the Finance Committee made a funding recommendation of \$1.285 billion in PayGo funding to the NVTA Planning and Programming Committee (PPC) for the SYP. He added, on June 14, 2018 the NVTA adopted its inaugural SYP of 44 projects totaling \$1.285 billion.

- Mr. Longhi mentioned since the adoption of the SYP, NVTA staff has worked with individual jurisdictions and agencies on the development of the schedule of appropriations presented in Attachment 1 of Item VI of the staff report
- Mr. Longhi referred to Attachment 1 of Item VI of the staff report and highlighted:
 - ✓ Many project sponsors wanted their money early. It is not spread out as linearly as the revenue funds arrive.
 - ✓ There are 14 projects receiving appropriations in FY2019, with the remaining 28 of 44 projects with planned appropriations in FY2020 thru FY2023.
- Mr. Longhi referred to the table on Page 3 of the staff report, and added the appropriations are technically advancing faster than the revenue for the SYP. Mr. Longhi added, a plan has been developed that includes the projects receiving all funding in the first year of allocation. This is consistent with the Authority's goal of cementing NVTA's reputation as a predictable long term funding partner. This is also consistent with accepted best financial practice (conservative, transparent, accountable, and reliable). A fair question would be, how can we do this?
 - ✓ Since discussed that the NVTA allocates project funding on a reimbursement versus grant basis, cash related to unspent project appropriations remain with the NVTA, resulting in a significant level of liquidity. A project may have an appropriation in the first year that it needs money, it will not spend all the money in that one year. It creates the cycle balance sheet for the Authority as noted in the table on page 4.
- Mr. Longhi emphasized, with this action, every dollar the Authority effectively has for six years is assigned to a project. NVTA is using the cash flow (balance sheet) to avoid going to the bond market or getting a loan. If the Authority chose to go the bond market, that would incur a cost of \$194 million in interest expense over 20 years.
 - ✓ The NVTA is using its balance sheet to advance projects faster than if traditional approach was executed. Mr. Longhi added, the balance sheet is being used to save the Authority money.
 - ✓ P.B. Mares, the Authority's auditor, informed Mr. Longhi that as long as NVTA staff is transparent with the Authority and never appropriate more than the actual revenue, then timing can be managed with the tools as outlined.
- Mr. Longhi summarized that all available PayGo from now to FY2023, is committed to a project. If there is a change in revenue, a project discussion may be triggered.
- Chair Cristol asked if the unused project balances were seen as reserves by the rating agencies.
- Mr. Longhi responded that rating agencies were briefed while the strategy was in development. The reaction of the rating agencies was similar to the auditors, in that it is an unusual but an effective way of managing finances. The Authority's governing body has a very good reputation with the rating agencies of not rushing to the bond market. He added it's important to not borrow money before the projects can use it.
- Mayor Parrish thanked the Authority and jurisdiction staff for all the hard work and moved the Authority budget and appropriate \$527,233,959 of FY2019 Regional Revenue Funds to sixteen of the FY2018-FY2023 Six Year Program projects, as detailed in the project appropriation table, seconded by Mayor Rishell. Motion carried unanimously.

VII. Approval of Standard Project Agreement for Prince William County—

Regional Funding 2018-030-4 (Route 28 Corridor Improvements Fitzwater Dr. to Pennsylvania Ave.)

Mr. Nampoothiri, Transportation Planner

- Mayor Parrish moved Authority approval of the proposed Standard Project Agreement 2018-030-4 Prince William County (Fitzwater Dr. to Pennsylvania Ave.), in accordance

with NVTAs approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority, seconded by Chairman Bulova. Motion carried unanimously.

- VIII. Approval of Standard Project Agreement for Prince William County— Regional Funding 2018-034-1 Prince William County (Construct Interchange at Route 234 and Brentsville Road)** Mr. Nampoothiri, Transportation Planner
- Mayor Parrish moved approval of the proposed Standard Project Agreement 2018-034-1 Prince William County (Construct Interchange at Route 234 and Brentsville Road), in accordance with NVTAs approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority, seconded by Chairman Bulova. Motion carried unanimously.
- IX. Approval of Standard Project Agreement for Prince William County— Regional Funding 2018-035-1 Prince William County (Construct Interchange at Prince William Parkway and University Boulevard)** Mr. Nampoothiri, Transportation Planner
- Mayor Parrish moved approval of the proposed Standard Project Agreement 2018-035-1 Prince William County (Construct Interchange at Prince William County Parkway and University Boulevard), in accordance with NVTAs approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority, seconded by Chairman Bulova.
- X. Approval of Standard Project Agreement for Loudoun County –Regional Funding 2018-027-1 (Town of Hillsboro Route 9 Traffic Calming Project)** Mr. Nampoothiri, Transportation Planner
- Chair Randall moved approval of the proposed Standard Project Agreement 2018-027-1 Loudoun County (Route 9 Traffic Calming), in accordance with NVTAs approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority, seconded by Mr. Minchew. Motion carried unanimously.
- XI. Congestion Mitigation Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) Transfer Request for Prince William County, the Town of Vienna and the Cities of Alexandria and Manassas** Ms. Backmon, Executive Director
- Chair Randall moved Authority approval of the reallocation of Congestion Mitigation and Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) funds for Prince William County, the Town of Vienna, the City of Alexandria, and the City of Manassas, seconded by Mayor Silberberg. Ms. Hynes abstained. Motion carried.
- XII. Approval of the Call for Projects for FY2025 CMAQ/RSTP Funding** Ms. Backmon, Executive Director
- Ms. Backmon sought approval for the issuance for the Call for Projects for the FY2025 Congestion Mitigation and Air Quality Program and Regional Surface Transportation Program Funds.
 - The deadlines for the FY2025 programming cycle are:
 - ✓ Application submittal, December 14, 2018.
 - ✓ TEEM worksheet submittal, December 31, 2018.
 - ✓ Resolution of support submittal, January 15, 2019.
 - Ms. Backmon will seek Authority approval of the proposed FY2025 funding recommendations at the February or March 2019 Authority meeting. Upon Authority

- action, the recommended projects will be submitted to the CTB for funding approval.
- Chairman Bulova moved Authority approval of the issuance of the Call for Projects for the FY 2025 CMAQ and RSTP Funds, seconded by Chair Cristol. Motion carried unanimously.

Discussion and Information

XIII. Finance Committee

Mayor Parrish, Chair FC

- Mayor Parrish gave a review of the Finance Committee Report from the September 20, 2018 meeting:
 - ✓ The Committee received a report on the procurement efforts of the Project Monitoring and Management System (PMMS).
 - ✓ Reviewed of NVTAs Office Lease.
 - ✓ Discussed Draft Policy 29 – Project Activation, Monitoring and De-Appropriation.
 - ✓ Received updates to Investment Portfolio Report, Monthly Revenue Report and Operating Budget Report.
- Delegate Hugo noted the level of bonding being undertaken by the Hampton Roads Transportation Accountability Commission and requested that the use of bonding be considered by the Finance Committee.

XIV. Governance and Personnel Committee

Chair Randall, Chair, GPC

- Chair Randall provided a report of GPC activities that included:
 - ✓ Updates to the 2018 Legislative Program.
 - Amending HB599, transferring responsibility for the analysis to the Authority.
 - Addressing the revenue reduction resulting from the 2018 General Assembly Session.
 - ✓ Chair Randall noted her recent attendance at a meeting of the Dulles Area Advisory Committee during which the prospect of increasing tolls received significant discussion.
 - ✓ Chair Randall requested NVTAs be included in future discussions as the region’s transportation planning organization.
 - ✓ Chair Randall noted that GPC adopted a meeting schedule for October 2018 through April 2019. The meetings will be held 5:30PM on the same evenings as Authority meetings. GPC November 2018 meeting date has changed to November 26, 2018.
 - ✓ Chair Randall stated that Executive Director, Monica Backmon’s upcoming performance evaluation preparation steps is underway and will be presented to the Authority in January 2019.

XV. Investment Portfolio Report

Mr. Longhi, CFO

- No report given

XVI. Monthly Revenue Report

Mr. Longhi, CFO

- No report given

XVII. Operating Budget Report

Mr. Longhi, CFO

- No report given

XVIII. Executive Director’s Report

Ms. Backmon, Executive Director

- Ms. Backmon informed the Authority of the creation the Transportation Technology Committee (TTC) noting that Councilmember Snyder has graciously agreed to chair the

committee. Ms. Backmon stated that the TTC was created to advise her on multi-modal transportation technologies and related transportation trends that support (or endanger) the vision of the Authority as stated in its current Five-Year Strategic Plan. Goal 3 of NVTA's Strategic Plan calls for the Authority to 'lead the region in planning and advocating for emerging transportation technologies which address future transportation, work place and development trends.

- Ms. Backmon stated that the NVTA staff is in the process of meeting with jurisdictional and agency staff on the status of projects with approved SPAs. NVTA wants to ensure it has an accurate picture of the projects and their status.
- Ms. Backmon highlighted the addition two new staff members:
 - ✓ Richard Stavros, Investment & Debt Manager.
 - ✓ Erica Hawksworth, Communications & Public Affairs Manager.

XIX. Chairman's Comments

- Chairman Nohe welcomed J. Randall Minchew back as an Authority member.
- Chairman Nohe announced committee member appointment updates:
 - ✓ Chairman Nohe removed himself from the Governance and Personnel Committee, and appointed Mr. Minchew. The GPC consists of Chair Randall (Chairman), Council Member Snyder (Vice Chairman), Mr. Minchew, Chair Cristol and Mayor Meyer.
 - ✓ Chairman Nohe removed Chair Randall from the Finance Committee and appointed himself as a member. The current Finance Committee consists of Mayor Parrish (Chairman), Mayor Rishell (Vice Chairman), Chairman Nohe, Chairman Bulova and Mayor Silberberg.
 - ✓ Chairman Nohe noted that the Planning and Programming Committee (PPC) will not meet again until 2020 as part of the update of the Six Year Program.
 - ✓ Chairman Nohe suggested when developing the 2019 Authority Meeting schedule that action items are taken into consideration. He added, in an effort to be respectful of the members busy schedules, Authority meetings should typically only be held if there are action items or other critical matters on the agenda.
 - ✓ Mr. Minchew inquired about the Town of Leesburg's contractor alternatives for the Battlefield Parkway/Rt.7 Interchange Project. Mr. Minchew specifically inquired about the release of designs to the public as the contractor will only discuss alternatives in closed session. Ms. Cuervo explained alternative designs are allowed in an effort to save the state money. She added that the information is often proprietary so the contractors would not publicly share their design.

XX. Adjournment at 8:01pm

Next Meeting: November 8, 2018 at 7:00pm.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

DATE: November 8, 2018

SUBJECT: Regional Funding Project 2018-046-1 City of Fairfax (Jermantown Road Improvements Project)

-
1. **Recommendation.** Northern Virginia Transportation Authority (NVTA) approval of attached Standard Project Agreement (SPA) 2018-046-1.

 2. **Suggested motion.** I move approval of the proposed Standard Project Agreement 2018-046-1 City of Fairfax (Jermantown Road Improvements Project), in accordance with NVTA's approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority.

 3. **Background.**
 - a. This project was adopted as part of the FY2018-2023 Six Year Program and received appropriation approval on October 11, 2018.
 - b. The attached SPA presented by the City of Fairfax is consistent with the project previously approved by the Authority.
 - c. The attached SPA has been reviewed by the Council of Counsels, who noted that there were no legal issues.

Attachment: SPA for NVTA Project Number 2018-046-1

Coordination: Council of Counsels

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

City of Fairfax Regional Funding 2018-046-1 (Jermantown Road Corridor Improvements)

SPA Documents are available upon request and at the NVTA website:

<http://www.thenovaauthority.org/meetings/authority-meetings>.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

DATE: November 8, 2018

SUBJECT: Regional Funding Project 2018-049-1 City of Fairfax (Roadway Network Northfax West)

-
1. **Recommendation.** Northern Virginia Transportation Authority (NVTA) approval of attached Standard Project Agreement (SPA) 2018-049-1.
 2. **Suggested motion.** I move approval of the proposed Standard Project Agreement 2018-049-1 City of Fairfax (Roadway Network Northfax West), in accordance with NVTA's approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority.
 3. **Background.**
 - a. This project was adopted as part of the FY2018-2023 Six Year Program and received appropriation approval on October 11, 2018.
 - b. The attached SPA presented by the City of Fairfax is consistent with the project previously approved by the Authority.
 - c. The attached SPA has been reviewed by the Council of Counsels, who noted that there were no legal issues.

Attachment: SPA for NVTA Project Number 2018-049-1

Coordination: Council of Counsels

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

City of Fairfax Regional Funding 2018-049-1 (Northfax West Roadway Network)

SPA Documents are available upon request and at the NVTA website:

<http://www.thenovaauthority.org/meetings/authority-meetings>.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

DATE: November 8, 2018

SUBJECT: Regional Funding Project 2018-036-1 Prince William County (Summit School Road Extension and Telegraph Road Widening)

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1. **Recommendation.** Northern Virginia Transportation Authority (NVTA) approval of attached Standard Project Agreement (SPA) 2018-036-1.
 2. **Suggested motion.** I move approval of the proposed Standard Project Agreement 2018-036-1 Prince William County (Summit School Road Extension and Telegraph Road Widening), in accordance with NVTA's approved Project Description Sheet as appended to the Standard Project Agreement; and authorize the Executive Director sign on behalf of the Authority.
 3. **Background.**
 - a. This project was adopted as part of the FY2018-2023 Six Year Program and received appropriation approval on October 11, 2018.
 - b. The attached SPA presented by the Prince William County is consistent with the project previously approved by the Authority.
 - c. The attached SPA has been reviewed by the Council of Counsels, who noted that there were no legal issues.

Attachment: SPA for NVTA Project Number 2018-036-1

Coordination: Council of Counsels

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**Prince Williams County Regional Funding 2018-036-1 (Summit School Rd Ext
and Telegraph Rd)**

SPA Documents are available upon request and at the NVTA website:

<http://www.thenovaauthority.org/meetings/authority-meetings>.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Mayor Rishell, Vice Chair, NVTAFinance Committee

SUBJECT: Fiscal Year 2018 Financial and Compliance Audit Reports

DATE: November 2, 2018

1. **Purpose.** To seek Northern Virginia Transportation Authority (NVTAFinance) acceptance of the FY2018 Financial and Compliance Audit Reports, as recommended by the Finance Committee.
2. **Suggested motion.** *I move the Authority acceptance of the Northern Virginia Transportation Authority Financial and Compliance Audit Reports for the fiscal year ended June 30, 2018 (Attached).*
3. **Background.**
 - a. As a political subdivision of the Commonwealth of Virginia, the Authority is required to complete an annual audit of its financial activities for each fiscal year following standards contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Specifications for Audits of Authorities, Boards and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia.
 - b. The Authority contracted with an independent, external, licensed certified public accounting firm; PBMares, LLP to complete the required audit of the FY2018 financial reports.
 - c. PBMares, LLP, through one of the firm's partners, Mr. Michael Garber, CPA, MBA presented the FY2018 audited financial statements and reports to the Authority Finance Committee on October 18, 2018. The Finance Committee serves as the Authority's Audit Committee.
 - d. The Authority's FY2018 Financial and Compliance Reports received an unmodified (clean) audit opinion. This opinion reflects that the Authority's financial statements, in all material respects, fairly and accurately present the financial position of the Authority for FY2018.
 - e. The auditors made two recommendations in their management letter which are agreed to by NVTAFinance management.
 - i. Recommendation to implement procedures to monitor and update rating risk within the Authority's growing investment portfolio. In response to this recommendation, the Finance Committee recommends Authority approval of a FY2019 budget transfer to obtain investment monitoring subscriptions services as noted in an upcoming agenda action item.

- ii. Recommendation to continue to work with the Authority's investment custody service provider to avoid investment classification errors by the outside contract custodian bank. In response to this recommendation Authority staff are evaluating the annual renewal of this service with the current provider.

Attachments:

- Northern Virginia Transportation Authority, Financial and Compliance Reports, Year Ended June 30, 2018
- The FY2018 Audit Reports will be available at <http://thenovaauthority.org/funding/audited-financial-statements-adopted-budgets/> shortly after acceptance.



**NORTHERN VIRGINIA
TRANSPORTATION AUTHORITY**

FINANCIAL AND COMPLIANCE REPORTS

Year Ended June 30, 2018

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

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Introductory Section

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

DIRECTORY OF PRINCIPAL OFFICIALS

Voting Members

Honorable Martin Nohe, NVTA Chairman; *Prince William County*
Honorable Phyllis Randall, NVTA Vice Chairman; *Loudoun County*
Honorable Sharon Bulova, *Fairfax County*
Honorable Richard H. Black, *Virginia Senate*
Honorable Katie Cristol, *Arlington County*
Honorable Mary Hughes Hynes, *Governor's Appointee,*
Commonwealth Transportation Board Member
Honorable Timothy Hugo, *Virginia House of Delegates*
Jim Kolb, *Governor's Appointee*
Honorable David L. Meyer, *City of Fairfax*
Honorable J. Randall Minchew, *Speaker of the Virginia*
House of Delegates Appointee
Honorable Harry J. "Hal" Parrish, II, *City of Manassas*
Honorable Jeanette Rishell, *City of Manassas Park*
Honorable Allison Silberberg, *City of Alexandria*
Honorable David Snyder, *City of Falls Church*

Non-Voting Members

Helen Cuervo, *NOVA District Administrator,*
Virginia Department of Transportation
Jennifer Mitchell, *Director, Virginia*
Department of Rail and Public Transportation

Town Representative

Honorable Kelly Burk, *Town of Leesburg*

Certain Authority Staff

Monica Backmon, *Executive Director*
Michael Longhi, *Chief Financial Officer*
Margaret Teal, CPA, *Assistant Finance Officer*
Richard Stavros, *Investment & Debt Manager*

Financial Section



INDEPENDENT AUDITOR'S REPORT

To the Honorable Authority Board Members
Northern Virginia Transportation Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the remaining fund information, and the budgetary comparisons of the Northern Virginia Transportation Authority (Authority), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards and specifications require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the remaining fund information of the Authority, as of June 30, 2018, and the respective changes in financial position and the budgetary comparisons, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the Management's Discussion and Analysis and the required supplementary information on pages 4-13 and 62-65, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedules listed in the table of contents as supplementary information and introductory section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2018 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

PBMares, LLP

Harrisonburg, Virginia
October 18, 2018

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE AUTHORITY

This discussion and analysis of Northern Virginia Transportation Authority's (the Authority) financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2018.

The Authority is a political subdivision of the Commonwealth of Virginia, created in 2002 by the Northern Virginia Transportation Authority Act, Title 33.2, of the *Code of Virginia*. The Authority is responsible for long-range transportation project planning, prioritization and funding for regional transportation projects in Northern Virginia. The Authority's policies and priorities are guided by two overarching goals: reduce congestion and move the greatest number of people in the most cost-effective manner. These two goals are combined with performance-based criteria such as the ability to improve travel times, reduce delays, connect regional activity centers, and improve safety and air quality. The Authority works toward regional consensus when setting regional transportation policies and priorities for transportation projects. The Authority is also charged with developing and updating the long range regional transportation plan for Northern Virginia known as TransAction.

In November 2012, the Authority developed its long-range plan, TransAction 2040. On April 3, 2013, the Governor's substitute for House Bill 2313 (2013) ("HB2313") was adopted by the Virginia General Assembly. HB2313 provided a dedicated funding stream for transportation projects in Northern Virginia. This legislation coupled with the successful bond validation suit (BVS) enabled the Authority to fund regional transportation projects. HB2313 provided an annual source of revenue for the Authority to implement its mandate. The HB2313 revenue stream began on July 1, 2013.

The HB2313 revenue stream consisted of (i) additional retail sales and use taxes, (ii) a regional congestion relief fee and (iii) a transient occupancy tax levied by the General Assembly of Virginia in the Member Localities (planning district 8), credited and appropriated to the Northern Virginia Transportation Authority.

In October 2017, the Authority adopted the TransAction Plan Update. TransAction is Northern Virginia's long-range, multimodal transportation plan, addressing regional transportation needs through 2040. The Authority is responsible for developing and updating TransAction for use to evaluate and prioritize regional transportation projects in Northern Virginia.

All moneys received by the Authority and the proceeds of bonds and other debt instruments are required to be used solely for transportation purposes benefiting the member jurisdictions. Of the HB2313 revenues received, 30% are distributed to member jurisdictions based on revenues generated in the jurisdiction, for transportation projects and purposes authorized under Section 33.2-2510 and selected by the member jurisdiction. The remaining 70% of the HB 2313 revenues are first pledged to the payment of bonds and other debt instruments with the remaining revenues available to fund technical and analytical costs in support of TransAction the required regional transportation plan; and regional multimodal transportation projects including mass transit projects that increase capacity for the benefit of the member localities.

During fiscal year 2018, the Authority's bond rating was reviewed by S&P Global Ratings as a result of the change in pledged revenue securing the 2014 bond series. S&P formally reaffirmed the Authority's AA+; Stable Outlook rating S&P noted the deep and diverse regional economy of the Authority's member municipalities, coupled with very strong wealth and income; a history of strong growth in sales tax revenues, which historically have shown good stability and resilience to economic downturns; and the Authority's strong bond covenants.

FINANCIAL HIGHLIGHTS

Highlights for Government-wide Financial Statements

The government-wide financial statements report information about the Authority's reporting entity as a whole using the economic resources measurement focus and accrual basis of accounting.

- Assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows for the year ended June 30, 2018 by \$851,586,646 (net position). Of this amount, \$595,729, which consists of the General Fund Operating Reserves, represents unrestricted net position, which may be used to meet the Authority's ongoing operating obligations. The changes in the pension plan for the year resulted in an increase of net position of \$27,498 resulting from a reduction in net pension liability. The Restricted portion of net position totaling \$850,959,635, can be used only for regional transportation purposes. It should be noted the funds composing Restricted Net Position have been allocated by the Authority for specific regional transportation projects which meet the goals, purposes, and mandates of the Authority and the HB2313 revenue source.
- During fiscal year 2018, the Authority implemented GASB 75, Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions (OPEB) to record the Authority's proportionate share of liability related to the Virginia Retirement System Group Life Insurance (GLI) Program. The implementation resulted in a decrease in Net Position of \$75,000 to record the Net GLI OPEB liability. As a result of implementing GASB 75, the Statement of Net Position includes Deferred Outflows of Resources for OPEB GLI of \$22,469 and Deferred Inflows of Resources for OPEB GLI of \$8,000.
- For the fiscal year ended June 30, 2018, contributions, intergovernmental revenue and investment earnings, for the Authority's governmental activities totaled \$352.6 million. Expenses totaled \$193.7 million of which \$102.4 million of the \$193.7 million of expenses represents the distribution of 30% Local Distribution amounts to member jurisdictions in accordance with HB2313, and \$86.8 million represents project sponsor reimbursement amounts for authorized project costs.

Highlights for Fund Financial Statements

The fund financial statements provide detailed information about the Authority's funds using the current financial resources measurement focus and modified accrual basis of accounting.

- The Authority's General Fund reported an increase in fund balance of \$19,156 compared to an increase of \$54,351 for fiscal year 2017. The General Fund balance as of June 30, 2018 totaled \$560,308 compared with \$541,152 at the end of the previous fiscal year.
- The Authority's Special Revenue Funds (Local Distribution Fund and Regional Revenue Fund), reported an increase in fund balance of \$155,816,762 which has been allocated to fund regional transportation projects approved by the Authority in their first Six Year Program. This increases the overall balance to \$920,913,465 as of June 30, 2018 compared to \$765,096,703 at the end of the previous fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of three components: government-wide financial statements, fund financial statements, and the notes to the financial statements. This report also includes required supplementary information and supplementary information intended to furnish additional detail to support the basic financial statements themselves.

The financial statements presented include all of the activities, which are part of the Authority reporting entity using the integrated approach as prescribed by the Governmental Accounting Standards Board (GASB). The government-wide financial statements present the financial picture of the Authority's governmental activities from the economic resources measurement focus using the accrual basis of accounting.

The fund financial statements include a separate column for each of the major governmental funds and the non-major Debt Service Fund. The governmental funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting. A reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences created by the integrated approach.

Government-Wide Financial Statements

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities, with the governmental activities combined. The Statement of Net Position presents the assets, deferred outflows of resources, and liabilities with the difference reported as net position. The Statement of Activities shows in broad terms changes to net position during the fiscal year.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or declining. Net position is one way to measure financial position but the reader should also consider other indicators, such as general economic conditions prevalent in the geographic area the Authority serves.

The Statement of Activities presents information indicating how the Authority's net position changed during the fiscal year. All changes in net position are reported on an accrual basis as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will result in cash flows in future fiscal periods.

Revenue is classified as program or general revenues. Program revenue consists of contributions from the member jurisdictions used to cover the Authority's administrative expenses. General revenues include the four intergovernmental revenues received, collected, and remitted from the Commonwealth of Virginia: specifically sales tax, grantors tax, transient occupancy tax, and interest earned on the Commonwealth's Northern Virginia Transportation Authority Fund. These tax receipts commenced July 1, 2013.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources, which have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority only reports governmental funds. The Authority does not have proprietary funds nor does it maintain fiduciary funds at this time. The governmental funds of the Authority are divided into three categories: General Fund, Special Revenue Funds, and Debt Service Fund.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Change in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Authority maintains four governmental funds: the General Fund, two Special Revenue Funds, and a Debt Service Fund. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Change in Fund Balances for each of these funds. The General Fund includes the Authority's operating and administrative activities. The Local Distribution (30%), Special Revenue Fund reports 30% of the intergovernmental revenue received by the Authority under HB2313 and distributed to the member jurisdictions. The Regional Revenue (70%) Special Revenue Fund reports 70% of the intergovernmental revenue received by the Authority and used to fund transportation projects under HB2313. A Debt Service Fund is used to account for and report financial resources restricted to expenditures for debt service.

The Authority adopts annual appropriated budgets for its General Fund and the two special revenue funds. An internal budgetary comparison statement is maintained for the General Fund and Special Revenue Funds to demonstrate compliance with these budgets, which have been provided in the financial statements for fiscal year 2018.

Notes to the Basic Financial Statements

The notes to the financial statements provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

In addition to the basic financial statements, this report also presents certain required supplementary information concerning the Authority's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Schedules of funding progress for the OPEB plan and the applicable pension schedules for the Authority's defined benefit pension plan are provided.

Supplementary Information

Additional information is presented as a supplement to the basic financial statements. Although not required to be presented and not part of the basic financial statements, the schedules are included to provide additional information of interest to certain financial statement users. Supplementary Information includes a Schedule of Changes in Net Position by Jurisdiction for the Local Distribution Fund (30%) and a Schedule of Changes in Restricted Funding for Appropriated Projects in the Regional Revenue Fund (70%).

FINANCIAL ANALYSIS OF THE AUTHORITY REPORTING ENTITY AS A WHOLE

An analysis of the Authority’s financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the Authority’s net position and changes therein. It should be noted the Authority’s net position could also be affected by non-financial factors, including economic conditions, population growth, and appropriation changes to the Authority’s revenues enacted by the Commonwealth of Virginia General Assembly.

Statement of Net Position

The following table presents a summary of the Statement of Net Position for the Authority as of June 30, 2018. Data for June 30, 2017 has been included for comparison purposes.

	Governmental Activities		Increase (Decrease)	% Change
	2018	2017		
Assets:				
Current and other assets	\$ 949,989,650	\$ 789,690,215	\$ 160,299,435	20.3%
Capital assets, net	31,282	40,519	(9,237)	-22.8%
Total assets	<u>950,020,932</u>	<u>789,730,734</u>	160,290,198	20.3%
Deferred outflows of resources	<u>261,031</u>	<u>201,516</u>	59,515	29.5%
Liabilities:				
Current and other liabilities	30,970,531	26,395,950	4,571,581	17.3%
Noncurrent liabilities	67,699,643	70,831,678	(3,132,035)	-4.4%
Total liabilities	<u>98,660,174</u>	<u>97,227,628</u>	1,439,546	1.5%
Deferred inflows of resources	<u>28,143</u>	-	<u>28,143</u>	100.0%
Net position:				
Net investment in capital assets	31,282	40,519	(9,237)	-22.8%
Restricted	850,959,635	692,027,733	158,931,902	23.0%
Unrestricted	<u>595,729</u>	<u>636,370</u>	(40,641)	-6.4%
Total net position	<u>\$ 851,586,646</u>	<u>\$ 692,704,622</u>	<u>\$ 158,882,024</u>	22.9%

As noted earlier, net position may serve as a useful indicator of a government’s financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$851,586,646 at June 30, 2018.

A significant portion of net position, \$846 million, or 99% represents funds that have been restricted by HB2313 and \$5 million is restricted for debt service. It should be noted the funds composing this net restricted position have been allocated by the Authority to fund regional transportation projects, which meet the goals, purposes, and mandates of the Authority and the HB2313 revenue source. The remaining balance of \$595,729 consisting of the General Fund Operating Reserves is unrestricted and may be used to meet the Authority’s ongoing obligations to its citizens and creditors.

Current assets consist primarily of restricted cash, cash equivalents, investments, and amounts due from the Commonwealth of Virginia. The Authority completed its first full year of the investment program which started in the third quarter of fiscal year 2017. All securities purchased under the investment program are held in the name of the Authority by the custodian. Security Custodian use is required in the Authority's Investment Policy and by the *Code of Virginia*. All security purchase transactions are completed on a 'Delivery vs. Payment' basis as required by the Authority's Investment Policy. As of June 30, 2018, the Authority has approximately \$668 million invested in United States Treasuries, Agencies, Corporate Notes, Commercial Paper, Negotiable Certificates of Deposit, Bank Certificates of Deposit, and Virginia Investment Pool 1-3YR Bond Fund.

The completion of the Authority's first full year of an investment program and resulting increase in earned interest reflects the Authority's commitment to prudent financial management. As mandated in the Authority's investment policy, the investment program priorities are safety, liquidity then yield. Investment activities are undertaken in a conservative nature reflective of these priorities and include a 'buy and hold' orientation. All interest earnings of the investment program benefit the Regional Revenue Fund for appropriation by the Authority to regional transportation projects. Expenses of the investment program are charged in the operating budget of the General Fund and, therefore, shared by member jurisdictions based on population.

Restricted cash and cash equivalents totaled approximately \$216.5 million of which \$212.5 million is restricted for regional transportation projects approved and appropriated by the Authority and \$4 million is held by the Authority's bond trustee. As of June 30, 2018, approximately \$61 million was due from the Commonwealth of Virginia, and \$8.9 million is due to the Authority's member localities.

Statement of Changes in Net Position

The following table presents the revenues, expenses and change in net position of the Authority for the fiscal year ended June 30, 2018. Data for June 30, 2017 has been included for comparison purposes.

Summary Statement of Changes in Net Position Years Ended June 30, 2018 and 2017

	Governmental Activities		Increase (Decrease)	% Change
	2018	2017		
Revenues:				
Program revenues:				
Operating grants and contributions	\$ 1,922,196	\$ 1,654,617	\$ 267,580	16.17%
General revenue:				
Intergovernmental	341,178,436	331,052,594	10,125,842	3.06%
Interest income	9,473,130	4,078,221	5,394,909	132.29%
Total revenues	<u>352,573,762</u>	<u>336,785,432</u>	<u>15,788,331</u>	<u>4.69%</u>
Expenses:				
General and administration	1,972,075	1,598,976	373,099	23.33%
Jurisdictional distributions (30%)	102,390,189	99,328,170	3,062,019	3.08%
Project cost distributions	86,833,587	99,693,170	(12,859,583)	-12.90%
Transaction update and technical services	50,711	1,144,546	(1,093,835)	-95.57%
Interest and issuance costs	2,445,176	2,541,695	(96,518)	-3.80%
Total expenses	<u>193,691,738</u>	<u>204,306,557</u>	<u>(10,614,818)</u>	<u>-5.20%</u>
Change in net position	158,882,024	132,478,875	26,403,149	19.93%
Beginning net position	692,704,622	560,225,747	132,478,875	23.65%
Ending net position	<u>\$ 851,586,646</u>	<u>\$ 692,704,622</u>	<u>\$ 158,882,024</u>	<u>22.94%</u>

For the fiscal year ended June 30, 2018, revenues totaled approximately \$352.6 million. Expenses totaled approximately \$193.7 million. The increase in investment earnings is attributable to the first full year of the Authority's investment program. The increase in general and administrative expenses is due mainly to an increase in professional services resulting from the 2018 General Assembly session repeal of two of the Authority's three revenue sources. The update to the Authority's regional transportation plan, TransAction, occurred over fiscal years 2018 and 2017 with the majority of the expense charged to 2017. TransAction is required by HB2313 as a fundamental step in developing future project programs for the region.

A discussion of the key components of the revenue and expense is included in the funds analysis.

FINANCIAL ANALYSIS OF THE REPORTING ENTITY'S FUNDS

Governmental Funds

As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the Authority's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the needs of the Authority's financing requirements.

General Fund. The General Fund is the operating fund of the Authority. At the end of fiscal year 2018, the General Fund Nonspendable fund balance was \$28,903, assigned fund balance of \$9,286 and unassigned fund balance was \$137,038, while total fund balance equaled \$631,418. During fiscal year 2018, the Authority contributed \$18,000 to the equipment reserve, established in fiscal year 2017. This represents the annual contribution to the reserve plus an additional \$9,000 for the future replacement of the GIS Plotter. The equipment reserve is represented as assigned fund balance in the General Fund.

As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 7% of total General Fund expenditures, while total fund balance represents approximately 33% of that same amount.

The fund balance of \$560,308 includes \$385,081 of committed fund balance. The debt policy adopted on December 12, 2013, revised June 19, 2015, requires the Authority to maintain an operating reserve sufficient to fund at a minimum 20% of the General Fund operating expenses. This operating reserve may be used at the discretion of the Executive Director, to cover unanticipated increases in the Authority's expenditures. If used, the Executive Director will present a plan to the Authority for restoring the reserve during the next fiscal year budget process.

The Authority adopts an annual operating budget for General Fund operating activities for the purpose of determining the annual contributions from the member jurisdictions required to fund these activities. Total contributions by the nine member jurisdictions equaled \$1,922,196 for fiscal year 2018.

Debt Service Fund. The debt service fund reports financial resources restricted to the payment of principal and interest for the outstanding related series of transportation bonds. The debt service fund is not one of the Authority's major governmental funds. The debt service fund had a fund balance of \$478,253 as of June 30, 2018 on deposit for fiscal year 2019 debt obligations. The Authority contributes monthly to the debt service fund for upcoming debt service payments.

Special Revenue Fund. The Authority maintains two special revenue funds; the Local Distribution Fund (30%) and the Regional Revenue Fund (70%), both of these funds are categorized as major funds in the governmental fund statements. These funds are used to report the intergovernmental revenue received from the Commonwealth of Virginia under HB2313.

The General Assembly of the Commonwealth of Virginia through HB2313 (2013) authorized three revenue sources for the Authority: a 0.7% increase in the sales tax; a 2% increase in the transient occupancy (hotel) tax; and a fifteen cents per hundred dollar of value increase in the grantor’s tax (congestion relief fee). These taxes were made effective on July 1, 2013.

Of the revenues received, the Local Distribution Fund (30%) reports 30% of the intergovernmental revenue received by the Authority and distributed to the member jurisdictions in accord with HB2313. This revenue can be used by the recipient for additional urban or secondary road construction; capital improvements that reduce congestion; transportation capital improvements which have been approved by the most recent long-range transportation plan adopted by the Authority; or for public transportation purposes.

The remaining 70% is recorded in the Regional Revenue Fund (70%). These funds are to be used by the Authority solely for regional transportation projects and purposes benefiting the member jurisdictions and other entities to fund transportation projects approved by the Authority that are contained in the regional transportation plan (TransAction) and in accordance with HB2313.

The Regional Revenue Fund balance includes \$371,803,024 categorized as restricted fund balance as of June 30, 2018. This balance is predominately comprised of \$100 million carried forward from a project funding withdrawal approved by the Authority on October 12, 2017 (I-66/Route 28 Intersection Improvements) and \$271,570,916 of FY2018 Regional Revenue Fund carryforward, revenue and interest earnings. These funds were appropriated in October of 2018 (FY2019) as part of the Authority’s implementation of its inaugural Six Year Program, valued at \$1.285 billion and covering fiscal years 2018 through 2023.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The details of capital assets as of June 30, 2018 and 2017 are as follows:

	Governmental Activities	
	2018	2017
Office furniture and equipment	\$ 58,589	\$ 58,589
Less accumulated depreciation and amortization	27,307	18,070
Total capital assets, net	\$ 31,282	\$ 40,519

The Authority’s investment in capital assets as of June 30, 2018 amounted to \$31,282 (net of accumulated depreciation and amortization). Additional information on the capital assets can be found in Note 6.

Debt Administration

In December 2014, the Authority entered the capital bond market for the first time with bonds designated to replace a short term Line of Credit obtained in fiscal year 2014 with fixed rate, long term, low cost, permanent financing. An initial bond sale is a significant undertaking. Actions include bond validation court proceedings, establishing internal policies and procedures, initial credit rating presentations on Wall Street and, finally, the marketing and sale of the bonds. Efforts to execute the Authority's approved finance plan resulted in very strong credit ratings of AA+, Aa1 and AA+ with stable outlooks from Fitch, Moody's and Standard & Poor's, respectively. The bonds garnered a favorable market reception on Wall Street, reflected by a 2.5 times subscription rate and a low true interest cost of 3.09%.

At the end of June 30, 2018, the Authority had total debt outstanding of \$60,345,000 for Transportation Special Tax Revenue Bonds, Series 2014. The Authority is amortizing the bond premium from the sale over the life of the bonds. The balance of unamortized bond premium at June 30, 2018 is \$9,841,254. The bonds are secured by the Authority's Regional Revenue and a debt service reserve of \$5,700,169 initially established from the proceeds upon issuance of the bonds. Assets of the debt service reserve fund are to be used solely to pay Series 2014 principal and interest. Additional information on the Authority's debt can be found in Note 10.

Economic Factors and Fiscal Year 2018's Budget

- Pursuant to Virginia General Assembly House Bill 1539 (2018) ("HB1539"), effective on July 1, 2018, the General Assembly repealed two of the Authority's three revenue sources, the regional congestion relief fee and the transient occupancy tax. Thus, the Chapter 766 (HB2313) Transportation Revenues derived from the Congestion Relief Fee and Grantor's Tax are no longer available for appropriation to the Authority or for the payment of debt service on the Authority's 2014 Series Bonds. HB1539 re-imposed such fees and taxes within the Member Localities, but directed the majority of the receipts therefrom to fund the capital needs of the Washington Metropolitan Area Transit Authority ("WMATA"). WMATA operates the Washington-area Metro transit service. HB1539 left sales tax as the only remaining HB2313 Revenue.
- The update to TransAction was adopted by the Authority in October 2017. Once TransAction was updated, the Authority had a call for projects in anticipation of developing the Authority's first Six Year Program (SYP). The SYP which allocated project funding for fiscal year 2018 through fiscal year 2023 and valued \$1.285 billion was adopted by the Authority in June 2018.
- The project cost distributions reflects the project development cycle as multiple projects reach different major milestones. These expenditures are ramping up as project sponsors are entering the final phases of their authorized projects. An increasing rate of expenditure is expected for projects previously approved by the Authority for several years until the project life cycle reaches full maturity and stabilizes. The adoption of the SYP will permit project sponsors to have greater project readiness in place, especially for projects approved in the later years of the plan. The next update to the SYP is expected to start in July 2019. The two year update will program regional revenue funds for fiscal year 2024 and fiscal year 2025.
- Northern Virginia is both a nationally and globally significant region.
- It is categorized as having a broad, diverse, and stable regional economy.
- The region is the driver of economic activity for the Commonwealth of Virginia.

- In aggregate, the Authority's nine member jurisdictions have experienced stable population growth since the 2010 Census with growth rates averaging approximately 2% per year. Virginia's overall population grew by 5.9%, to nearly 8.5 million people, over a seven-year span ending July 2017. More than 60% of the growth is concentrated in Northern Virginia, with Prince William County now becoming the second most populated locality. Three of Virginia's four largest localities are located in Northern Virginia.
- Among the nine member jurisdictions, job growth has averaged 0.78% per year over the last decade.
- In aggregate, the number of jobs in the Authority's member jurisdictions are expected to continue to grow despite the prior sequestration. Based on the United States Department of Labor statistics, the regional job growth was 1.65% as of June 30, 2017 compared to .75% for June 30, 2016.
- Unemployment rate in the Authority's jurisdictions is exceptionally low. At June 2018, the average preliminary unemployment rate not seasonally adjusted, in the Authority jurisdictions was 2.6% compared to 3.2% in the Commonwealth and 4.0% nationally.
- Per capita income average of the Authority's member jurisdictions is approximately \$47,479 compared to the Commonwealth at \$34,967 and \$29,829 nationally per the U.S. Census Bureau, 2012-2016 5-Year American Community Survey. This represents a 2% increase from the 2011-2015 5-Year American Community Survey.
- Median family income average for the Authority's member jurisdictions is approximately \$121,066 compared to \$80,068 in the Commonwealth and \$67,871 nationally per the U.S. Census Bureau, 2012-2016 5-Year American Community Survey. This represents an approximate 2% increase from the 2011-2015 5-Year American Community Survey.
- The fiscal year 2019 special revenue budgets include a projected 2% increase in sales tax revenue compared to the fiscal year 2018 budget; fiscal year 2019 excludes transient occupancy tax revenue, (Congestion Relief Fees) and grantors tax as a result of the General Assembly repeal of these taxes. The increase for sales tax is based on prior years' experience and on information from the Authority's member jurisdictions, which are combined to create an effective estimation process. The resulting rate increase is for fiscal year 2019 only, and is not indicative of projected rate increases in the long term. The Authority will continue to use conservative revenue estimation methods.
- The Authority's General Fund operating budget will increase from \$2,319,484 in fiscal year 2018 to \$2,597,329 in fiscal year 2019. This increase is reflective of the addition of a Project Monitoring and Management System including an online project application system which is scheduled to be completed before the Authority's next call for projects.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Authority's finances for all those interested. If you have any questions about this report or need additional financial information, contact Michael Longhi, Chief Financial Officer, Northern Virginia Transportation Authority, 3040 Williams Drive, Suite 200, Fairfax, Virginia 22031, or by email to michael.longhi@thenovaauthority.org.

Basic Financial Statements

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

STATEMENT OF NET POSITION

June 30, 2018

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 602,515
Other receivables	3,486,415
Due from other governments	61,169,595
Deposits and prepaid items	28,903
Restricted:	
Cash and cash equivalents	216,539,896
Investments	668,162,326
Capital assets (net):	
Office furniture, computer equipment and licenses	31,282
Total assets	950,020,932
DEFERRED OUTFLOWS OF RESOURCES	
Pension plan	238,562
OPEB-GLI	22,469
Total deferred outflows of resources	261,031
LIABILITIES	
Accounts payable	8,975,737
Accrued liabilities	387,350
Due to other governments	18,353,931
Bond reserves	653,513
Current portion of bonds payable	2,600,000
Noncurrent liabilities:	
Net pension liability	38,389
Net GLI OPEB liability	75,000
Bonds payable, net	67,586,254
Total liabilities	98,670,174
DEFERRED INFLOWS OF RESOURCES	
Pension plan	20,143
OPEB-GLI	8,000
Total deferred inflows of resources	28,143
NET POSITION	
Net investment in capital assets	31,282
Restricted	850,959,635
Unrestricted	595,729
Total net position	\$ 851,586,646

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

STATEMENT OF ACTIVITIES

Year Ended June 30, 2018

	Expenses	Program Revenues <u>Operating Grants and Contributions</u>	Net (Expense) Revenue and Change in Net Position <u>Governmental Activities</u>
Functions/Programs			
Governmental activities:			
General and administration	\$ 1,972,075	\$ 1,922,196	\$ (49,879)
Jurisdictional distributions (30%)	102,390,189	-	(102,390,189)
Project cost distributions	86,833,587	-	(86,833,587)
Transaction update and technical services	50,711	-	(50,711)
Interest	2,445,176	-	(2,445,176)
	<u>\$ 193,691,738</u>	<u>\$ 1,922,196</u>	<u>(191,769,542)</u>
Total governmental activities			
General revenues:			
Intergovernmental revenue:			
Grantors tax			54,040,000
Sales tax			255,571,903
Transient occupancy tax			31,243,084
Commonwealth fund interest income			323,449
Investment income			<u>9,473,130</u>
			<u>350,651,566</u>
Total general revenues			
Change in net position			158,882,024
Net Position, beginning of year			<u>692,704,622</u>
Net Position, end of year			<u><u>\$ 851,586,646</u></u>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2018

	General Fund	Special Revenue Funds		Non-Major	Total Governmental Funds
		Local Distribution Fund	Regional Revenue Fund	Debt Service Fund	
ASSETS					
Cash and cash equivalents	\$ 602,515	\$ -	\$ -	\$ -	\$ 602,515
Other receivables	-	-	3,486,415	-	3,486,415
Due from other governments	-	18,350,878	42,818,717	-	61,169,595
Deposits and prepaid items	28,903	-	-	-	28,903
Restricted cash, cash equivalents and investments	-	3,053	884,220,916	478,253	884,702,222
Total assets	\$ 631,418	\$ 18,353,931	\$ 930,526,048	\$ 478,253	\$ 949,989,650
LIABILITIES					
Accounts payable	\$ 16,667	\$ -	\$ 8,959,070	\$ -	\$ 8,975,737
Accrued liabilities	54,443	-	-	-	54,443
Bond reserves	-	-	653,513	-	653,513
Due to other governments	-	18,353,931	-	-	18,353,931
Total liabilities	71,110	18,353,931	9,612,583	-	28,037,624
FUND BALANCES					
Nonspendable	28,903	-	-	-	28,903
Restricted	-	-	371,570,916	478,253	372,049,169
Restricted - working capital reserve	-	-	120,000,000	-	120,000,000
Restricted - for appropriated project funding	-	-	429,342,549	-	429,342,549
Committed	385,081	-	-	-	385,081
Assigned	9,286	-	-	-	9,286
Unassigned	137,038	-	-	-	137,038
Total fund balances	560,308	-	920,913,465	478,253	921,952,026
Total liabilities and fund balances	\$ 631,418	\$ 18,353,931	\$ 930,526,048	\$ 478,253	\$ 949,989,650

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

June 30, 2018

Reconciliation of fund balances on the Balance Sheet for the governmental funds
to the net position of the governmental activities on the
Statement of Net Position:

Fund balances - governmental funds		\$ 921,952,026	
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds:			
Capital assets		\$ 58,589	
Less: accumulated depreciation		(27,307)	
			31,282
Financial statement elements related to pensions are applicable to future periods and, therefore, not reported in the governmental funds:			
Net pension liability		(38,389)	
Deferred outflows of resources		238,562	
Deferred inflows of resources		(20,143)	
			180,030
Financial statement elements related to Group Life Insurance Program OPEB expenditures are applicable to future periods and, therefore, not reported in the governmental funds:			
Net GLI OPEB liability		(75,000)	
Deferred outflows of resources		22,469	
Deferred inflows of resources		(8,000)	
			(60,531)
Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.			
			(245,829)
Compensated absences are liabilities not due and payable in the current period and, therefore, are not reported in the governmental funds.			
			(84,078)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.			
Revenue bonds		(60,345,000)	
Premiums on bonds		(9,841,254)	
			(70,186,254)
Net position - governmental activities		\$ 851,586,646	

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES -
GOVERNMENTAL FUNDS
Year Ended June 30, 2018**

	General Fund	Special Revenue Funds		Non-Major	Total Governmental Funds
		Local Distribution Fund	Regional Revenue Fund	Debt Service Fund	
Revenues					
Intergovernmental:					
Grantors tax	\$ -	\$ 16,212,000	\$ 37,828,000	\$ -	\$ 54,040,000
Sales tax	-	76,671,571	178,900,332	-	255,571,903
Transient occupancy tax	-	9,372,925	21,870,159	-	31,243,084
Commonwealth fund interest income	-	97,035	226,414	-	323,449
Investment income	-	36,658	9,413,054	23,418	9,473,130
Contribution member jurisdictions	1,922,196	-	-	-	1,922,196
Total revenues	1,922,196	102,390,189	248,237,959	23,418	352,573,762
Expenditures					
Current:					
General and administration	1,903,040	-	-	-	1,903,040
Jurisdictional distributions (30%)	-	102,390,189	-	-	102,390,189
Project cost distributions	-	-	86,833,587	-	86,833,587
Transaction update & technical services	-	-	50,711	-	50,711
Debt service:					
Principal	-	-	-	2,500,000	2,500,000
Interest	-	-	-	3,049,950	3,049,950
Total expenditures	1,903,040	102,390,189	86,884,298	5,549,950	196,727,477
Excess (deficiency) of revenues over (under) expenditures	19,156	-	161,353,661	(5,526,532)	155,846,285
Other Financing Sources (Uses)					
Transfers	-	-	(5,536,899)	5,536,899	-
Total other financing sources (uses)	-	-	(5,536,899)	5,536,899	-
Net change in fund balances	19,156	-	155,816,762	10,367	155,846,285
Fund Balances, beginning of year	541,152	-	765,096,703	467,886	766,105,741
Fund Balances, end of year	\$ 560,308	\$ -	\$ 920,913,465	\$ 478,253	\$ 921,952,026

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGE IN FUND BALANCES -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2018**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total governmental funds \$ 155,846,285

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation. This is the amount by which capital outlays exceeded depreciation in the current period.

Deduct - depreciation expense (9,237)

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

Pension expense 27,498

Governmental funds report Group Term Life Insurance (GLI) contributions as expenditures. However, in the Statement of Activities, the cost of GLI benefits earned net of employee contributions is reported as GLI OPEB expense.

GLI OPEB expense (60,531)

The issuance of long-term debt (e.g., bonds, leases, line of credit) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items. A summary of the item supporting this adjustment is as follows:

Principal payment on revenue bonds 2,500,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The following is a summary of items supporting this adjustment:

Compensated absences	\$	(26,765)	
Change in accrued interest payable		8,335	
Amortization of premiums on bonds payable		596,439	
		578,009	578,009

Change in net position of governmental activities \$ 158,882,024

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
Year Ended June 30, 2018**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Over (Under)
Revenues				
Contribution member jurisdictions	\$ 1,922,196	\$ 1,922,196	\$ 1,922,196	\$ -
Total revenues	1,922,196	1,922,196	1,922,196	-
Expenditures				
Current:				
General and administration	2,319,484	2,306,170	1,903,040	(403,130)
Total expenditures	2,319,484	2,306,170	1,903,040	(403,130)
Excess (deficiency) of revenues over (under) expenditures	(397,288)	(383,974)	19,156	403,130
Net change in fund balance	(397,288)	(383,974)	19,156	403,130
Fund Balance, beginning of year	422,518	409,204	541,152	131,948
Fund Balance, end of year	\$ 25,230	\$ 25,230	\$ 560,308	\$ 535,078

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - LOCAL DISTRIBUTION FUND
Year Ended June 30, 2018**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Over (Under)
Revenues				
Intergovernmental:				
Grantors tax	\$ 13,384,987	\$ 13,384,987	\$ 16,212,000	\$ 2,827,013
Sales tax	76,026,449	76,026,449	76,671,571	645,122
Transient occupancy tax	9,065,693	9,065,693	9,372,925	307,232
Commonwealth fund interest income	30,000	30,000	97,035	67,035
Interest income	-	-	36,658	36,658
Total revenues	98,507,129	98,507,129	102,390,189	3,883,060
Expenditures				
Current:				
Jurisdictional distributions (30%)	98,507,129	98,507,129	102,390,189	(3,883,060)
Total expenditures	98,507,129	98,507,129	102,390,189	(3,883,060)
Excess of revenues over expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund Balance, beginning of year	-	-	-	-
Fund Balance, end of year	\$ -	\$ -	\$ -	\$ -

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL - REGIONAL REVENUE FUND
Year Ended June 30, 2018**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget Over (Under)
Revenues				
Intergovernmental:				
Grantors tax	\$ 31,231,637	\$ 31,231,637	\$ 37,828,000	\$ 6,596,363
Sales tax	177,395,044	177,395,044	178,900,332	1,505,288
Transient occupancy tax	21,153,287	21,153,287	21,870,159	716,872
Commonwealth fund interest income	70,000	70,000	226,414	156,414
Investment income	5,530,000	5,530,000	9,413,054	3,883,054
Total revenues	235,379,968	235,379,968	248,237,959	12,857,991
Expenditures				
Current:				
Transaction update & technical services	524,175	524,175	50,711	473,464
Project cost distributions	516,197,450	516,197,450	86,833,587	429,363,863
Total expenditures	516,721,625	516,721,625	86,884,298	429,837,327
Excess (deficiency) of revenues over (under) expenditures	(281,341,657)	(281,341,657)	161,353,661	442,695,318
Other Financing Uses				
Transfers for debt service	(5,549,950)	(5,549,950)	(5,536,899)	13,051
Total other financing uses	(5,549,950)	(5,549,950)	(5,536,899)	13,051
Net change in fund balance	(286,891,607)	(286,891,607)	155,816,762	442,708,369
Fund Balance, beginning of year	237,118,588	237,225,355	765,096,703	527,871,348
Fund Balance, end of year	\$ (49,773,019)	\$ (49,666,252)	\$ 920,913,465	\$ 970,579,717

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

The financial statements of the Northern Virginia Transportation Authority (“the Authority”) have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The Governmental Accounting Standards Board (“GASB”) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

A. Reporting Entity

The Authority is a political subdivision of the Commonwealth of Virginia, created in 2002 by the Northern Virginia Transportation Authority Act, Title 33.2, of the *Code of Virginia*. The Authority is responsible for long-range transportation project planning, prioritization and funding for regional transportation projects in Northern Virginia. The Authority’s policies and priorities are guided by two overarching goals: reduce congestion and move the greatest number of people in the most cost-effective manner. These two goals are combined with performance-based criteria such as the ability to improve travel times, reduce delays, connect regional activity centers, and improve safety and air quality. The Authority works toward regional consensus when setting regional transportation policies and priorities for transportation projects. The Authority is also charged with developing and updating the long range regional transportation plan for Northern Virginia.

In November 2012, the Authority developed its long-range plan, Transaction 2040. On April 3, 2013, the Governor’s substitute for House Bill 2313 (2013) (the “HB2313”) was adopted by the Virginia General Assembly. HB2313 provided a dedicated funding stream for transportation projects in Northern Virginia. HB2313 provided an annual source of revenue for the Authority to implement its legislative mandates. The new revenue stream commenced on July 1, 2013.

The HB2313 revenue stream consisted of (i) additional retail sales and use taxes, (ii) a regional congestion relief fee and (iii) a transient occupancy tax levied by the General Assembly of Virginia in the Member Localities (planning district 8), credited and appropriated to the Northern Virginia Transportation Authority.

In October 2017, the Authority adopted the TransAction Plan Update. TransAction is Northern Virginia’s long-range, multimodal transportation plan, addressing regional transportation needs through 2040. The Authority is responsible for developing and updating TransAction for use to evaluate and prioritize regional transportation projects in Northern Virginia.

Pursuant to Virginia General Assembly House Bill 1539 (2018) (“HB1539”), effective on July 1, 2018, the General Assembly repealed two of the Authority’s revenue sources, the regional congestion relief fee and the transient occupancy tax. Thus, the Chapter 766 (HB2313) Transportation Revenues derived from the congestion relief fees and grantor’s taxes are no longer available for appropriation to the Authority or for the payment of debt service on the Authority’s 2014 Series Bonds. HB1539 re-imposed such fees and taxes within the Member Localities, but directed the majority of the receipts therefrom to fund the capital needs of the Washington Metropolitan Area Transit Authority (“WMATA”). WMATA operates the Washington-area Metro transit service. HB1539 left sales tax as the only remaining HB2313 Revenue.

The member jurisdictions of the Authority (planning district 8) are the counties of Arlington, Fairfax, Loudoun and Prince William, and the cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

The Authority has seventeen members as follows: the chief elected official, or their designees, of the nine cities and counties that are members of the Authority; two members appointed by the Speaker of the Virginia House of Delegates; one member of the Senate appointed by the Senate Committee on Privileges and Elections; and two citizens who reside in counties and cities embraced by the Authority, appointed by the Governor. In addition, the Director of the Virginia Department of Rail and Public Transportation, or designee; the Commonwealth Transportation Commissioner, or designee; and the chief elected officer of one town in a county, which the Authority embraces, serve as non-voting members of the Authority.

All moneys received by the Authority and the proceeds of bonds and other debt instruments are required to be used solely for transportation purposes benefiting the member jurisdictions. Of the HB2313 revenues received, 30% are distributed to member jurisdictions based on revenues generated in the jurisdiction, for transportation projects and purposes authorized under Section 33.2-2510 and selected by the member jurisdiction. The remaining 70% of the HB2313 revenues are first pledged to the payment of bonds and other debt instruments with the remaining revenues available to fund technical and analytical costs in support of the required regional transportation plan; and regional multimodal transportation projects including mass transit projects that increase capacity for the benefit of the member localities.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information of the governmental activities supported by intergovernmental revenues.

The government-wide Statement of Net Position reports net position as restricted when externally imposed constraints are in effect. Internally imposed designations of resources are not presented as restricted net position.

Program revenues include grants and contributions that are restricted to meeting the operational requirements of a particular function. Direct expenses are those that are clearly identifiable with a specific function. The Government-wide Statement of Activities is designed to report the degree to which the direct expenses of a given function are offset by program revenues except as below.

The Authority strives to match direct expenses to the offsetting program revenue except for the investment costs related to the Regional Revenue Fund. Interest earned on the amounts held in the Regional Revenue Fund for approved & appropriated projects is retained by the fund and allocated to future projects. Investment costs are charged to the operating expenses of the General Fund and offset by member jurisdiction budget contributions.

Separate fund financial statements are provided for each of the governmental funds. In the fund financial statements, financial transactions and accounts of the Authority are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-wide and Fund Financial Statements (Continued)

The governmental funds are reported on a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances (fund equity). Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented which briefly explains the adjustment necessary to reconcile the fund financial statements to the government-wide financial statements.

C. Measurement Focus and Basis of Accounting

Government-wide Financial Statements – Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Intergovernmental revenues, consisting of taxes and fees from the Commonwealth of Virginia and local operating contributions, are recognized in the period the funding is made available.

Governmental Fund Financial Statements – The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 90 days after year end. Expenditures are recorded when a liability is incurred under the full accrual method of accounting. However, debt service expenditures, expenditures related to compensated absences, and claims and judgments are recorded only when payment is due. The individual Government Funds are:

General Fund – The General Fund is the primary operating fund of the Authority and is used to account for and report all revenues and expenditures applicable to the general operations of the Authority which are not accounted for in other funds. Revenues are derived primarily from contributions from member jurisdictions. The General Fund is considered a major fund for financial reporting purposes.

Special Revenue Funds – Special revenue funds account for and report the proceeds of specific revenue sources restricted or committed to expenditures for specified purposes other than debt service or capital projects. The Authority has two special revenue funds. The Local Distribution Fund (30%) reports 30% of the intergovernmental revenue received by the Authority. The 30% funds are distributed to the member jurisdictions on a pro rata basis with each locality's share being the total of the revenues received that are generated or attributable to the locality divided by the total for use according to HB2313. The Regional Revenue Fund (70%) includes amounts to be used by the Authority solely for regional transportation projects and other entities to fund transportation projects selected by the Authority that are contained in the regional transportation plan, or mass transit capital projects that increase capacity. Both special revenue funds are considered major funds for financial reporting purposes.

Debt Service Fund – The Debt Service Fund is used to account for and report financial resources that are restricted or committed for expenditures related to principal and interest obligations.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

D. Budgeting

The Authority adopts an annual operating budget for the planning and administrative activities of the General Fund. The budgeting process enables the Authority to determine the annual contributions required from the member jurisdictions to fund its planning and administrative activities. Accumulated fund balances in excess of anticipated minimum operating cash requirements are used as a revenue source in subsequent budgets. The Authority also adopts a budget for the Local Distribution Fund (30%) which promptly distributes 30% of the revenue from tax proceeds to the nine member jurisdictions based on their respective revenue contribution through the taxes collected by the Commonwealth.

To fund the various transportation projects approved by the Authority, the Regional Revenue Fund (70%) budget includes all debt service obligations costs of issuance, expenses in support of Transaction, the regional transportation plan, and funding of the Working Capital Reserve as well as PayGo projects.

E. Other Significant Accounting Policies

1. Cash and Cash Equivalents

The Authority's cash and cash equivalents are considered to be demand deposits, and short-term, investments with maturities of three months or less from the date of acquisition. The investment in the Commonwealth of Virginia Local Government Investment Pool (LGIP), Virginia Investment Pool Stable NAV and the Virginia State Non-Arbitrage Program (SNAP), are external investment pools and are reported as cash and cash equivalents.

2. Investments

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 2 and Note 3 for discussion of investment risk and fair value measurements. Net investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments, and interest income earned. Realized gains and losses on the sale of investments are recognized on the specific identification basis to determine the cost basis of the investments sold.

3. Restricted Cash, Cash Equivalents and Investments

Restricted cash, cash equivalents and investments as reported in the Statement of Net Position are comprised of funds that shall be used solely for regional transportation purposes benefiting the member jurisdictions and funds related to bond compliance requirements. Bond proceeds are maintained in compliance with the provisions of the Tax Reform Act of 1986 and as required by the Authority's Master Indenture of Trust. Investments are stated at fair value based on quoted market prices.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Other Significant Accounting Policies (Continued)

4. Fair Value Measurements

Fair value was estimated for each class of financial instrument for which it was practical to estimate fair value. Fair value is defined as the price in the principal market that would be received for an asset to facilitate an orderly transaction between market participants on the measurement date. Market participants are assumed to be independent, knowledgeable, able, and willing to transact an exchange and not acting under duress. Fair value hierarchy disclosures are based on the quality of inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). Adjustments to transaction prices or quoted market prices may be required in illiquid or disorderly markets in order to estimate fair value.

5. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the financial statements using the consumption method.

6. Capital Assets

Capital assets include property and equipment and computer hardware with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. For constructed assets, all costs necessary to bring assets to the condition and location necessary for the intended use are capitalized. Repairs and maintenance are charged to operations as they are incurred. Additions and betterments are capitalized. The costs of assets retired and accumulated depreciation are removed from the accounts.

Depreciation and amortization of all exhaustible equipment, leasehold improvements, and intangibles is charged as an expense against operations using the straight-line method over the following estimated useful lives:

<u>Asset Category</u>	<u>Useful Life (years)</u>
Computer Hardware & Peripherals	4
Office Furniture	7-10
Office Equipment	5-10
Leasehold Improvements	Life of the lease

When, in the opinion of management, certain assets are impaired, any estimated decline in value is accounted for as a non-operating expense. There were no impaired assets as of June 30, 2018.

Funding of transportation capital projects: For projects approved and funded by the Authority with regional revenue funds (70%), either as a PayGo or financed project, the Authority does not take ownership of such projects. Therefore, these projects are not reflected on the Authority's financial statements.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Other Significant Accounting Policies (Continued)

7. Pensions

The Virginia Retirement System (VRS) Political Subdivision Retirement Plan is a multi-employer agent plan. For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Authority's Retirement Plan and the additions to/deductions from the Authority's Retirement Plan's net fiduciary position have been determined on the same basis as they were reported by the VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Net pension liabilities (assets), deferred outflows of resources and deferred inflows of resources are reported in the government-wide fund financial statements.

8. Group Life Insurance Program

The VRS Group Life Insurance Program (GLI) is a multiple employer, cost-sharing plan. It provides coverage to state employees, teachers, and employees of participating political subdivisions. The GLI was established pursuant to Section 51.1-500 et seq. of the *Code of Virginia*, as amended, and which provides the authority under which benefit terms are established or may be amended. The GLI is a defined benefit plan that provides a basic group life insurance benefit for employees of participating employers. For purposes of measuring the total GLI other postemployment benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to the GLI OPEB, and GLI OPEB expense, information about the fiduciary net position of the VRS GLI OPEB and the additions to/deductions from the VRS GLI OPEB's net fiduciary position have been determined on the same basis as they were reported by VRS. In addition, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Compensated Absences

The Authority's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from the Authority's service. The liability for such leave is reported as incurred in the government-wide statements. Vacation leave for the Authority employees is granted to all full and part-time employees and is earned based upon the length of employment. Employees with zero to ten (10) years of service may carryover a maximum of 240 hours of accumulated leave. Employees with more than 10 years of service may carryover 360 hours of leave. The allowed accumulated leave earned yet not paid has been recorded as a liability on the Statement of Net Position. Accumulated sick leave lapses when employees leave the Authority and, therefore, upon separation from service, no monetary obligation exists.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Other Significant Accounting Policies (Continued)

10. Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. The Authority does recognize bond issuance costs in the governmental funds as a current period expense in accordance with GASB Statement No. 65.

11. Deferred Outflows/Inflows of Resources

In addition to assets, the statements that present net position report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority has two items that qualify for reporting in this category related to the pension plan. The first consists of pension contributions subsequent to the measurement date. These will be applied to the net pension liability in the next fiscal year. The remaining item, net difference between expected and actual experience, is reported in the government-wide Statement of Net Position. The Authority has two additional items that qualify for reporting in this category related to the GLI OPEB plan. The first consists of pension contributions subsequent to the measurement date. These will be applied to the net pension liability in the next fiscal year. The remaining item, changes in proportion, is reported in the government-wide Statement of Net Position.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has two items that qualify for reporting in this category related to the pension plan. The first item is due to a change in assumptions related to the VRS plan. The second is the net difference between projected and actual earnings on pension plan investments related to the VRS plan. The Authority has three items that qualify for reporting in this category related to the GLI OPEB plan. The first item is due to a change in assumptions related to the VRS plan. The second is the net difference between projected and actual earnings on pension plan investments related to the VRS plan. The third is the net differences between expected and actual experience.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Other Significant Accounting Policies (Continued)

12. Fund Equity

The Authority reports fund balance in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance classification includes amounts that are not in spendable form (such as prepaid items) or are required to be maintained intact (corpus of a permanent fund).

Restricted fund balance classification includes amounts constrained to specific purposes by their providers (higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance classification includes amounts constrained to specific purposes by the government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint. To be reported as committed, amounts cannot be used for any other purpose unless the Board takes the action to remove or change the constraint.

Assigned fund balance classification includes amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official body to which the governing body delegates the authority. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance classification includes the residual balance of the General Fund that has not been restricted, committed, or assigned to specific purposes within the General Fund.

The General Fund balance includes \$385,081 categorized as committed fund balance as of June 30, 2018. The debt policy adopted by the Authority on December 12, 2013 and revised June 19, 2015, requires the Authority to maintain an operating reserve sufficient to fund at least 20% of the General Fund operating expenses. The operating reserve may be used at the discretion of the Executive Director, to cover unanticipated increases in the Authority's expenditures. If used, the Executive Director will present a plan to the Authority for restoring the reserve during the next fiscal year budget process.

The Regional Revenue Fund balance includes \$371,570,916 categorized as restricted fund balance as of June 30, 2018. This balance is predominately comprised of \$100 million carried forward from a project funding withdrawal approved by the Authority on October 12, 2017 (I-66/Route 28 Intersection Improvements) and \$271,570,916 of fiscal year 2018 Regional Revenue Fund carryforward, revenue and interest earnings. These funds were appropriated in October of 2018 (fiscal year 2019) as part of the Authority's implementation of its inaugural Six Year Program, valued at \$1.285 billion and covering fiscal years 2018 through 2023.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Other Significant Accounting Policies (Continued)

12. Fund Equity (Continued)

When fund balance resources are available for a specific purpose in more than one classification, the Authority will consider the use of restricted, committed, or assigned funds prior to the use of unassigned fund balance, as they are needed.

13. Net Position

Net position represents the difference between assets, deferred outflows and liabilities. The net position caption “net investment in capital assets” consists of capital assets, net of accumulated depreciation and amortization. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Authority first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

14. Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

15. Interfund Transfers

Transactions among the Authority’s funds would be treated as revenues and expenditures or expenses if they involved organizations external to the Authority government are accounted for as revenues and expenditures or expenses in funds involved.

Transactions, which constitute reimbursements to a fund for expenditures initially made from it, which are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective funds’ operating statements.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Other Significant Accounting Policies (Continued)

16. Subsequent Events

The Authority has evaluated subsequent events through October 18, 2018, which was the date the financial statements were available to be issued. The following occurred effective July 1, 2018:

Pursuant to Virginia General Assembly House Bill 1539 (2018) ("HB1539"), effective on July 1, 2018, the General Assembly repealed two of the Authority's three revenue sources, the regional congestion relief fee and the transient occupancy tax. Thus, the Chapter 766 (HB2313) Transportation Revenues derived from the congestion relief fees and grantor's taxes are no longer available for appropriation to the Authority or for the payment of debt service on the Authority's 2014 Series Bonds. HB1539 re-imposed such fees and taxes within the Member Localities, but directed the majority of the receipts therefrom to fund the capital needs of the Washington Metropolitan Area Transit Authority ("WMATA"). WMATA operates the Washington-area Metro transit service.

Note 2. Deposits and Investments

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act, Section 2.2-4400 et. seq. of the *Code of Virginia*. Under the Act, banks, and savings institutions, holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

At June 30, 2018, cash and cash equivalents consisted of the following, at cost, which approximates fair value:

Governmental Activities

Cash and cash equivalents:

Unrestricted:

Cash	\$ 602,515
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Restricted:

Demand deposits	52,112,547
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Commonwealth of Virginia LGIP	2,739,315
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Regions Bank	3,975,873
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Virginia Investment Pool	122,162,980
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John Marshall Bank Insured Cash Sweep	18,049,181
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John Marshall Bank – 4 week CDARS	17,500,000
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Total restricted	216,539,896
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Total	\$ 217,142,411
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NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Investments

The *Code of Virginia* Sec. 2.2-4501 et seq. authorizes the Authority to invest in obligations of the United States or its agencies thereof; obligations of the Commonwealth of Virginia or political subdivisions thereof; obligations of other states and their political subdivisions; obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper, negotiable certificates of deposits, bank notes, and corporate bonds rated AA or better by Standard & Poor’s Rating Services (S&P), and Aa or better by Moody’s Investors Services, Inc. (Moody’s), and a maturity of no more than five years; bankers’ acceptances, overnight term and open repurchase agreements; money market mutual funds; and the State Treasurer’s Local Government Investment Pool (LGIP). Negative rating qualifiers (such as AA- or A-) will not exclude an investment.

Investment Policy

The Authority adopted a formal investment policy in December 2014. The goal of the policy is to minimize risk and to ensure the availability of cash to meet Authority expenditures, while generating revenue from the use of funds, which might otherwise remain idle. The primary objectives of the Authority’s investment activities in priority order are safety, liquidity, and yield. The policy specifies eligible and ineligible investments; diversification requirements; maximum length of time for various types of investments; and the process for purchasing securities. The full investment policy can be found on the Authority website at <http://thenovaauthority.org>; Policy-13-Investment-Policy.

Credit Risk

The investment policy specifies credit quality for certain types of investments, as described below, in accordance with the *Code of Virginia*, and the policy specifies the qualifications for institutions providing depository and investment services. In addition, the Chief Financial Officer must conduct a quarterly review of the condition of each authorized financial institution and broker/dealer.

Investment	Credit Quality
Savings account or CD’s of any bank or savings and loan association within the Commonwealth of Virginia	Bank or savings and loan association must be a “qualified public depository”
Bankers’ acceptances	Institution must be “prime quality” as determined by one or more recognized rating services
Commercial paper	Must be “prime quality” as rated by two of the following: Moody’s (prime 1); S&P (A-1); Fitch (F-1); Duff and Phelps (D-1)
Corporate notes	Must be “high quality” as defined by ratings of at least AA by S&P and Aa by Moody’s
Negotiable certificates of deposit and negotiable bank deposit notes	Must have ratings of at least A-1 by S&P and P-1 by Moody’s for short-term instruments and AA by S&P and Aa by Moody’s for long-term instruments

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Custodial Credit Risk

For deposits, custodial credit risk is the risk that in the event of a failure of a depository financial institution, deposits may not be recovered. All cash of the Authority is maintained in accounts collateralized in accordance with the Virginia Security for Public Deposits Act (Act), Section 2.2-4400 et. seq. of the *Code of Virginia* or covered by federal depository insurance. Under the Act, banks holding public deposits in excess of the amounts insured by FDIC must pledge collateral in the amount of 50% of excess deposits to a collateral pool in the name of the State Treasury Board. If any member bank fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. With the ability to make additional assessments, the multiple bank collateral pool functions similarly to depository insurance. The Commonwealth of Virginia Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act.

For investments, custodial risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. However, the Authority's investment policy requires that all securities purchased by the Authority be properly and clearly labeled as an asset of the Northern Virginia Transportation Authority, and held in safekeeping by a third party custodial bank or institution in compliance with Section 2.2-4515 of the *Code of Virginia*. Therefore, the Authority has no custodial risk.

Interest Rate Risk

In accordance with its investment policy, the Authority manages its exposure to declines in fair values by limiting the maturity of various investment vehicles, as indicated in the chart below.

At June 30, 2018, the Authority had the following investments and maturities:

	Investment Maturity (in years)			
	Fair Value	Less than a year	1-2 years	2-3 years
United States Treasuries	\$ 24,062,465	\$ 21,940,968	\$ 1,095,040	\$ 1,026,457
United States Agencies	63,314,290	29,839,850	33,474,440	-
Negotiable Certificates of Deposit	139,897,118	139,897,118	-	-
Commercial Paper	93,800,846	93,800,846	-	-
Corporate Notes	278,701,470	162,053,660	116,647,810	-
Virginia Investment Pool 1-3 YR Bond Fund	45,886,137	-	45,886,137	-
CDARS	22,500,000	22,500,000	-	-
Total	\$ 668,162,326	\$ 470,032,442	\$ 197,103,427	\$ 1,026,457

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Concentration of Credit Risk

The Authority's investment policy provides limitations on the percentage of the portfolio that can be invested in each type of security, as indicated in the following chart. The portfolio is in compliance with each of the stated limits as of June 30, 2018.

The limitations provided in the investment policy for maximum maturity and percentages of the portfolio for each category of investment are as follows:

Class	Length	Percent of Total Portfolio and Cash
Stocks, bonds, notes and other evidences of indebtedness of the Commonwealth of Virginia	60 months or less	75%
Stocks, bonds, notes and other evidences of indebtedness of the United States	60 months or less	100%
Stocks, bonds, notes and other evidences of indebtedness of any county, city, town, district, authority or other public body of the Commonwealth of Virginia	36 months or less	75%
Legally authorized stocks, bonds, notes and other evidences of indebtedness of any city, county, town or district situated in any one of the states of the United States	36 months or less	75%
Savings accounts or time deposits (CDs) in any bank or savings and loan association within the Commonwealth of Virginia	24 months or less	60%
Repurchase Agreements	12 months or less	20%
Bankers' Acceptances	12 months or less	10%
Prime Quality Commercial Paper	270 days or less	35% with a 5% per issuer limit
High Quality Corporate Notes	36 months or less	50%
Certificates representing ownership in either treasury bond principal at maturity or its coupons for accrual periods	36 months or less	25%
The Local Government Investment Pool (LGIP)	N/A	100%

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Concentration of Credit Risk (Continued)

Class	Length	Percent of Total Portfolio and Cash
Open End Mutual Funds	N/A	Maximum 20% in any one fund. Prior three year history must exceed internal performance by 25bps, net of management fee
The State Non-Arbitrage Pool (SNAP)	N/A	100% of bond proceeds or debt related reserve account
Negotiable certificates of deposit and negotiable bank deposit notes	24 months or less	25%
External Management Contract	3 years or less	25% of net balance of pooled investments, using lowest portfolio amount as target point. Prior three year history must exceed internal performance by 25bps, net of management fee

External Investment Pools

As of June 30, 2018, the Authority had investments of \$2,739,315 in the LGIP for governmental activities. The LGIP is a professionally managed money market fund, which invests in qualifying obligations and securities as permitted by Virginia statutes. Pursuant to Section 2.2-4605 *Code of Virginia*, the Treasury Board of the Commonwealth sponsors the LGIP and has delegated certain functions to the State Treasurer. The LGIP reports to the Treasury Board at their regularly scheduled monthly meetings. The fair value of the position of the LGIP is the same as the value of the pool shares, i.e., the LGIP maintains a stable net asset value of \$1 per share. The LGIP has been assigned an “AAAm” rating by Standard & Poor’s. LGIP is managed in accordance with GASB Statement No. 79. The portfolio securities are valued by the amortized cost method, and on a weekly basis this valuation is compared to current market to monitor any variance. Investments are limited to short-term, high quality credits that can be readily converted into cash with limited price variation.

As of June 30, 2018, the Authority had investments of \$3,975,873 in the Commonwealth of Virginia State Non-Arbitrage Program (“SNAP”). SNAP has been established by the Treasury Board of the Commonwealth of Virginia pursuant to the SNAP Act (Chapter 47, Title 2.2, *Code of Virginia* 1950, as amended) to provide comprehensive investment management, accounting and arbitrage rebate calculation services for proceeds of tax-exempt borrowings and other financings of Virginia Issuers subject to Section 148 (and related sections) of the Internal Revenue Code. The SNAP Fund is managed to maintain a dollar-weighted average portfolio maturity of 60 days or less and seeks to maintain a constant net asset value per share of \$1. The SNAP Fund invests in obligations of the United States Government and its agencies, high quality debt obligations of U.S. companies and obligations of financial institutions, and is rated “AAAm” by S&P. SNAP is managed in accordance with GASB Statement No. 79. The portfolio securities are valued by the amortized cost method, and on a daily basis this valuation is compared to current market to monitor any variance. Investments are limited to short-term, high quality credits that can be readily converted into cash with limited price variation.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

External Investment Pools (Continued)

As of June 30, 2018, the Authority had investments of \$45,886,137, stated at fair market value on a quoted price basis, in the Virginia Municipal League/Virginia Association of Counties (VML/VACo) – Investment Pool (VIP) 1-3 Year High Quality Bond Fund. VIP’s pooled investment program is used by local governments to invest assets they expect to hold longer than one year. Participants are invested in high quality corporate and government securities with an average duration between one to three years. VML/VACo is rated AA+f/S1 by S&P. “S1” indicates the lowest level of volatility. The weighted effective duration at June 30, 2018 is 1.67 years.

The Authority had investments of \$122,162,980 in the VIP Stable NAV Liquidity Pool at June 30, 2018. This pooled investment was created during fiscal year 2017 specifically to offer local governments an investment option with a stable net asset value, while providing daily liquidity and a competitive yield. The VIP seeks to maintain a constant net asset value per share of \$1. The Stable NAV pool is rated AAAM by S&P. VIP Stable NAV is managed in accordance with GASB Statement No. 79. The portfolio securities are valued by the amortized cost method, and on a daily basis this valuation is compared to current market to monitor any variance. Investments are limited to short-term, high quality credits that can be readily converted into cash with limited price variation.

Bond Proceeds

Bond proceeds shall be invested in accordance with the requirements and restrictions outlined in the Master Indenture of Trust and the First Supplemental Indenture of Trust both dated December 1, 2014.

Bond proceeds shall be invested in SNAP and alternate investment pools that provide assistance to local governments in the investment of bond proceeds and the preparation of rebate calculations in compliance with treasury arbitrage regulations in accordance with the *Code of Virginia* requirements or the Authority’s own investment policy. As of June 30, 2018, the Authority had \$8,378,869 held by the bond trustees, Regions Bank. Of this amount, \$2,200,447 was in the 2014 Project Fund account, \$5,700,169 was in the Debt Service Reserve account, and \$478,253 is in the debt service account for payment of principal and interest.

Note 3. Fair Value Measurement

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The three levels of the fair value hierarchy are described below.

- | | |
|----------------|--|
| Level 1 | Valuation based on quoted prices in active markets for identical assets or liabilities. |
| Level 2 | Valuation based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets and liabilities. |
| Level 3 | Valuations based on unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of assets or liabilities. |

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 3. Fair Value Measurement (Continued)

The inputs or methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. The following table shows the Authority's investments by fair value level as of June 30, 2018:

Investments by Fair Value Level	June 30, 2018	Level 1	Level 2	Level 3
United States Treasuries	\$ 24,062,465	\$ 24,062,465	\$ -	-
United States Agencies	63,314,290	63,314,290	-	-
Negotiable Certificates of Deposit	139,897,118	139,897,118	-	-
Commercial Paper	93,800,846	83,800,846	-	-
Corporate Notes	278,701,470	278,701,470	-	-
Virginia Investment Pool 1-3YR				
Bond Fund	45,886,137	45,886,137	-	-
CDARS	40,000,000	40,000,000	-	-
Money Market Funds	70,161,728	70,161,728	-	-

The remaining investments maintained by the Authority are held in external investment pools, which are exempt from the fair value disclosure.

Note 4. Due To/From Other Governments

At June 30, 2018, due from other governments consisted of the following:

Due from Commonwealth of Virginia:	Local Distribution Fund	Regional Revenue Fund	Total
Grantors Tax	\$ 2,006,704	\$ 4,682,308	\$ 6,689,012
Sales Tax	13,732,770	32,043,129	45,775,899
Transient Occupancy Tax	2,582,364	6,025,521	8,607,885
NVTA Fund Interest	29,040	67,759	96,799
Total	\$ 18,350,878	\$ 42,818,717	\$ 61,169,595

Amounts due to other governments as of June 30, 2018 consisted of the following:

	Amount
City of Alexandria	\$ 1,250,492
Arlington County	2,242,655
City of Fairfax	378,170
Fairfax County	8,104,082
City of Falls Church	165,418
Loudoun County	3,376,600
City of Manassas	295,332
City of Manassas Park	107,249
Prince William County	2,433,933
Total	\$ 18,353,931

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 5. Intergovernmental Revenues, Commonwealth of Virginia

Intergovernmental revenues from the Commonwealth of Virginia include additional fees or taxes imposed in each of the Member Jurisdictions as follows:

An additional Retail Sales Tax of 0.7% is added to the standard rate of retail sales tax imposed by the *Code of Virginia*. The additional tax is not levied upon food purchased for human consumption.

A Regional Congestion Relief Fee (Grantors Tax) equivalent to \$0.15 for each \$100 of value imposed on every deed and deed of trust admitted to record in the Commonwealth subject to certain exceptions and exemptions.

An additional Regional Transient Occupancy Tax (Hotel) is added at a rate of 2% of the amount of the charge for the occupancy of any room or space.

Effective July 1, 2018, pursuant to Virginia General Assembly HB1539, the General Assembly repealed two of the Authority's three revenue sources listed above, the regional congestion relief fee (Grantors Tax) and the additional Regional Transient Occupancy Tax (Hotel).

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets being depreciated and amortized:				
Office furniture and equipment	\$ 58,589	\$ -	\$ -	58,589
Less accumulated depreciation and amortization	18,070	9,237	-	27,307
Total capital assets being depreciated and amortized, net	\$ 40,519	\$ 9,237	\$ -	31,282

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan

A. Plan Description

Name of Plan: Virginia Retirement System (VRS)

Identification of Plan: Agent Multiple-Employer Pension Plan

Administering Entity: Virginia Retirement System (System)

All full-time, salaried permanent employees of the Authority are automatically covered by a VRS Retirement Plan upon employment. This plan is administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

Plan 1	Plan 2	Hybrid Retirement Plan
About Plan 1 Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula.	About Plan 2 Plan 2 is a defined plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula.	About the Hybrid Retirement Plan The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. <ul style="list-style-type: none">• The defined benefit is based on a member's age, creditable service and average final compensation at retirement using a formula.• The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.• In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

A. Plan Description (Continued)

Plan 1	Plan 2	Hybrid Retirement Plan
<p>Eligible Members</p> <p>Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013, and they have not taken a refund.</p> <p>Hybrid Opt-In Election VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p> <p>Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.</p>	<p>Eligible Members</p> <p>Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p> <p>Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.</p>	<p>Eligible Members</p> <p>Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <p>Political subdivision employees.*</p> <ul style="list-style-type: none"> • Members in Plan 1 or Plan 2 who elect to opt into the plan during the election window held January 1 – April 30, 2014; in the plan's effective date for opt-in members was July 1, 2014. <p>* Non-Eligible Members Some employees are not eligible to participate in the Hybrid Retirement Plan. They include:</p> <ul style="list-style-type: none"> • Political subdivision employees who are covered by enhanced benefits for hazardous duty employees. <p>Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.</p>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

A. Plan Description (Continued)

Plan 1	Plan 2	Hybrid Retirement Plan
<p>Retirement Contributions</p> <p>Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.</p> <p>Creditable Service</p> <p>Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p>	<p>Retirement Contributions</p> <p>Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction.</p> <p>Creditable Service</p> <p>Same as Plan 1.</p>	<p>Retirement Contributions</p> <p>A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.</p> <p>Creditable Service</p> <p><u>Defined Benefit Component</u></p> <p>Under the defined benefit component of the plan, creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p> <p><u>Defined Contribution Component</u></p> <p>Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.</p>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

A. Plan Description (Continued)

Plan 1	Plan 2	Hybrid Retirement Plan
<p>Vesting</p> <p>Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.</p> <p>Members are always 100% vested in the contributions they make.</p>	<p>Vesting</p> <p>Same as Plan 1.</p>	<p>Vesting</p> <p><u>Defined Benefit Component</u> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.</p> <p><u>Defined Contribution Component</u> Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.</p> <p>Members are always 100% vested in the contributions they make.</p> <p>Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.</p>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

A. Plan Description (Continued)

Plan 1	Plan 2	Hybrid Retirement Plan
		Vesting (Continued)
		<u>Defined Contribution Component (Continued)</u>
		<ul style="list-style-type: none"> • After two years, a member is 50% vested and may withdraw 50% of employer contributions. • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions.
		Distribution is not required by law until age 70½.
<p>Calculating the Benefit</p> <p>The Basic Benefit is calculated based on a formula using the member’s average final compensation, a retirement multiplier and total service credit at retirement. It is one of the benefit payout options available to a member at retirement.</p> <p>An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.</p>	<p>Calculating the Benefit</p> <p>See definition under Plan 1.</p>	<p>Calculating the Benefit</p> <p><u>Defined Benefit Component</u> See definition under Plan 1.</p> <p><u>Defined Contribution Component</u> The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.</p>
<p>Average Final Compensation</p> <p>A member’s average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation</p> <p>A member’s average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation</p> <p>Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.</p>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

A. Plan Description (Continued)

Plan 1	Plan 2	Hybrid Retirement Plan
<p>Service Retirement Multiplier</p> <p>The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.7%. The retirement multiplier for sheriffs and regional jail superintendents is 1.85%. The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.7% or 1.85% as elected by the employer.</p>	<p>Service Retirement Multiplier</p> <p>Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members, the retirement multiplier is 1.65% for creditable service earned, purchased or granted on or after January 1, 2013.</p>	<p>Service Retirement Multiplier</p> <p>The retirement multiplier for the defined benefit component is 1.0%.</p> <p>For members that opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.</p>
<p>Normal Retirement Age</p> <p>Age 65.</p>	<p>Normal Retirement Age</p> <p>Normal Social Security retirement age.</p>	<p>Normal Retirement Age</p> <p><u>Defined Benefit Component</u></p> <p>Same as Plan 2.</p> <p><u>Defined Contribution Component</u></p> <p>Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Earliest Unreduced Retirement Eligibility</p> <p>Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service.</p>	<p>Earliest Unreduced Retirement Eligibility</p> <p>Normal Social Security retirement age with at least 5 years (60 months) of creditable service or when their age and service equal 90.</p>	<p>Earliest Unreduced Retirement Eligibility</p> <p><u>Defined Benefit Component</u></p> <p>Normal Social Security retirement age and have at least 5 years (60 months) of creditable service or when their age and service equal 90.</p> <p><u>Defined Contribution Component</u></p> <p>Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

A. Plan Description (Continued)

Plan 1	Plan 2	Hybrid Retirement Plan
<p>Earliest Reduced Retirement Eligibility</p> <p>Age 55 with at least five years (60 months) of creditable service or age 50 with at least 10 years of creditable service.</p>	<p>Earliest Reduced Retirement Eligibility</p> <p>Age 60 with at least five years (60 months) of creditable service.</p>	<p>Earliest Reduced Retirement Eligibility</p> <p><u>Defined Benefit Component</u> Age 60 with at least five years (60 months) of creditable service.</p> <p><u>Defined Contribution Component</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Cost-of-Living Adjustment (COLA) in Retirement</p> <p>The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement</p> <p>The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%) for a maximum COLA of 3%.</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement</p> <p><u>Defined Benefit Component</u> Same as Plan 2.</p> <p><u>Defined Contribution Component</u> Not applicable.</p>
<p><u>Eligibility:</u> For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date.</p> <p>For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.</p>	<p><u>Eligibility:</u> Same as Plan 1.</p>	<p><u>Eligibility:</u> Same as Plan 1 and Plan 2.</p>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

A. Plan Description (Continued)

Plan 1	Plan 2	Hybrid Retirement Plan
Cost-of-Living Adjustment (COLA) in Retirement (Continued)	Cost-of-Living Adjustment (COLA) in Retirement (Continued)	Cost-of-Living Adjustment (COLA) in Retirement (Continued)
<u>Exceptions to COLA Effective Dates:</u>	<u>Exceptions to COLA Effective Dates:</u>	<u>Exceptions to COLA Effective Dates:</u>
The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:	Same as Plan 1.	Same as Plan 1 and Plan 2.
<ul style="list-style-type: none"> • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. • The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP). • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. • The member dies in service and the member’s survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins. 		

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

A. Plan Description (Continued)

Plan 1	Plan 2	Hybrid Retirement Plan
<p>Disability Coverage</p> <p>Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service regardless of when it was earned, purchased or granted.</p>	<p>Disability Coverage</p> <p>Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service regardless of when it was earned, purchased or granted.</p>	<p>Disability Coverage</p> <p>Eligible political subdivisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members.</p> <p>Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.</p>
<p>Purchase of Prior Service</p> <p>Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. Members also may be eligible to purchase periods of leave without pay.</p>	<p>Purchase of Prior Service</p> <p>Same as Plan 1.</p>	<p>Purchase of Prior Service</p> <p><u>Defined Benefit Component</u> Same as Plan 1, with the following exceptions:</p> <ul style="list-style-type: none"> • Hybrid Retirement Plan members are ineligible for ported services. <p><u>Defined Contribution Component</u> Not applicable.</p>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

B. Employees Covered by Benefit Terms

As of the June 30, 2016 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

Inactive members active elsewhere in VRS	1
Active members	<u>6</u>
Total covered employees	<u><u>7</u></u>

C. Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. From the commencement of the Authority's plan in October 2014, employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

The Authority's contractually required contribution rate for the year ended June 30, 2018 was 9.48% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2016. This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by an employee during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were \$86,997 and \$78,378 for the years ended June 30, 2018 and 2017, respectively.

D. Net Pension Liability (Asset)

The Authority's net pension liability (asset) was measured as of June 30, 2017. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation performed as of June 30, 2016, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2017.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

E. Actuarial Assumptions

The total pension liability for General Employees in the Authority's Retirement Plan was based on an actuarial valuation as of June 30, 2016, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2017.

Inflation	2.5 percent
Salary increases, including inflation	3.5 percent – 5.35 percent
Investment rate or return	7.0 percent, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

Mortality Rates

Non-10 Largest – Non-Hazardous Duty: 15% of deaths are assumed to be service related.

Pre-retirement:	RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at age 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.
Post-retirement:	RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.
Post-disablement:	RP-2014 Disability Life Mortality Rates projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016. Changes to the actuarial assumptions as a result of the experience study are as follows:

Non-10 Largest – Non-Hazardous Duty:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2020.
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 15%

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

F. Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	40.00%	4.54%	1.82%
Fixed Income	15.00%	0.69%	0.10%
Credit Strategies	15.00%	3.96%	0.59%
Real Assets	15.00%	5.76%	0.86%
Private Equity	15.00%	9.53%	1.43%
Total	100.00%		4.80%
		Inflation	2.50%
		* Expected arithmetic nominal return	7.30%

* The above allocation provides a one-year return of 7.30%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.83%, including expected inflation of 2.5%.

G. Discount Rate

The discount rate used to measure the total pension asset was 7.0%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2019, the rate contributed by the employer for the Authority retirement plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2019 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current active and inactive employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

H. Changes in the Net Pension Liability

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at June 30, 2016	\$ 208,007	\$ 159,022	\$ 48,985
Changes for the year:			
Service cost	78,247	-	78,247
Interest	14,560	-	14,560
Changes in assumptions	(15,903)	-	(15,903)
Difference between expected and actual experience	60,765	-	60,765
Contributions – employer	-	78,378	(78,378)
Contributions – employee	-	42,081	(42,081)
Net investment income	-	27,878	(27,878)
Administrative expense	-	(42)	42
Other changes	-	(30)	30
Net changes	137,669	148,265	(10,596)
Balances at June 30, 2017	<u>\$ 345,676</u>	<u>\$ 307,287</u>	<u>\$ 38,389</u>

I. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Authority using the discount rate of 7.00%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
The Authority's Net Pension Liability (Asset)	\$ 93,477	\$ 38,389	\$ (7,177)

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plan (Continued)

J. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2018, the Authority recognized pension expense of \$59,498. At June 30, 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between expected and actual experience	\$ 151,565	\$ -
Changes of assumption	-	13,575
Net difference between projected and actual earnings on pension plan investments	-	6,568
Employer contributions subsequent to measurement date	86,997	-
Total	\$ 238,562	\$ 20,143

The \$86,997 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2019.

Other amounts reported as deferred outflows (inflow) of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

Year Ending June 30,	Amount
2019	\$ 24,046
2020	24,046
2021	23,670
2022	22,766
2023	25,274
Thereafter	11,620
	<u>\$ 131,422</u>

K. Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2017 Comprehensive Annual Financial Report (CAFR). A copy of the 2017 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2017-annual-report.pdf> or by writing to the System's Chief Financial Officer at, P.O. Box 2500, Richmond, Virginia 23218-2500.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 8. Group Life Insurance Program

A. Plan Description

All full-time, salaried permanent employees of the Authority are automatically covered by the VRS Group Life Insurance Program (GLI) upon employment. This plan is administered by the Virginia Retirement System (the System), along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia,

In addition to the Basic GLI benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional GLI. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI OPEB.

The specific information for GLI OPEB, including eligibility, coverage and benefits is set out in the table below:

GROUP LIFE INSURANCE PROGRAM PLAN PROVISIONS
<p>Eligible Employees The GLI was established July 1, 1960, for state employees, teachers and employees of political subdivisions that elect the program.</p> <p>Basic group life insurance coverage is automatic upon employment. Coverage ends for employees who leave their position before retirement eligibility or who take a refund of their member contributions and accrued interest.</p>
<p>Benefit Amounts The benefits payable under the GLI have several components.</p> <ul style="list-style-type: none">• <u>Natural Death Benefit</u> - The natural death benefit is equal to the employee's covered compensation rounded to the next highest thousand and then doubled.• <u>Accidental Death Benefit</u> - The accidental death benefit is double the natural death benefit.• <u>Other Benefit Provisions</u> - In addition to the basic natural and accidental death benefits, the program provides additional benefits provided under specific circumstances. These include:<ul style="list-style-type: none">o Accidental dismemberment benefito Safety belt benefito Repatriation benefito Felonious assault benefito Accelerated death benefit option
<p>Reduction in Benefit Amounts The benefit amounts provided to members covered under the GLI are subject to a reduction factor. The benefit amount reduces by 25% on January 1 following one calendar year of separation. The benefit amount reduces by an additional 25% on each subsequent January 1 until it reaches 25% of its original value.</p>
<p>Minimum Benefit Amount and Cost-of-Living Adjustment (COLA) For covered members with at least 30 years of creditable service, there is a minimum benefit payable under the GLI. The minimum benefit was set at \$8,000 by statute. This amount is increased annually based on the YRS Plan 2 COLA and is currently \$8,111.</p>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 8. Group Life Insurance Program (Continued)

B. Contributions

The contribution requirements for the GLI are governed by section 51.1-506 and section 51.1-508 of the *Code of Virginia*, as amended, but may be impacted as a result of funding provided to state agencies and school divisions by the Virginia General Assembly. The total rate for the GLI was 1.31% of covered employee compensation. This was allocated into an employee and an employer component using a 60/40 split. The employee component was 0.79% (1.31% X 60%) and the employer component was 0.52% (1.31% X 40%). Employers may elect to pay all or part of the employee contribution, however, the employer must pay all of the employer contribution. Each employer's contractually required employer contribution rate for the year ended June 30, 2018 was 0.52% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2016. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits payable during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the GLI from the Authority were \$5,469 and \$4,772 for the years ended June 30, 2018 and June 30, 2017, respectively.

C. GLI OPEB Liabilities, GLI OPEB Expenses and Deferred Outflows/Inflows of Resources Related to the GLI OPEB

At June 30, 2018, the Authority reported a liability of \$75,000 for its proportionate share of the net GLI OPEB liability. The net GLI OPEB liability was measured as of June 30, 2017 and the total GLI OPEB liability used to calculate the net GLI OPEB liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net GLI OPEB liability was based on the Authority's actuarially determined employer contributions to the GLI for the year ended June 30, 2017 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2017, the participating employer's proportion was \$4,772 or .00497% as compared to \$3,281 or .00380% at June 30, 2016.

For the year ended June 30, 2018, the Authority recognized GLI OPEB expense of \$4,000. Since there was a change in proportionate share between measurement dates, a portion of the GLI OPEB expense was related to deferred amounts from changes in proportion.

At June 30, 2018, the employer reported deferred outflows of resources and deferred inflows of resources related to the GLI OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between expected and actual experience	\$ -	\$ 1,000
Changes of assumptions	-	4,000
Net difference between projected and actual earning on GLI OPEB program investments	-	3,000
Changes in proportion	17,000	-
Employer contributions subsequent to measurement date	5,469	-
	<u>\$ 22,469</u>	<u>\$ 8,000</u>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 8. Group Life Insurance Program (Continued)

C. GLI OPEB Liabilities, GLI OPEB Expenses and Deferred Outflows/Inflows of Resources Related to the GLI OPEB (Continued)

The \$5,469 reported as deferred outflows of resources related to the GLI OPEB resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net GLI OPEB liability in the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the GLI OPEB will be recognized in the GLI OPEB expense in future reporting periods as follows:

Year Ending June 30,	Amount
2019	\$ 1,000
2020	1,000
2021	1,000
2022	1,000
2023	2,000
Thereafter	3,000
	\$ 9,000

D. Actuarial Assumptions

The total GLI OPEB liability was based on an actuarial valuation as of June 30, 2016, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2017.

Inflation	2.5%
Salary increases, including inflation	3.5%-5.35%
Investment rate of return	7.0%, net of investment expenses, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of the OPEB liabilities.

Mortality rates:

Non-10 Largest - Non-Hazardous Duty: 15% of deaths are assumed to be service related.

Pre-retirement:	RP-2014 Employee Rates to age 80, Healthy Annuitant Rates at age 81 and older projected with scale BB to 2020; males 95% of rates; females 105% of rates.
Post-retirement:	RP-2014 Employee Rates to age 49, Healthy Annuitant Rates at ages 50 and older projected with scale BB to 2020; males set forward 3 years; females 1.0% increase compounded from ages 70 to 90.
Post-disablement:	RP-2014 Disability Life Mortality Table projected with scale BB to 2020; males set forward 2 years, 110% of rates; females 125% of rates.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 8. Group Life Insurance Program (Continued)

D. Actuarial Assumptions (Continued)

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016. Changes to the actuarial assumptions as a result of the experience study are as follows:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2020
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each year age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 15%

E. Net GLI OPEB Liability

The net OPEB liability (NOL) for the GLI represents the program's net OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of June 30, 2017, NOL amounts for the GLI is as follows (amounts expressed in thousands):

	<u>GLI OPEB Program</u>
Total GLI OPEB liability	\$ 2,942,426
Plan fiduciary net position	<u>1,437,586</u>
Employers' net GLI OPEB liability	<u>\$ 1,504,840</u>
Plan fiduciary net position as a percentage of the total GLI OPEB liability	48.86%

The total GLI OPEB liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The total GLI OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the System's notes to the financial statements and required supplementary information.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 8. Group Life Insurance Program (Continued)

F. Long-Term Expected Rate of Return

The long-term expected rate of return on the System's investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of System's investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
Public Equity	40.00%	4.54%	1.82%
Fixed Income	15.00%	0.69%	0.10%
Credit Strategies	15.00%	3.96%	0.59%
Real Assets	15.00%	5.76%	0.86%
Private Equity	15.00%	9.53%	1.43%
Total	<u>100.00%</u>		<u>4.80%</u>
		Inflation	<u>2.50%</u>
		* Expected arithmetic nominal return	<u>7.30%</u>

* The above allocation provides a one-year return of 7.30%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected return for the System, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.83%, including expected inflation of 2.50%.

G. Discount Rate

The discount rate used to measure the total GLI OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made per the VRS guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2019, the rate contributed by the Authority for the GLI OPEB will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2019 on, employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the GLI OPEB's fiduciary net position was projected to be available to make all projected future benefit payments of eligible employees. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total GLI OPEB liability.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 8. Group Life Insurance Program (Continued)

H. Sensitivity of the Authority's Proportionate Share of the Net GLI OPEB Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net GLI OPEB liability using the discount rate of 7.00%, as well as what the Authority's proportionate share of the net GLI OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
The Authority's proportionate share of the GLI net OPEB liability	\$ 97,000	\$ 75,000	\$ 57,000

I. GLI Fiduciary Net Position

Detailed information about the GLI's Fiduciary Net Position is available in the separately issued VRS 2017 Comprehensive Annual Financial Report (CAFR). A copy of the 2017 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2017-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, Virginia, 23218-2500.

Note 9. Operating Leases and Agreements

Governmental Activities

The Authority leases office space under a 60-month agreement, which commenced on October 6, 2014 and expires October 31, 2019. The lease was amended effective June 1, 2017 in consideration for additional office space. The lease provides for 2.5% annual increases in base rent over the term of the lease, and the pass through of a proportionate share of the building core factor and common areas. Rent expense for Governmental Activities as reported in the government-wide financial statements totaled \$134,052. The Authority is in negotiations to renew this lease for the current office space for fiscal year 2020 through 2025.

As of June 30, 2018, the minimum long-term lease commitments were as shown below:

<u>Year Ending June 30,</u>	<u>Amount</u>
2019	<u>\$ 138,206</u>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 10. Long-Term Debt Obligations

In December 2014, the Authority issued \$69,045,000 of Transportation Special Tax Revenue Bonds to pay (i) certain transportation projects in the Authority member localities or (ii) certain mass transit capital projects serving the Authority member localities, (iii) the issuance and financing costs of the bonds, and (iv) to a fund debt service reserve fund for the bonds. The bonds were issued at a premium of \$11,928,792, which will be amortized over the life of the bonds.

Transportation Special Tax Revenue Bonds

The special tax revenue bonds are direct obligations of the Authority and secured by the Authority's Regional Revenue and a debt service reserve of \$5,551,150 based on the maximum annual debt service calculation. These bonds were issued pursuant to the Master Indenture of Trust dated December 1, 2014 and the First Supplemental Indenture of Trust dated December 1, 2014. The bonds are issued as serial bonds and are the first series of transportation bonds to be issued under the Master Indenture.

\$69,045,000 2014 Transportation Special Tax Revenue Bonds due in annual principal payments of \$2,600,000 to \$5,285,000 through June 2034, interest at 3.00% to 5.00%

\$ 60,345,000

Changes in Long-Term Debt Obligations

The following is a summary of long-term liability activity for the year ended June 30, 2018:

	Beginning Balance	Increases	Decreases	Ending Balance	Due in One Year
Compensated Absences	\$ 57,313	\$ 74,023	\$ 47,258	\$ 84,078	\$ 84,078
Transportation Special Tax Revenue Bonds	62,845,000	-	2,500,000	60,345,000	2,600,000
Unamortized Premiums	10,437,693	-	596,439	9,841,254	-
Total governmental activities	\$ 73,340,006	\$ 74,023	\$ 3,143,697	\$ 70,270,332	\$ 2,684,078

Federal arbitrage regulations apply to the Authority's special tax revenue bonds.

Funds are invested by the Trustee pursuant to the provisions of the Master Indenture and the First Supplemental Indenture of Trust. The Authority's Series 2014 Project Fund and Debt Service Reserve Fund are invested by the Trustee with SNAP, the Debt Service Fund is invested directly with Regions and is classified as restricted.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

Note 10. Long-Term Obligations (Continued)

The debt service requirements for the Authority's bonds are as follows:

Year(s) Ending June 30,	Principal	Interest	Totals
2019	\$ 2,600,000	\$ 2,949,950	\$ 5,549,950
2020	2,730,000	2,819,950	5,549,950
2021	2,865,000	2,683,450	5,548,450
2022	2,950,000	2,597,500	5,547,500
2023	3,100,000	2,450,000	5,550,000
2024-2028	17,935,000	9,808,000	27,743,000
2029-2033	22,880,000	4,865,250	27,745,250
2034	5,285,000	264,250	5,549,250
	<u>\$ 60,345,000</u>	<u>\$ 28,438,350</u>	<u>\$ 88,783,350</u>

Note 11. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. To reduce insurance costs and the need for self-insurance, the Authority has joined with other political subdivisions in the Commonwealth of Virginia in the VML Insurance Programs. The Authority has coverage with the VML Insurance Programs. Each Program member jointly and severally agrees to assume, pay and discharge any liability. The Authority pays VML the contributions and assessments based upon classifications and rates into a designated cash reserve fund out of which expenses of the Program and claims and awards are to be paid.

Note 12. Pending GASB Statements

At June 30, 2018, the Governmental Accounting Standards Board (GASB) had issued statements not yet implemented by the Authority. The statements which might impact the Authority are as follows:

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, will improve accounting and financial reporting for debt extinguishments by establishing uniform guidance for derecognizing debt that is defeased in substance. Statement No. 86 will be effective for fiscal years beginning after June 15, 2017.

GASB Statement No. 87, *Leases*, will increase the usefulness of the Authority's financial statements by requiring reporting of certain lease assets and liabilities and deferred inflows of resources for leases that previously were classified as operating leases. Statement No. 87 will be effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 88, *Certain Disclosures Related to Debt*, will improve the information that is disclosed in notes related to debt. It also clarifies which liabilities governments should include when disclosing information related to debt. Statement No. 88 will be effective for fiscal years beginning after June 15, 2018.

Management has not yet determined the effect these statements will have on its financial statements.

Required Supplementary Information

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

SCHEDULE OF AUTHORITY CONTRIBUTIONS - VIRGINIA RETIREMENT SYSTEM

	Fiscal Year June 30,			
	2018	2017	2016	2015
Contractually required contribution (CRC)	\$ 86,997	\$ 78,378	\$ 42,427	\$ 33,173
Contributions in relation to the CRC	86,997	78,378	42,427	33,173
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Employer's covered-employee payroll	\$ 917,690	\$ 826,772	\$ 624,845	\$ 488,557
Contributions as a percentage of covered-employee payroll	9.48%	9.48%	6.79%	6.79%

Note to Schedule:

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for those years for which information is available.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**SCHEDULE OF CHANGES IN THE AUTHORITY'S NET PENSION LIABILITY (ASSET)
AND RELATED RATIOS - VIRGINIA RETIREMENT SYSTEM**

	Fiscal Year June 30,		
	2017	2016	2015
Total Pension Liability			
Service cost	\$ 78,247	\$ 70,900	\$ -
Interest	14,560	-	-
Difference between expected and actual experience	60,765	137,107	-
Changes of assumptions	(15,903)	-	-
Net change in total pension liability	137,669	208,007	-
Total pension liability - beginning	208,007	-	-
Total pension liability - ending (a)	<u>\$ 345,676</u>	<u>\$ 208,007</u>	<u>\$ -</u>
Plan Fiduciary Net Position			
Contributions - employer	\$ 78,378	\$ 42,427	\$ 30,617
Contributions - employee	42,081	31,288	49,918
Net investment income	27,878	3,770	951
Administrative expense	(42)	(11)	65
Other	(30)	(1)	(2)
Net change in plan fiduciary net position	148,265	77,473	81,549
Plan fiduciary net position - beginning	159,022	81,549	-
Plan fiduciary net position - ending (b)	<u>\$ 307,287</u>	<u>\$ 159,022</u>	<u>\$ 81,549</u>
The Authority's net pension liability (asset) - ending (a)-(b)	<u>\$ 38,389</u>	<u>\$ 48,985</u>	<u>\$ (81,549)</u>
Plan fiduciary net position as a percentage of total pension liability	88.89%	76.45%	0.00%
Covered-employee payroll	\$ 826,772	\$ 624,845	\$ 488,557
The Authority's net pension liability (asset) as a percentage of covered-employee payroll	4.64%	7.84%	(16.69%)

Note to Schedule:

- (1) **Changes of benefit terms** – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation. The 2014 valuation includes Hybrid Retirement Plan members for the first time. The hybrid plan applies to most new employees hired on or after January 1, 2014 and not covered by enhanced hazardous duty benefits. Because this is a fairly new benefit and the number of participants was relatively small, the impact on the liabilities as of the measurement date of June 30, 2017 are not material.
- (2) **Changes of assumptions** – The following changes in actuarial assumptions were made effective June 30, 2016 based on the most recent experience study of the System for the four-year period ended June 30, 2016:
NON-LEOS:

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2020.
Retirement Rates	Lowered rates at older ages and changed final retirement from 70 to 75
Withdrawal Rates	Adjusted rates to better fit experience at each year age and service through 9 years of service
Disability Rates	Lowered rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 15%

- (3) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for those years for which information is available.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**SCHEDULE OF THE AUTHORITY'S SHARE OF NET OPEB LIABILITY -
GROUP LIFE INSURANCE PROGRAM
For the Year Ended June 30, 2018***

	Fiscal Year June 30, <u>2017</u>
Total Group Life Insurance OPEB Liability	
The Authority's Portion of the Net GLI OPEB Liability	0.00497%
The Authority's Proportionate Share of the Net GLI OPEB Liability	\$ 75,000
The Authority's Covered Payroll	\$ 917,692
The Authority's Proportionate Share of the Net GLI OPEB Liability as a Percentage of its Covered Payroll	8.17%
Plan Fiduciary Net Position as a Percentage of the Total GLI OPEB Liability	48.86%

* The amounts presented have a measurement date of June 30, 2017

Notes to Schedule:

- (1) **Changes of benefit terms** – There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.
- (2) **Changes of assumptions** – The following changes in actuarial assumptions were made effective June 30, 2016 based on the most recent experience study of the System for the four-year period ended June 30, 2016:

Non-Largest Ten Locality Employers-General Employees

Mortality Rates (Pre-retirement, post-retirement healthy, and disabled)	Update to a more current mortality table – RP-2014 projected to 2020.
Retirement Rates	Lowered rates at older ages and extended final retirement from 70 to 75
Withdrawal Rates	Adjusted termination rates to better fit experience at each year age and service year
Disability Rates	Lowered disability rates
Salary Scale	No change
Line of Duty Disability	Increase rate from 14% to 15%

- (3) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for those years for which information is available.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**SCHEDULE OF AUTHORITY CONTRIBUTIONS - OPEB -
GROUP LIFE INSURANCE PROGRAM**

	Fiscal Year June 30,	
	2018	2017
Contractually required contribution (CRC)	\$ 5,469	\$ 4,772
Contributions in relation to the CRC	5,469	4,772
Contribution deficiency (excess)	\$ -	\$ -
Employer's covered-employee payroll	\$ 1,051,730	\$ 917,692
Contributions as a percentage of covered-employee payroll	0.52%	0.52%

Note to Schedule:

- (1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for those years for which information is available.

Supplementary Information

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENDITURES

Year Ended June 30, 2018

General and Administrative Expenditures:

Personnel expenses		\$ 1,414,011
Salaries and wages	\$ 1,071,115	
Benefits and retirement	342,896	
Professional services		247,588
Legislative services fees	58,854	
Financial advisory services fees	55,000	
Legal services/Bond counsel fees	53,166	
Auditing and accounting services fees	38,220	
Investment custody services fees	20,160	
Public outreach and regional event support costs	17,622	
Bond trustee services fees	2,688	
Payroll and bank services fees	1,878	
Office lease charges		134,052
Technical and technology hosting services		35,313
Network-IT-Hosting services	16,155	
Web development and hosting services	11,017	
Financial reporting and accounting systems	8,141	
Professional development, memberships, industry and training conferences		16,751
Computer hardware and software purchases		14,257
Copier printing and duplication charges		8,925
Phone services		7,558
Hosted meeting expenses		7,044
Office supplies, furniture and equipment expenses		6,884
Insurance and liability bonds cost		5,624
Mileage and transportation costs		4,365
Miscellaneous expenses		668
Total general and administrative expenditures		\$ 1,903,040

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

SCHEDULE OF CHANGES IN NET POSITION BY JURISDICTION

LOCAL DISTRIBUTION FUND (30%)

Year Ended June 30, 2018

	Arlington County	Fairfax County	Loudoun County	Prince William County	City of Alexandria	City of Fairfax	City of Falls Church	City of Manassas	City of Manassas Park	Totals
Revenues										
Intergovernmental:										
Commonwealth of Virginia										
Grantors tax	\$ 1,602,092	\$ 7,041,333	\$ 3,278,282	\$ 2,172,970	\$ 1,677,231	\$ 126,649	\$ 94,920	\$ 147,090	\$ 71,433	\$ 16,212,000
Sales tax	7,792,479	33,094,023	14,836,951	11,344,565	4,707,496	2,175,378	758,462	1,526,884	435,333	76,671,571
Transient occupancy tax	3,003,656	3,698,578	945,660	502,730	1,053,256	89,685	60,213	19,147	-	9,372,925
Commonwealth fund interest income	11,888	41,501	17,995	13,313	7,033	2,321	862	1,634	488	97,035
Interest Income	4,399	15,030	6,965	5,133	2,566	733	367	733	732	36,658
Total revenues	12,414,514	43,890,465	19,085,853	14,038,711	7,447,582	2,394,766	914,824	1,695,488	507,986	102,390,189
Expenditures										
Distribution of 30% local funds	12,414,514	43,890,465	19,085,853	14,038,711	7,447,582	2,394,766	914,824	1,695,488	507,986	102,390,189
Total expenditures	12,414,514	43,890,465	19,085,853	14,038,711	7,447,582	2,394,766	914,824	1,695,488	507,986	102,390,189
Net change in fund balance	-	-	-	-	-	-	-	-	-	-
Fund Balance, beginning of year	-	-	-	-	-	-	-	-	-	-
Fund Balance, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**SCHEDULE OF CHANGES IN RESTRICTED FUNDING FOR APPROPRIATED PROJECTS -
REGIONAL REVENUE FUND
Year Ended June 30, 2018**

Project Sponsor	Project Title	Appropriated Funding Approved Programs 2014 to 2017	Contracted Amount Paid as of 6/30/2018	Remaining Appropriated Funding at 6/30/2018	Percentage Complete	Phase Funded
Arlington County	Silver/Blue Line Mitigation (Four New Buses)	\$ 1,000,000	\$ 797,696	\$ -	100.0%	Acq
Arlington County	Crystal City Multimodal Center	1,500,000	1,252,317	247,683	83.5%	Con
Arlington County	Glebe Road Corridor Intelligent Transportation System (ITS) Improvements	2,000,000	326,665	1,673,335	16.3%	Pre Eng, Con
Arlington County	Lee Highway Corridor Intelligent Transp System Enhancements	3,000,000	146,843	2,853,157	4.9%	Des, Eng, ROW, Con
Arlington County	Boundary Channel Drive Interchange	4,335,000	1,788,378	2,546,622	41.3%	Des, Con
Arlington County	Columbia Pike Multimodal St Improvements E End B/t 2 interchanges w Washington Blvd	10,000,000	936,756	9,063,244	9.4%	Des, Con
Arlington County	Crystal City Streets: 12th St Transitway, Clark/Bell Realignment, and Intersection Imprvmts	11,600,000	1,293,680	10,306,320	11.2%	Des, Eng, Env, Con
Arlington County	Ballston Metrorail Station West Entrance	12,000,000	25,876	11,974,124	0.2%	Final Des
Arlington County	Columbia Pike Multimodal St Improvements West End FR FFX County line to Four Mile Run	12,000,000	106,002	11,893,998	0.9%	Con
Fairfax County	Route 1 Widening: Mount Vernon Memorial Highway to Napper Road	1,000,000	1,000,000	-	100.0%	Env, Pre Eng
Fairfax County	Frontier Drive Extension and Interchange Improvements	2,000,000	2,000,000	-	100.0%	Des, Env, Pre Eng
Fairfax County	Rolling Road Widening: Old Keene Mill Road to Franconia Springfield Parkway	5,000,000	3,125,000	1,875,000	62.5%	Des, Pre Eng, ROW
Fairfax County	Route 28 Widening: Prince William County Line to Route 29	5,000,000	-	5,000,000	0.0%	Des, Eng, Env, ROW, Con
Fairfax County	Route 28 Widening: Prince William County Line to Route 29	5,000,000	1,960,460	3,039,540	39.2%	Des, Pre Eng
Fairfax County	Connector Bus Service Expansion – Capital Purchase 12 New Buses	6,000,000	5,922,262	-	100.0%	Acq
Fairfax County	Fairfax County Parkway Improvements Study	10,000,000	4,000,000	6,000,000	40.0%	Study, Env, Pre Eng
Fairfax County	Route 286 Fairfax County Parkway Widening: Route 123 to Route 29	10,000,000	-	10,000,000	0.0%	ROW
Fairfax County	Route 7 Widening: Colvin Forest Drive to Jarrett Valley Drive	10,000,000	-	10,000,000	0.0%	ROW
Fairfax County	West Ox Bus Garage Expansion	20,000,000	12,068,158	7,931,842	60.3%	Con
Fairfax County	Innovation Center Metrorail Station	28,000,000	27,837,813	162,187	99.4%	Con
Fairfax County	Innovation Center Metrorail Station	41,000,000	37,738,402	3,261,598	92.0%	Des/Build
Fairfax County	I-66/Route 28 Interchange Improvements - \$300,000,000	WITHDRAWN	-	WITHDRAWN	0.0%	Des, Eng, Env, ROW, Con
Loudoun County	Two New Transit Buses	880,000	880,000	-	100.0%	Acq
Loudoun County	Leesburg Park and Ride	1,000,000	-	1,000,000	0.0%	ROW/Con
Loudoun County	Transit Buses (4 New)	1,860,000	1,860,000	-	100.0%	Acq
Loudoun County	Belmont Ridge Road (VA Route 659) - Turo Parish Road to Croson Ln	19,500,000	2,055,449	17,444,551	10.5%	Con
Loudoun County	Belmont Ridge Road (Rt 659) North of Dulles Greenway Widening (Design and Constr)	20,000,000	20,000,000	-	100.0%	Con
Loudoun County	Loudoun County Parkway (VA Route 607) – U.S. 50 to Creighton Rd.	31,000,000	10,581,693	20,418,307	34.1%	Con
Prince William /Manassas	Route 28 (Manassas Bypass) Study - Godwin Drive Extended	2,500,000	815,335	1,684,665	32.6%	Study
Prince William County	Route 1 from Featherstone Road to Marys Way	3,000,000	2,356,090	643,910	78.5%	Des
Prince William County	Route 28 Widening: Route 234 Bypass to Linton Hall Road	10,000,000	-	10,000,000	0.0%	Con
Prince William County	Route 1 Widening: Featherstone Road to Mary's Way	11,000,000	-	11,000,000	0.0%	Con
Prince William County	Route 28 Widening: Route 234 Bypass to Linton Hall Road	16,700,000	346,955	16,353,045	2.1%	Pre Eng, Con
Prince William County	Route 28 from Linton Hall Road to Fitzwater Drive	28,000,000	10,034,655	17,965,345	35.8%	Con
Prince William County	Route 1 Widening: Featherstone Road to Marys Way	49,400,000	17,753,184	31,646,816	35.9%	ROW, Con
City of Alexandria	Duke Street Transit Signal Priority Installation	190,000	60,000	130,000	31.6%	Des, Con
City of Alexandria	Shelters and Real Time Transit Information for DASH/Wmata	450,000	378,454	71,546	84.1%	Con
City of Alexandria	Traffic Signal Upgrades/Transit Signal Priority	660,000	79,813	580,187	12.1%	Des, Con
City of Alexandria	DASH Bus Expansion (Five New Buses)	1,462,500	1,462,500	-	100.0%	Acq
City of Alexandria	Potomac Yard Metrorail Station Development	1,500,000	709,377	790,623	47.3%	Pre Eng, Final Des
City of Alexandria	Potomac Yard Metrorail Station EIS	2,000,000	2,000,000	-	100.0%	Pre Eng
City of Alexandria	West End Transitway (Van Dorn - Beauregard)	2,400,000	878,366	1,521,634	36.6%	Final Des
City of Alexandria	Potomac Yard Metrorail Station	66,000,000	-	66,000,000	0.0%	Des, Con (Des-Build)

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

**SCHEDULE OF CHANGES IN RESTRICTED FUNDING FOR APPROPRIATED PROJECTS -
REGIONAL REVENUE FUND (Continued)
Year Ended June 30, 2018**

Project Sponsor	Project Title	Appropriated Funding Approved Programs 2014 to 2017	Contracted Amount Paid as of 6/30/2018	Remaining Appropriated Funding at 6/30/2018	Percentage Complete	Phase Funded
City of Fairfax	Jermantown / Route 50 Roadway Improvements	\$ 1,000,000	\$ 1,000,000	\$ -	100.0%	Con
City of Fairfax	Kamp Washington Intersection Improvements-Rt 50 and Rt 29 and Rt 236	1,000,000	1,000,000	-	100.0%	Con
City of Fairfax	CUE 35-foot transit Bus Acquisition 6 Buses	3,000,000	2,536,210	-	100.0%	Acq
City of Fairfax	Chain Bridge Rd Widening / Improve from Rt 29/50 to Eaton Place	5,000,000	5,000,000	-	100.0%	Des, ROW, Con
City of Fairfax	Northfax - Intersection Improvements at Route 29/50 and Route 123	10,000,000	6,403,285	3,596,715	64.0%	Con
City of Falls Church	Pedestrian Bridge at Van Buren Street	130,228	130,228	-	100.0%	Des, Con
City of Falls Church	Funding for Bus Shelters	200,000	200,000	-	100.0%	Des, ROW, Con
City of Falls Church	Pedestrian Access to Transit	700,000	700,000	-	100.0%	Des, ROW, Con
City of Manassas	Route 28 Widening: Godwin Drive to the Southern City Limits	3,294,000	-	3,294,000	0.0%	Pre Eng, ROW, Con
Town of Dumfries	Route 1 (Fralely Blvd) Widening: Brady's Hill Road to Dumfries Road	6,900,000	570,425	6,329,575	8.3%	Pre Eng
Town of Herndon	Herndon Parkway Intersection Improvements at Sterling Road	500,000	200,318	299,682	40.1%	Des, ROW, Con
Town of Herndon	Herndon Parkway Intersection Improvements at Van Buren St.	500,000	-	500,000	0.0%	Des, ROW
Town of Herndon	Herndon Metrorail Intermodal Access Improvements	1,100,000	-	1,100,000	0.0%	Des, ROW
Town of Herndon	East Elden Street Improvements and Widening Project	10,400,000	-	10,400,000	0.0%	ROW
Town of Leesburg	New grade-separated interchange Edwrds Ferry Rd at Rt 15 Leesburg Bypass	1,000,000	1,000,000	-	100.0%	Des
Town of Leesburg	New grade-separated interchange on Edwards Ferry Road at RT 15 Leesburg Bypass	1,000,000	1,000,000	-	100.0%	Des
Town of Leesburg	Route 7 (East Market Street)/Battlefield Parkway Interchange	13,000,000	4,000,000	9,000,000	30.8%	Final Des
Town of Leesburg	Route 7 (East Market Street)/Battlefield Parkway Interchange	20,000,000	-	20,000,000	0.0%	Con
VDOT/Fairfax County	Route 28 Widening 6 to 8 lanes (NB from McLearn Road to Dulles Toll Road)	11,100,000	11,100,000	-	100.0%	Des-Build
VDOT/Loudoun County	Route 28 Hot Spot Improvements (Sterling Boulevard to the Dulles Toll Road)	12,400,000	12,400,000	-	100.0%	Con
VDOT/Fairfax County	Route 7 Bridge Widening: Over Dulles Toll Road	13,900,000	13,900,000	-	100.0%	Con
VDOT/Fairfax County	Route 28 Widening 6 to 8 lanes (SB from the Dulles Toll Road to Route 50)	20,000,000	20,000,000	-	100.0%	Des-Build
WMATA	Traction Power Upgrades on the Orange Line in Virginia (8-car trains)	4,978,685	1,482,247	3,496,438	29.8%	Des
WMATA	Metrorail Blue Line Traction Power Upgrades	17,443,951	-	17,443,951	0.0%	Eng, Con
Virginia Railway Express	Crystal City Platform Extension Study	400,000	204,756	195,244	51.2%	Study
Virginia Railway Express	Manassas Park Station Parking Expansion	500,000	242,195	257,805	48.4%	Des, Pre Eng
Virginia Railway Express	Alexandria Station Tunnel and Platform Improvements (Construction)	1,300,000	-	1,300,000	0.0%	Con
Virginia Railway Express	VRE Gainesville-Haymarket Extension Project Development	1,500,000	762,365	737,635	50.8%	Des
Virginia Railway Express	VRE Manassas Park Station Parking Expansion	2,000,000	-	2,000,000	0.0%	Eng, Env, Des
Virginia Railway Express	Slaters Lane Crossover	7,000,000	87,775	6,912,225	1.3%	Pre Eng, Con
Virginia Railway Express	Lorton Station Second Platform* Revised App B	7,900,000	-	7,900,000	0.0%	Des, Con
Virginia Railway Express	Rippon Station Expansion and Second Platform	10,000,000	-	10,000,000	0.0%	Des, Pre Eng, Con
Virginia Railway Express	Franconia-Springfield Platform Improvements	13,000,000	-	13,000,000	0.0%	Pre Eng, Env, Con
PRTC	PRTC New Gainesville Service Bus	580,000	559,275	-	100.0%	Acq
PRTC	Western Bus Maintenance and Storage Facility	16,500,000	-	16,500,000	0.0%	Con
NVTC	Route 7 Transit Alternatives Analysis Study	838,000	834,665	-	100.0%	Study
Total Approved Program Funding and Contracted Amount Paid at June 30, 2018		\$ 690,002,364	\$ 259,891,923	\$ 429,342,549		

Des - Design; Pre Eng- Preliminary Engineering; Eng - Engineering; Env - Environmental; ROW - Right of Way; Con - Construction; Acq - Acquisition

Compliance Section



**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Authority Board Members
Northern Virginia Transportation Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, each major fund, the remaining fund information, and the budgetary comparisons of the Northern Virginia Transportation Authority (Authority), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 18, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PBMares, LLP

Harrisonburg, Virginia
October 18, 2018

**Approval of Project Monitoring and Management System
Contract Award**

(This item will be distributed at the November 8, 2018 Authority Meeting.)

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**MEMORANDUM**

TO: Chairman Nohe and Members of the
Northern Virginia Transportation Authority

FROM: Michael Longhi, Chief Financial Officer

SUBJECT: Investment Management and Monitoring Subscriptions

DATE: November 2, 2018

- 1) Purpose:** To seek Northern Virginia Transportation Authority (NVTA) approval of a budget transfer to enable the FY2019 implementation of Investment Management and Monitoring Services. The proposed transfer was reviewed by the NVTA Finance Committee which recommends approval by the Authority.
- 2) Suggested Motion:** I move Authority approval of a \$35,781.31 transfer from the NVTA Operating Reserve for FY2019 to obtain the Investment Management and Monitoring Services detailed in Table 1 below. And, authorize the Authority's Chief Financial Officer to sign related subscription service agreements.
- 3) Background:**
 - a)** The NVTA investment portfolio is expected to reach \$1 billion in size in the near term.
 - b)** The size of the portfolio requires an enhanced set of tools to meet the NVTA Investment Policy objectives of Safety, Liquidity, then Yield (SLY).
 - c)** The NVTA Five Year Strategic Plan in Goal IV calls for; 'Supporting transportation infrastructure development through excellent stewardship of tax payer dollars, maximizing opportunities from existing sources... '.
 - d)** Interest income from the NVTA portfolio is estimated at \$10 million/year.
 - e)** The growing size and complexity of the portfolio was given significant attention during the FY2018 Financial Statement and Compliance Audit. During the audit, NVTA staff were able to demonstrate that research into improving the toolset to meet the Investment Policy (SLY) and Strategic Plan objectives was underway.
 - f)** The Authority's external auditor, PBMares LLP, recommended as part of the FY2018 Financial Statement and Compliance Audit that processes be implemented to ensure an ongoing review of the credit ratings of purchased investments.
 - g)** The subscription tools have an additional benefit of improved pricing for securities leading to greater yield. The greater yield will generate as much as \$220,000 in additional interest income for the Regional Revenue Fund (70%).
 - h)** NVTA staff presented and reviewed three subscription services at the Finance Committee's September 2018 meeting.

i) Upon further examination and analysis, NVTA staff recommended the services noted in Table 1 to the Finance Committee with the proposed FY2019 budget transfer to implement the services this fiscal year.

4) **Proposed Transfer:** After trial analysis periods, NVTA staff have determined the best combination of tools is the Bloomberg Anywhere subscription with Real Time Pricing and the Inter Continental Exchange (ICE) Best Ex Vantage subscription.

- a) The transfer noted in Table 1 below, will fund the implementation of the investment tools for the final 7 months of this fiscal year.
- b) The FY2019 cost of the subscriptions and one time implementation costs (to be funded from the Operating Reserve) is \$35,781.31.
- c) The Operating Reserve will be replenished as part of the FY2020 Operating Budget.
- d) The ongoing annual costs starting in FY2020 are estimated at \$48,210.00

Table 1		
Investment Management Platform Subscription Costs (Transfer From Operating Reserve)		
	FY2019	FY2020
Bloomberg Anywhere Subscription	\$ 17,120.00	\$ 25,680.00
Bloomberg Real Time Pricing Module	\$ 1,020.00	\$ 1,530.00
Bloomberg One time Installation Fee	\$ 50.00	\$ -
ICE Best Ex Vantage Subscription	\$ 14,000.00	\$ 21,000.00
Computer	\$ 2,991.31	\$ -
Monitor	\$ 600.00	\$ -
FY2019 Transfer Total	\$35,781.31	\$ 48,210.00
One time	\$ 3,641.31	\$ -
Annual		\$ 48,210.00

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Nohe and Members of the
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

SUBJECT: Authorize the Executive Director to Submit Comments to the Commonwealth
Transportation Board on Transportation Projects and Priorities

DATE: November 2, 2018

1. **Purpose.** To seek Northern Virginia Transportation Authority (NVTA) authorization to submit comments to the Commonwealth Transportation Board on Transportation Projects and Priorities.
2. **Suggested Motion.** I move authorization of the Executive Director to submit comments on behalf of the Authority, to the Commonwealth Transportation Board on Transportation Projects and Priorities at the Fall 2018 Northern Virginia District meeting.
3. **Background.** The Commonwealth Transportation Board will conduct nine public meetings across the state to give stakeholders the opportunity to review and provide comments on transportation projects and priorities.
 - The Public Meeting scheduled in Northern Virginia will be held on Thursday, November 29, 2018 at 5:30pm, at the Northern Virginia District Office, in the Potomac Conference Room.
4. **Next Steps.** Coordinate with the Regional Jurisdiction and Agency Coordinating Committee to develop comments on the transportation projects and priorities.
 - Circulate draft comments to the Authority.
 - Submit comments to the Commonwealth Transportation Board.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

DATE: November 2, 2018

SUBJECT: Proposed Calendar Year 2019 Meeting Schedule

- 1. Purpose:** To seek Northern Virginia Transportation Authority (NVTA) approval of the proposed NVTA meeting schedule for Calendar Year (CY) 2019.
- 2. Explanation:** As the regions multi-modal transportation planning, programming and funding entity, it is vitally important to allow sufficient planning time for the Authority to conduct its business meetings.

Consistent with prior practice, the Executive Director proposes the Authority continue to meet on the second Thursday of each month at 7:00pm for CY2019 as noted below:

- January 10, 2019 at 7:00pm
- February 14, 2019 at 7:00pm
- March 14, 2019 at 7:00pm
- April 11, 2019 at 7:00pm
- May 9, 2019 at 7:00pm
- June 13, 2019 at 7:00pm
- July 11, 2019 at 7:00pm
- **August - No Meeting, unless special circumstances require.**
- September 12, 2019 at 7:00pm
- October 10, 2019 at 7:00pm
- November 14, 2019 at 7:00pm
- **December 12, 2019 at 6:00pm (it is anticipated that the Northern Virginia Regional Commission will meet after the Authority meeting).**

Please note:

As the Authority is not planning to adopt a funding program in calendar year 2019, some of the regularly scheduled meetings may be cancelled.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

DATE: November 2, 2018

SUBJECT: FY2018-2023 Six Year Program Report

1. **Purpose.** To provide and inform the Northern Virginia Transportation Authority (NVTA) of the FY2018-2023 Six Year Program (SYP) Report.
2. **Background and Features of the FY2018-2023 Six Year Program Report.**
 - The Authority adopted its inaugural FY2018-2023 Six Year Program on June 14, 2018.
 - NVTA staff compiled and published an FY2018-2023 Six Year Program Report that is truly transparent, as it outlines, step-by-step, the methodology and process that led to the adoption of the first-of-its-kind program at NVTA.
 - The SYP Report details the pathway to Program adoption, documentation and project selection processes, funding strategy, and looking ahead to subsequent Six Year Program updates and continuation projects.
 - The Report includes the following:
 - Process statement, as well as a SYP candidate project map and list of candidate projects in the order of Congestion Reduction Relative Cost to Ranking.
 - Timeline of key milestones throughout the pathway to adoption, including the public comment period during which the Authority received more than 1,200 comments from April 13 – May 20 and more than 115 in attendance during our Open House and Public Hearing held at NVTA this past spring.
 - Project selection recommendations and why the 44 projects were selected for SYP funding.
 - Map of the adopted projects and each project’s primary modal component is provided as well.
 - Authority funding strategy;
 - list the appropriations over the Program’s duration for each SYP project,
 - address the repealed funds pursuant to the General Assembly’s adoption of Virginia House Bill 1539 and how the loss of two revenue streams impacted the SYP.
 - Look ahead to subsequent Six Year Program Updates to occur every two years and the continuation projects. One-third of SYP funding (\$435M) was allocated to projects that have previously been allocated regional revenues by the

Authority. 13 of the 44 approved projects in the SYP are continuation projects and demand for regional revenues is expected to become increasingly intense.

- Two Appendices.
 - Appendix A looks at previous funding programs and includes a FY2014-2017 Funding Programs Map, as well as FY2014-2017 Projects List ordered by jurisdiction/agency. The Project List also includes project title, NVTA funding, project cost, NVTA funding programs and the phase funded.
 - Lastly, Appendix B includes all 44 SYP project description forms, complete with details about each project, reference and SPA numbers, requested NVTA funds and NVTA funds received, project location, project milestones, project analysis highlights, and regional impacts.
- The 131-page document offers a detailed look into the FY2018-2023 Program and demonstrates NVTA's focus on improving mobility in Northern Virginia through multimodal regional planning leading to investments which reduce congestion and deliver sound transportation solutions.

FY2018-2023 Six Year Program Report: <http://thenovaauthority.org/programming/fy2018-fy2023-six-year-program/>

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

DATE: November 2, 2018

SUBJECT: FY2018 Report to the Joint Commission on Transportation Accountability

- 1. Purpose.** To inform the Northern Virginia Transportation Authority (NVTA) of the FY2018 Annual Report developed for the General Assembly's Joint Commission on Transportation Accountability (JCTA).
- 2. Background.**
 - a.** The Authority is required to submit an annual report to the JCTA addressing the use of funding generated pursuant to the provisions of HB2313. This report is due by November of each year.
 - b.** To meet this requirement, the NVTA staff prepared the attached report to inform the JCTA of the FY2018 revenues, allocations, and the uses of the 70% Regional Revenue Funds (70%).
 - c.** The reports includes all funds programmed as part of the FY2018-2023 Six Year Program, adopted in June of this year. This is the Authority's inaugural Six Year Program and the first reported to the JCTA.
 - d.** Information on the Authority's Local Distribution Revenue Fund (30%) is also presented. The amount of 30% funds distributed in FY2018 (\$102 million) and a listing of jurisdiction projects for FY2014 to FY2018, is provided. The NVTA transfers these funds to member jurisdictions monthly after successful completion of the HB2313 required annual certification process. These funds can be used for various locally determined transportation projects and programs.

Attachment. FY2018 Annual Report to the Joint Commission on Transportation Accountability

MOVING NORTHERN VIRGINIA FORWARD



Fiscal Year 2018 Annual Report to the Joint Commission on Transportation Accountability

November 2, 2018

Northern Virginia Transportation Authority
3040 Williams Drive, Suite 200
Fairfax, VA 22031
Phone: (703) 642 4652
Fax: (703) 642 5077

NVTA Jurisdictions and Major Transportation Facilities in Northern Virginia

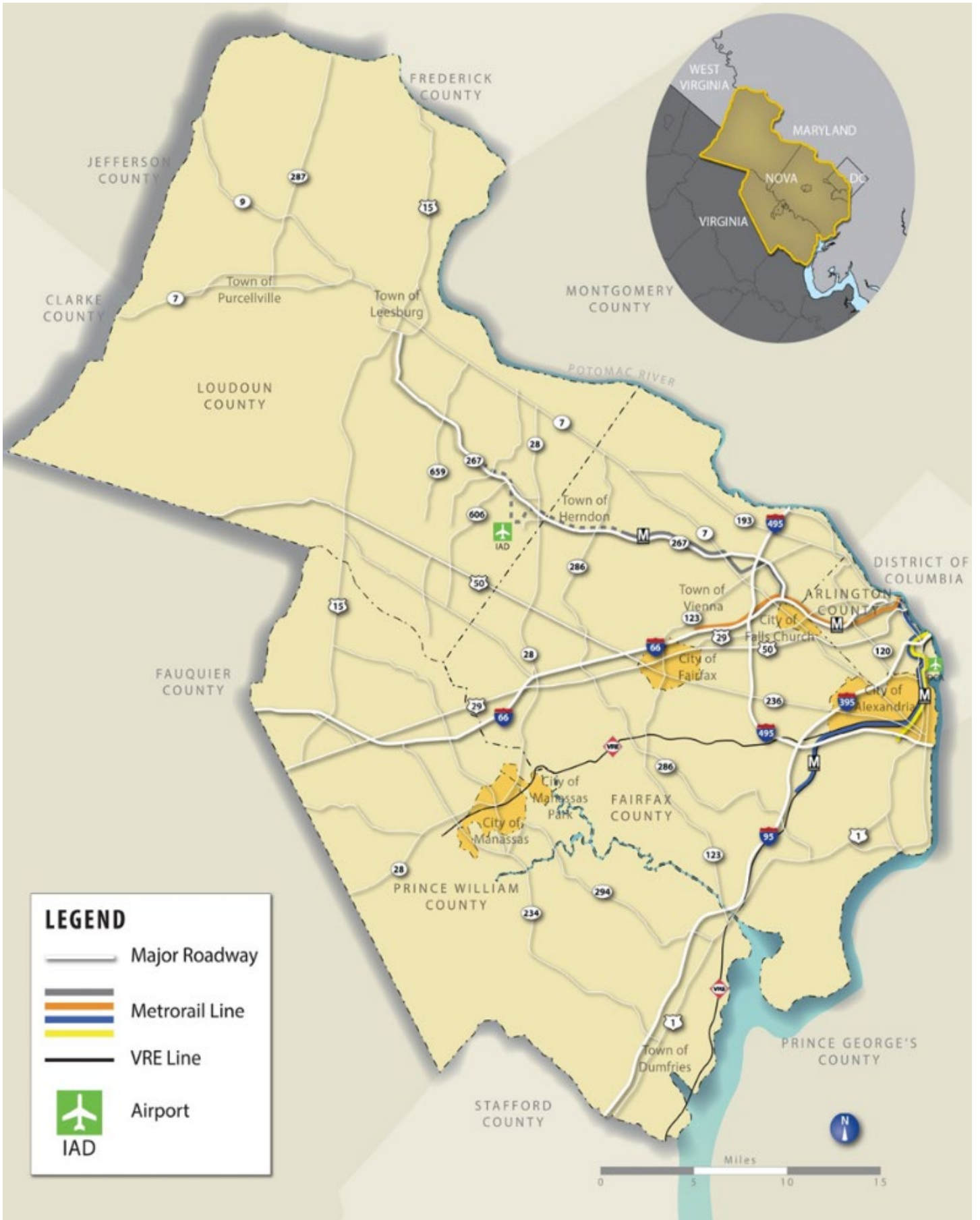


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Attachment: FY2018-2023 Six Year Program Document

Background

The Northern Virginia Transportation Authority (NVTA) is a political subdivision of the Commonwealth of Virginia, created in 2002 by the General Assembly through the Northern Virginia Transportation Authority Act, Chapter 25, Title 33.2, of the Code of Virginia (Senate Bill 576). The NVTA's primary functions are to conduct regional transportation project planning, prioritization and funding for Northern Virginia.

On April 3, 2013, the Virginia General Assembly approved House Bill 2313 (HB 2313). This legislation established a funding stream for transportation in Northern Virginia and allows the Authority to begin fulfilling its mission to address regional transportation challenges. HB 2313 separates these funds into "70% Regional Revenue," which is allocated by the Authority for regional transportation projects; and "30% Local Distribution Revenue," which is distributed to localities for their transportation projects and purposes. Revenues began to flow to the Authority on July 1, 2013. Subsequently, on July 24, 2013, the Authority approved its first project list, the FY2014 Program, setting in motion a new era of transportation improvements for the Northern Virginia region. The Authority adopted its next two programs, the FY2015-16 Program and the FY2017 Program on April 23, 2015, and July 14, 2016, respectively. On June 14, 2018, the Authority adopted its inaugural Six Year Program (FY2018-2023 SYP) with 44 projects totaling \$1.285 billion in funding.

The member jurisdictions of the NVTA include the counties of Arlington, Fairfax, Loudoun and Prince William; and the cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park. The NVTA's governing body consists of seventeen members as follows: the chief elected official, or their designees, of the nine cities and counties that are members of the Authority; for FY2018, two members of the House of Delegates, appointed by the Speaker of the House; one member of the Senate, appointed by the Senate Committee on Rules; and two citizens who reside in counties and cities embraced by the Authority, appointed by the Governor. In addition, the Director of the Virginia Department of Rail and Public Transportation, or his designee; the Commonwealth Transportation Commissioner, or his designee; and the chief elected officer of one town in a county which the Authority embraces, serve as non-voting members of the Authority.

As per the Virginia General Assembly Budget Bill HB 5002 of 2014, the Joint Commission on Transportation Accountability (JCTA) shall regularly review, and provide oversight of the usage of funding generated pursuant to the provisions of House Bill 2313. To meet this requirement, the NVTA has prepared this report to inform the JCTA on the uses of the Northern Virginia Transportation Authority Fund for FY2018.

What is New?

On July 1, 2018, two of the Authority's three revenue streams were repealed as a result of the implementation of WMATA Funding Bill (HB1539). Starting in FY2019, the Authority will continue to receive Sales Tax revenues as previously, but will no longer receive revenues from Transient Occupancy Tax and Grantor's Tax. This change in revenue structure reduces the regional (70%) revenues that the Authority allocates directly to regional multimodal projects through its established planning/programming process. In addition, this change reduces the local (30%) revenues that the Authority distributes to its nine member jurisdictions for their subsequent allocation to eligible local projects. These changes, combined with other impacts of the WMATA Funding Bill, will likely result in increased competition between candidate regional projects (including previously funded regional projects seeking funds for new project phases) in future programming cycles.

Fiscal Year 2018 – Overall Revenue and Allocation

HB 2313 generated approximately \$341 million in FY2018. These funds were then distributed, as per HB 2313, with 30% to the member jurisdictions and 70% to the selected regional transportation projects.

Figure 1. NVTA FY2018 Revenue Breakdown by Tax Type

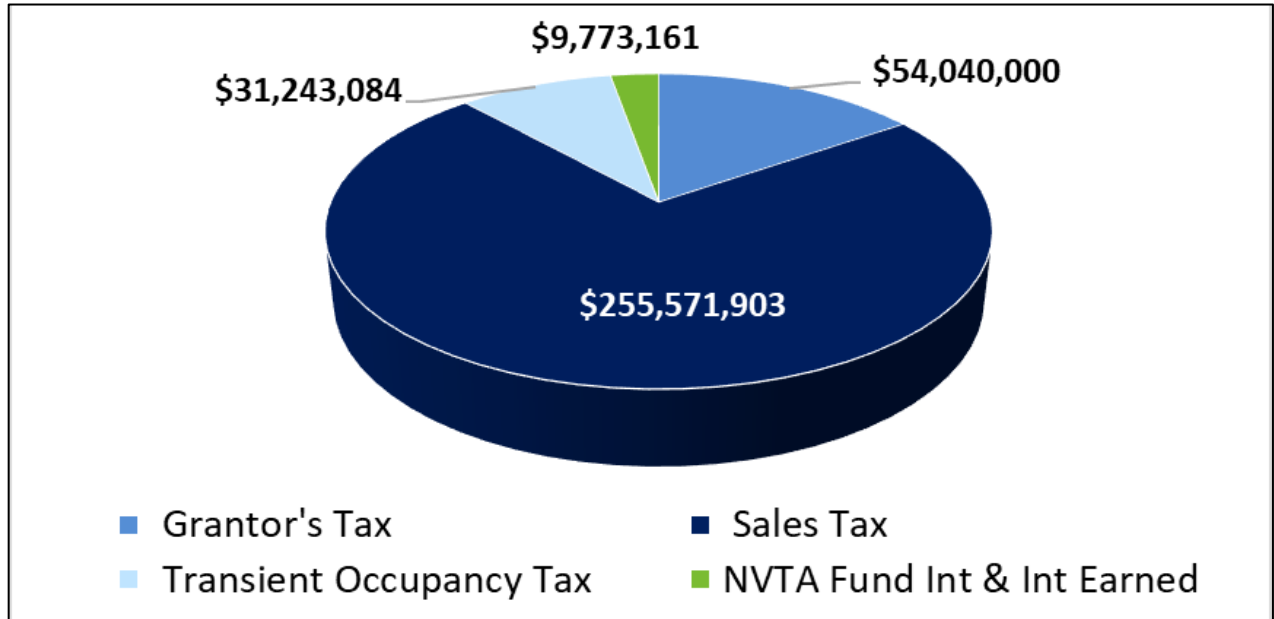
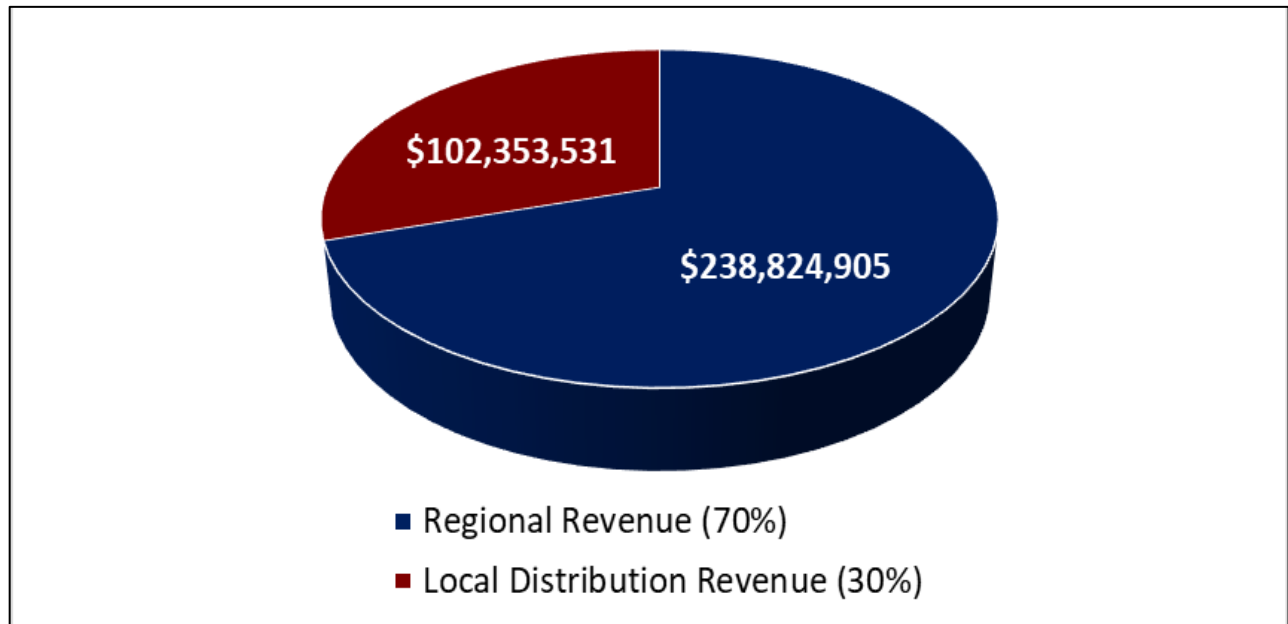


Figure 2. NVTA FY2018 HB2313 Revenue Allocation



Source: Unaudited NVTA FY2018 Financial Reports

Fiscal Year 2018-2023 Six Year Program – 70 Percent Regional Revenue Funds

For funding consideration for the 70% Regional Revenues, the NVTA evaluates projects contained in its long range, multimodal, unconstrained transportation plan, TransAction, which acts as Northern Virginia’s guide for transportation improvements. Since 2002, the NVTA has been responsible for long range transportation planning in Northern Virginia (Planning District 8) through Senate Bill 576. TransAction is updated every five years. With the Authority’s adoption of the latest update to TransAction, it serves as the 25-year unconstrained, multimodal regional transportation plan for all of Northern Virginia.

Following the adoption of TransAction, NVTA issued a Call for Regional Transportation Projects for its inaugural Six Year Program (FY2018-FY2023) on the same day. This Six Year Program marks a significant milestone for the NVTA as it is the first six year program for regional transportation projects using HB 2313 funding. A total of 60 applications for a combined request of \$2.5 billion were received. The total project cost of the 60 projects was over \$4.5 billion. The Authority adopted the FY2018-2023 Six Year Program on June 14, 2018 that approved \$1.285 billion for 44 multimodal projects across the region. The Authority is expected to update the Six Year Program every two years. Details of the projects in the FY2018-2023 Program are provided in Table 1. More details are available in the attached Six Year Program Document.

Table 1. Projects Adopted in the FY2018-2023 Six Year Program

Jurisdiction / Agency	Project Title	NVTA Funding Amount	Phases Funded
County			
Arlington	ART Operations and Maintenance Facilities	\$39,027,000	Design, PE, CN, Cap Asset Acquisition
Arlington	Crystal City Metrorail Station East Entrance and Intermodal Connections	\$5,000,000	Design, PE
Arlington	Pentagon City Multimodal Connections and Transitway Extension	\$28,850,000	CN
Arlington	Intelligent Transportation System Improvements	\$10,000,000	Design, PE, ROW, CN, Cap Asset Acquisition
Fairfax	Route 1 Widening (Mount Vernon Memorial Highway to Napper Road)	\$127,000,000	Design, PE, ROW, CN
Fairfax	Richmond Highway Bus Rapid Transit - Phases I & II	\$250,000,000	Design, PE, ROW, CN
Fairfax	Frontier Drive Extension and Intersection Improvements	\$25,000,000	ROW
Fairfax	Route 28 Widening: Route 29 to Prince William County Line	\$16,000,000	CN
Fairfax	Richmond Highway (Route 1)/CSX Underpass Widening	\$12,000,000	CN
Fairfax	Rolling Road Widening: Hunter Village Drive to Old Keene Mill Road	\$11,111,000	ROW, CN
Fairfax	Fairfax County Parkway Widening from Ox Road to Lee Highway includes a grade separated interchange at the intersection of Popes Head Road	\$67,000,000	ROW, CN
Fairfax	Rock Hill Road Bridge	\$20,604,670	Design, PE, ROW
Loudoun	Route 15 Bypass Widening: Battlefield Parkway to Montresor Road	\$54,000,000	ROW, CN
Loudoun	Northstar Boulevard - Shreveport Drive to Tall Cedars Parkway	\$64,805,000	ROW, CN
Loudoun	Extend Shellhorn Road: Loudoun County Parkway (Route 607) to Randolph Drive (Route 1072)	\$16,000,000	ROW, Utility
Loudoun	Route 28 Northbound Widening –between the Dulles Toll Road and Sterling Boulevard	\$20,000,000	CN
Loudoun	Prentice Drive Extension: Lockridge Road (Route 789) to Shellhorn Road (Route 643)	\$76,230,000	ROW, Utility, CN
Loudoun	Route 9 Traffic Calming	\$12,112,000	Design, PE, ROW, Utility, CN
Loudoun	Dulles West Boulevard Widening: Loudoun County Parkway to Northstar Boulevard	\$47,800,000	Design, PE, ROW, Utility, CN

Loudoun	Evergreen Mills Road Intersection Realignments – Watson Road and Reservoir Road	\$14,000,000	Design, PE, ROW, Utility, CN
Prince William	RT28 corridor improvements (Fitzwater Dr to Pennsylvania Ave)	\$15,000,000	CN
Prince William	Route 28 Corridor Feasibility Study - Environmental Impact Statement (City of Manassas to Fairfax County)	\$3,500,000	EIS
Prince William	Construct Route 28 Corridor Roadway Improvements	\$89,000,000	Design, PE, ROW, CN
Prince William	Construct Interchange at Route 234 and Brentsville Road	\$54,900,000	Design, PE, ROW, CN
Prince William	Construct Interchange at Prince William Parkway and University Blvd	\$24,200,000	Design, PE, ROW, CN
Prince William	Summit School Rd Extension and Telegraph Rd Widening	\$11,000,000	Design, PE, ROW, CN
Prince William	Construct Interchange at Prince William Parkway and Clover Hill Road	\$1,900,000	Design, PE, ROW, CN
City			
Alexandria	West End Transitway: Northern Segment (Phase 1)	\$2,200,000	ROW
Alexandria	Alexandria ITS Projects	\$1,195,491	Design, PE, CN
Alexandria	Alexandria Bus Network ITS	\$150,000	Cap Asset Acquisition
Alexandria	DASH Transit Service Enhancements and Expansion	\$11,933,161	Design, PE, CN, Cap Asset Acquisition
Alexandria	Alexandria Duke St Transitway	\$12,000,000	Design, PE
City of Fairfax	Jermantown Road Corridor Improvements Project	\$21,000,000	Design, PE, ROW, CN
City of Fairfax	Intersection Improvements at Eaton Place/Chain Bridge Road	\$10,750,000	Design, PE, ROW, CN
City of Fairfax	Old Lee Highway Multimodal Improvements Phase 1	\$5,000,000	ROW, CN
City of Fairfax	Roadway Network Northfax West	\$2,500,000	Design, PE, ROW, CN
City of Falls Church	West Falls Church & Joint Campus Revitalization District Multimodal Transportation Project	\$15,700,000	Design, PE, ROW, CN
Town			
Town of Dumfries	Widen Route 1 (Fralely Blvd) to six lanes between Brady's Hill Rd and Dumfries Rd (RT234)	\$44,860,000	ROW
Leesburg	Construct Interchange at Route 7 and Battlefield Parkway	\$25,000,000	CN
Leesburg	Interchange Improvements at Route 15 Leesburg Bypass and Edwards Ferry Road	\$5,400,000	Design, PE
Leesburg	Construct Interchange at Route 15 Bypass and Battlefield Parkway	\$2,000,000	Design, PE
Vienna	Mill St NE Parking Garage	\$2,300,000	Cap Asset Acquisition
Agency			
VRE	VRE Crystal City Station Improvements	\$4,000,000	Design, PE
NOVA Parks Authority	Falls Church Enhanced Regional Bike Routes (W&OD)	\$3,244,959	Design, PE, CN
TOTAL		\$1,285,273,281	

Note: PE – Preliminary Engineering; ROW – Right of Way; CN - Construction

Fiscal Year 2018 – 30 Percent Local Distribution Revenue Funds

HB 2313 provides that 30% of the revenues received by the NVTA shall be distributed to the member localities, on a pro-rata basis, after the Authority completes the annual certification for each locality, ensuring that the funds were only used under the requirements of HB2313.¹ Counties are required by law to work cooperatively with towns (with a population of 3,500 or more) to ensure the towns receive their respective share of the 30% local revenues.

¹ Localities must enact the local Commercial and Industrial Property (C&I) at \$0.125 per \$100 valuation. Those localities that do not impose the C&I tax at the maximum allowed rate, will have to make an equivalent transfer for the difference or have their 30% revenues reduced by a corresponding amount. Localities that use the funds for non-transportation purposes will not receive 30% funds in the following year. Localities must also maintain a required level of prior local transportation funding in order to continue to receive 30% funds in the future.

Each locality’s 30% share is based on the total of the taxes that are generated or attributable to the locality. Use of 30% revenues is solely the decision of the locality, provided they are used for one of four purposes:

1. urban or secondary road construction;
2. capital improvements that reduce congestion;
3. other transportation capital improvements which have been approved by the most recent long range transportation plan adopted by the Authority; or,
4. public transportation purposes.

Each locality annually certifies to the NVTa that the funds were used as required by HB 2313. The distribution of FY2018 30% Local Funds is noted in Table 2 below.

Table 2. 30 Percent Local Funds Distribution for FY2018 (as of June 30, 2018)

Jurisdiction	30% Local Funds
Arlington County	\$ 12,414,514
Fairfax County	\$ 43,890,465
Loudoun County	\$ 19,085,853
Prince William County	\$ 14,038,711
City of Alexandria	\$ 7,447,582
City of Fairfax	\$ 2,394,766
City of Falls Church	\$ 914,824
City of Manassas	\$ 1,695,488
City of Manassas Park	\$ 507,986
Total Revenue	\$ 102,390,189

Source: Unaudited NVTa FY2018 Financial Reports

Note: Distribution includes interest accrued on the Local Distribution bank account

All member localities received their proportional share of the 30% Local Funds in FY2018. The counties distribute revenues to the towns located within their boundaries based on their percentage of school-age population. Table 3 shows the projects which localities are advancing with 30% local funds through FY2018. It is important to note that 30% funds can be accumulated over multiple years to advance projects.

With the passage of HB1539 in 2018, the distribution of 30% Local Funds will be reduced starting in FY2019. Table 4 and Table 5, later in this report, show the year to year changes in the projected distributions.

Table 3. Projects Programmed by Jurisdictions with 30 Percent Local Distribution Funds

Projects by Jurisdiction	Phases Funded	30% Local Fund	Project Status
Arlington County		\$ 17,071,493	
Arlington Transit Vehicle Facility and Satellite Parking	Design, CN	\$ 2,926,198	Funded and ongoing
Capital Bikeshare (multiple locations)	Operations, Expansion	\$ 3,249,821	Funded and ongoing
Transit Operations (incremental cost for new routes)	Operations	\$ 2,240,061	Funded and ongoing
Improvements Outside Major Corridors (multiple locations)	Design, CN	\$ 1,764,428	Funded and ongoing
Bus Stops and Shelters, including accessibility improvements (multiple locations)	Design, CN	\$ 1,563,421	Funded and ongoing
Intelligent Transportation Systems (includes TMC and CCTV upgrades)	Design, Asset acquisition, CN	\$ 886,132	Funded and ongoing

Traffic Counts (multiple locations)	Other	\$ 452,762	Funded and ongoing
Transit Development Plan & ART Asset Management Plan	Study	\$ 275,247	Completed
Program Administration	Other	\$ 490,519	Funded and ongoing
Traffic Signal Rebuilds, Infrastructure Upgrades, Facilities (multiple locations)	Design, CN	\$ 1,559,144	Funded and ongoing
ART Bus Procurement	Asset acquisition	\$ 179,757	Funded and ongoing
Arlington Blvd Intersections (multiple locations)	Design	\$ 341,444	Funded and ongoing
Court House Metrorail Station Second Elevator	Design	\$ 60,894	Funded and ongoing
Ballston-MU Metrorail Station West Entrance	Design	\$ 16,958	Funded and ongoing
STAR Call Center Office Space	Other	\$ 186,418	Funded and ongoing
Bus Bay Expansion - East Falls Church Metro Station	Design, CN	\$ 8,368	Funded and ongoing
Bicycle and Pedestrian Facilities	Design, CN	\$ 228,326	Funded and ongoing
Carlin Springs Road Bridge over George Mason Drive	CN	\$ 524,601	Funded and ongoing
Transit ITS and Planning (Includes TSP)	Other	\$ 103,228	Funded and ongoing
Transportation Demand Management	Other	\$ 13,766	Funded and ongoing
Fairfax County		\$ 64,756,475	
Fairfax Connector Service	Operations	\$ 28,948,611	Service in effect
Town Center Parkway DTR Underpass Rail Support	PE, CN	\$ 7,659,067	Project incorporated into Dulles Rail project
Fairfax County Parkway/Popes Head Road Interchange	PE, Design	\$ 4,000,000	Traffic analyses/alternative development ongoing
Frontier Drive Extension	PE, Design	\$ 3,000,000	Design/PE ongoing
Various Project Implementation Works	Other	\$ 4,382,713	Ongoing
Braddock Road Multimodal Study	Study	\$ 1,612,543	Completed. Design/Construction by VDOT
Route 1 Bus Rapid Transit	PE, Design	\$ 757,233	Existing traffic conditions report completed; finalizing safety report
Herndon Metrorail Parking Garage	PE, Design, CN	\$ 1,191,892	Construction ongoing
Traffic Studies/Planning (7 individual projects)	Other	\$ 1,698,516	Various stages
Spot Roadway Program (9 individual projects)	All	\$ 1,113,890	Various stages
Innovation Center Metrorail Parking Garage	PE, Design, CN	\$ 702,864	Construction ongoing
Route 1 Study (Pohick to Occoquan)	Study	\$ 651,424	Completed
Soapstone Drive DTR Overpass	PE, Design	\$ 8,190,170	Environmental/Design/Supplemental Architectural Survey ongoing
Shirley Gate Extension (Planning)	Study	\$ 380,498	Completed
Springfield Parking Garage	PE, Design	\$ 223,648	Design ongoing
Seven Corners Interchange Improvements	PE, Design	\$ 157,591	Traffic analysis almost complete. Submitted application for funding through the FY 2020-2025 Smart Scale (\$87M)
Tysons Projects (Boone Blvd/Gosnell Feasibility Study)	Study	\$ 85,815	90% completed
Loudoun County		\$ 65,868,869	
Sterling Blvd Extended (Pacific Blvd to Moran Rd)	Design, ROW, Utility, CN	\$ 12,316,000	Funded and ongoing (Design)
Riverside Pkwy (Lexington Dr to Loudoun County Pkwy)	ROW, Utility, CN	\$ 6,000,000	Funded and ongoing (Construction)
Northstar Blvd 79 (Route 50 to Shreveport)	CN	\$ 9,755,000	Funded and ongoing (Design)
Leesburg Area Park & Ride Lot	CN	\$ 1,490,000	Funded expected to start Aug 2018
Contingency - Sidewalks (Countywide)	Design, ROW, CN	\$ 1,000,000	Funded and ongoing
Northstar / Belmont Ridge Rd Traffic Signal	CN	\$ 620,000	Funded and ongoing (Construction)
Contingency - Traffic Signal (Countywide)	Design	\$ 500,000	Funded and ongoing
Mooreview Pkwy (Croson to Old Ryan Rd)	CN	\$ 324,608	Funded and ongoing (Construction)
Contingency - Traffic Calming (Countywide)	Design, CN	\$ 100,000	Funded and ongoing
Farmwell Rd (Smith Switch to Ashburn Rd)	Design, CN	\$ 3,500,000	Funded and ongoing (Design)

Northstar Blvd 79 (Route 50 to Tall Cedar)	Design, ROW, CN	\$ 7,350,000	Funded and ongoing (ROW)
Project Management Consulting Services	Design	\$ 238,750	Funded and ongoing
Braddock Riding Center Drive Signal	Design, ROW, CN	\$ 83,555	Funded and ongoing (Design)
Woodgrove & Fields Farm Road	Design, ROW, CN	\$ 4,000,000	Funded and ongoing (ROW)
Belmont Ridge Road South	Design, ROW, CN	\$ 2,400,000	Funded and ongoing (PE)
Marblehead Drive & Gloucester Traffic Study	Design, ROW, CN	\$ 50,000	Funded and ongoing (PE)
Crosstrail Phase A2 Claudia Dr & Sycolin Road	Design, ROW, CN	\$ 1,594,493	Funded and ongoing (Construction)
Loudoun County Parkway and Beaumeade Circle Signal	Design, ROW, CN	\$ 460,123	Funded and ongoing (Construction)
Oak Grove Road Route 824	PE, Design	\$ 60,000	Funded and ongoing (Design)
Route 9 & Route 287 Roundabout	Design, CN	\$ 1,000,000	Funded and ongoing (Design)
Shaw Road Improvements	CN	\$ 322,339	Funded and ongoing (Design)
Braddock Summerall Supreme	CN	\$ 2,421,000	Funded and ongoing (Design)
Edgewater Street Sidewalk	PE, Design	\$ 300,000	Funded and ongoing (Construction)
Montresor Road Sidewalk	PE, Design	\$ 255,200	Funded and ongoing (Design)
West Poplar Road Traffic Study	PE	\$ 38,420	Funded and ongoing (Design)
Traffic Calming Signs	CN	\$ 49,256	Funded and ongoing (Construction)
Moorefield Parkway to Moorefield Station	CN	\$ 4,340,000	Funded expected to start Oct 2018
Westwind Drive State St to Ladbrook Drive	CN	\$ 139,125	Funded expected to start
Leesburg Tuscarora Creek Trail	CN	\$ 1,800,000	Funded expected to start (FY 2021)
Hillsboro Route 9 Improvements	CN	\$ 3,361,000	Funded and ongoing (Construction)
Prince William County		\$ 50,546,876	
Minnieville Road (Spriggs Rd to Route 234)	PE, ROW, CN	\$ 19,950,000	Ongoing (expected completion in Dec 2018)
Neabsco Mills Road Widening (Route 1 to Smoke Court)	ROW, CN	\$ 6,000,000	Design ongoing
Virginia Railway Express (VRE) Subsidy	Transit subsidy	\$ 11,331,778	\$5,968,406 in FY17 and \$5,363,372 in FY18
Prince William Parkway (Old Bridge Rd to Minnieville Rd)	ROW, CN, Project management	\$ 1,750,000	Completed
Route 28, Phase 2 (Relocated Vint Hill Road to Fitzwater Drive)	CN	\$ 1,500,000	Construction ongoing
Route 1 Jefferson Davis Hwy (Neabsco Mills to Featherstone)	ROW	\$ 1,200,000	Completed
Potomac and Rappahannock Transportation Commission (PRTC) Subsidy	Transit subsidy	\$ 1,298,017	One-time payment in June of 2017 (FY 17) to PRTC of \$1,298,017 to make up the shortfall between our subsidy obligations to PRTC and fuel tax revenue
University Blvd Extension (Sudley Manor Dr to Edmonston Dr)	PE, ROW, CN	\$ 6,867,081	Funded (Design expected to begin in FY2019)
Telegraph Road (Horner) Traffic Signal Project	PE, ROW, CN	\$ 650,000	Construction ongoing
City of Alexandria		\$ 25,968,000	
DASH Bus Fleet Replacement	Bus procurement	\$ 14,300,000	Funded and ongoing
WMATA Capital Contribution	Design, CN	\$ 6,750,000	Funded and ongoing (added 180000 from Route 1 Transitway operation)
Additional WMATA Subsidy (Base Ops)	WMATA subsidy	\$ 2,683,000	Completed
Bus Shelters and Benches	CN	\$ 1,100,000	Funded; expected to start after ITB award (estimated to begin 12/18 or 1/19)
Seminary Rd at Beauregard St Ellipse	Design	\$ 425,000	Funded and ongoing
Route 1 at E Reed Intersection Improvements	CN	\$ 350,000	Completed
Cameron & Prince Pedestrian and Bicycle Facilities	CN	\$ 300,000	Completed
Access to Transit - City Sidewalk Connections	CN	\$ 60,000	Completed
City of Fairfax		\$ 9,171,004	
CUE Operations	Operations	\$ 6,747,672	Ongoing
Jermantown Road	CN	\$ 869,302	Complete
Traffic Signal Preemption	CN	\$ 386,154	Complete
Roadbed Reconstruction (Route 50 Kamp Washington to Fairchester Dr)	CN	\$ 430,306	Complete

George Snyder Trail	CN	\$	93,329	PE ongoing
Emergency Power Battery Backup	CN	\$	73,567	Complete
Old Town Sidewalk Spot Widening	Study, PE	\$	55,391	PE ongoing
Traffic Signal Upgrades	CN	\$	35,214	Complete
Burke Station Road Sidewalk	PE, ROW, CN	\$	33,329	CN ongoing
Chain Bridge Road Sidewalk	PE, CN	\$	27,001	ROW ongoing
Northfax West Planning	PE	\$	21,712	PE ongoing
Railroad Avenue Sidewalk	PE	\$	19,515	PE ongoing
Old Town Traffic Study	Study	\$	14,841	Complete
Orchard Drive Sidewalk Design	PE	\$	14,775	PE ongoing
Government Center Parkway Extension	PE	\$	12,715	PE ongoing
Orchard Street/CBR Intersection Evaluation	PE	\$	11,517	Complete
Cobbdale Traffic Calming	PE	\$	9,107	Complete
University Drive Road Diet	PE	\$	48,262	Complete
Mason to Metro Bike Route	PE	\$	13,884	Complete
University Drive Extension	PE	\$	6,211	PE ongoing
Fairfax Boulevard Sidewalk Improvements	PE	\$	715	PE ongoing
Eaton/CBR Intersection	PE	\$	130,175	PE for Smart Scale application complete; awaiting funding
Pickett Trail Connector	PE	\$	37,559	PE for Smart Scale application complete; awaiting funding
Warwick/Fairfax Blvd	PE	\$	78,751	PE for Smart Scale application complete; awaiting funding
City of Falls Church		\$	3,742,863	
South Washington POA Multimodal Improvements	PE, ROW, CN	\$	1,145,000	Funded and expected to start in September 2019
WMATA Subsidy (Citywide)	Operations & Capital	\$	1,014,000	Annual spending
Van Buren Bridge Improvements	PE, CN	\$	275,000	Funded and ongoing
Funds Match DRPT Bus Shelter (Route 7, various locations)	PE, ROW, CN	\$	250,000	Completed
Multimodal Connectivity (Citywide)	PE, ROW, CN	\$	428,000	Funded and ongoing
Bikeshare Connections to Metro (Citywide)	PE	\$	60,000	Funded and ongoing
Downtown POA Multimodal Improvements	PE, ROW, CN	\$	60,000	Funded and ongoing
W&OD Trail Improvements (Various locations)	PE, ROW, CN	\$	40,000	Funded and expected to start in July 2023
N West & Lincoln Signal & Intersection Improvements	PE	\$	9,898	Funded and expected to start in October 2018
N Wash & Columbia Signal & Intersection Improvements	PE, ROW, CN	\$	112,500	Funded and ongoing
N West & Great Falls Signal	PE, ROW, CN	\$	75,000	Funded and ongoing
Infrastructure Programs - Signals- S Maple Ave and W Annandale Rd Signal	PE, ROW, CN	\$	229,671	Funded and expected to start in September 2019
Transportation Program Management (DRPT match)	Other	\$	6,000	Funded and ongoing
NVTA Administrative Expense (Annual)	Other	\$	37,794	Annual spending
City of Manassas		\$	6,645,000	
Prince William St (Grant Ave to Wellington Rd)	ROW, CN	\$	1,659,000	Construction started in July 2018 (funded)
Dean Dr Extended (Route 28 to existing Dean Drive)	PE, ROW, CN	\$	1,993,000	Design - Construction expected to start spring 2020 (funded)
Battle St (Portner Street to Quarry Road)	PE, ROW, CN	\$	390,000	Completed
Grant Avenue (Lee Avenue to Wellington Rd)	PE, ROW, CN	\$	900,000	Design - Construction expected to start spring 2020 (funded)
Sidewalk Infill Initiatives (Citywide)	PE, ROW, CN	\$	740,700	4 projects: 2 completed & 2 in design (funded)
Centerville Road Improvements (Liberia Ave to City Limits)	PE	\$	300,000	Design - Construction expected to start spring 2019 (funded)
Fairview Avenue/Tudor Intersection Improvements	PE, ROW	\$	50,000	Traffic signal warrant study in FY19
City Wide Traffic Improvements	PE	\$	19,620	Funded and on-going
Grant Avenue Pedestrian Improvements (at Center Street)	CN	\$	22,680	Completed

Godwin Drive Bike Trail (Wellington Road to Hastings Drive)	PE, ROW, CN	\$	320,000	Design - Construction expected to start summer 2019 (funded)
Roundabout Sudley/Centerville	PE	\$	75,000	Feasibility study completed (unfunded)
Transportation Master Plan (Citywide)	Planning	\$	175,000	Funded and on-going
City of Manassas Park		\$	124,200	
Project management contract for five projects	Other	\$	124,200	Ongoing
Town of Dumfries		\$	448,671	
Sidewalk along Possum Point Road	CN	\$	97,289	Design ongoing
Main Street Intersection Improvements	CN	\$	351,382	Construction to begin in 2019 fall
Town of Herndon		\$	5,338,000	
Folly Lick Regional Trail Extn (section of 'Trails to Herndon Metrorail')	PE, Design, ROW, Utility, CN	\$	500,000	Funded & expected to start July 2021
Van Buren Street Improvements (Old Spring Street to Herndon Parkway)	PE, Design, ROW, Utility, CN	\$	928,000	Funded & expected to start October 2019
Elden St and Center St Intersection Improvements	PE, Design, ROW, Utility, CN	\$	850,000	Funded & expected to start December 2020
Elden St and Monroe St Intersection Improvements	PE, Design, ROW, Utility, CN	\$	977,000	Funded & expected to start January 2021
Park Ave & Monroe St Intersection Improvements	PE, Design, ROW, Utility, CN	\$	450,000	Construction completed 2017
Trails to Herndon Metrorail (Herndon Pkwy/Van Buren St to Metrorail)	PE, Design, ROW, Utility, CN	\$	415,000	Funded & expected to start December 2018
Worldgate Drive Extension	PE, Design	\$	150,000	Survey, engineering design completed 2016
Park Avenue sidewalks (sidewalk extension of Park Ave. and Monroe St. project)	Utility, CN	\$	100,000	Construction completed 2017
Widen East Spring Street (Herndon Parkway to Town limits)/with Herndon Parkway cycle track	PE, Design, ROW, Utility, CN	\$	968,000	Funded & expected to start January 2021
Town of Leesburg		\$	18,835,544	
Royal St Improvements (Church St to Wirt St)	Design, ROW, CN	\$	4,938,000	PE Phase. Preliminary studies are complete. Design to begin in FY2023.
Evergreen Mill Rd Widening (Leesburg S Corporate Limits to S King St)	Design, ROW, CN	\$	3,886,000	PE Phase. Design is ongoing. Construction scheduled to begin in 2020.
Sycolin Rd Widening Phase IV (Leesburg S Corporate Limits to Tolbert Ln)	Design, ROW, CN	\$	3,017,300	PE Phase
Morven Park Rd Improvements (W Market St to Old Waterford Rd)	Design, ROW, CN	\$	2,141,000	PE Phase. Design is ongoing. Construction scheduled to begin in Fall 2019.
West Market St Sidewalk (Morven Park Rd to Ayr St)	Design, ROW, CN	\$	1,664,000	PE Phase. Design is ongoing. Construction scheduled to begin in Fall 2019.
Edwards Ferry Rd Sidewalk (West of Woodbury Rd to Prince St)	Design, ROW, CN	\$	1,094,000	Preliminary studies are complete. Design to begin in FY2023.
Traffic Management System/Emergency Evacuation System (Townwide)	CN	\$	929,000	CN Phase. Installation and testing of equipment is ongoing.
Battlefield Parkway (S King St to Dulles Greenway)	CN	\$	1,101,000	CN Phase. Road construction is substantially complete. Remaining work includes streetlight installation and landscaping.
Edwards Ferry Road Sidewalk, Bus Shelters & Bus Route Signs	Design, ROW, CN	\$	65,244	PE Phase. Design ongoing. Construction in 2019.
Town of Purcellville		\$	1,017,076	
Nursery Ave Improvements	Design, ROW, CN	\$	696,744	Design complete, ROW ongoing, construction in Spring 2019
32nd & A Street Intersection Improvements	Design, ROW	\$	307,000	Design complete, ROW ongoing, construction in Spring 2019
Main & Maple Intersection Improvements	Design, ROW, CN	\$	13,332	Phase 1 ROW ongoing, Phase 2 Design starting
Town of Vienna		\$	3,210,000	
Follin Lane SE Reconstruction (Echols St SE to Maple Ave)	PE, ROW, CN	\$	1,500,000	Complete
Marshall Road SW Sidewalk	PE, ROW, CN	\$	830,000	Complete
Church Street NE Sidewalk	PE, ROW, CN	\$	330,000	Design complete, ready for construction
Park Street NE Sidewalk	PE, ROW, CN	\$	550,000	Design 20% complete
TOTAL		\$	272,744,071	

Notes:

- PE: Preliminary Engineering; ROW: Right of Way; CN: Construction

- This list was generated on October 16, 2018 based on responses from jurisdictions to an NVTAs staff request

Fiscal Year 2019-2023 Revenue Estimates

The Authority's revenue estimates are made using a multi-jurisdictional approach. While the HB 2313 revenues are relatively new to the Authority, member jurisdictions have decades of experience with the same taxes, albeit with minor differences in application. Jurisdictional input is heavily relied upon in making the revenue estimates. The adopted estimates for the SYP were revised by the Authority in May of 2018 to reflect the loss of Grantor's and Transient Occupancy Taxes starting in FY2019. The original and revised estimates for FY2019-2023 are provided below in Table 4 and Table 5.

Table 4. NVTAs Revenue and Distribution Estimates for FY2019 –2023: ORIGINAL

NVTAs Revenue	FY2019 Projection	FY2020 Projection	FY2021 Projection	FY2022 Projection	FY2023 Projection	Five Year Total
Sales Tax	\$258,926,224	\$265,846,393	\$272,982,830	\$280,453,992	\$288,142,662	\$1,366,352,101
Transient Occ. Tax	\$31,034,154	\$31,748,477	\$32,570,413	\$33,330,749	\$34,159,837	\$162,843,631
Grantors Tax	\$45,167,888	\$45,819,213	\$46,377,477	\$47,043,160	\$47,614,206	\$232,021,944
Total Revenue	\$335,128,266	\$343,414,083	\$351,930,721	\$360,827,901	\$369,916,705	\$1,761,217,676
70% Regional Revenue	\$234,589,786	\$240,389,858	\$246,351,504	\$252,579,531	\$258,941,694	\$1,232,852,373
30% Local Distribution Revenue	\$100,538,480	\$103,024,225	\$105,579,216	\$108,248,370	\$110,975,012	\$528,365,303

Table 5. NVTAs Revenue and Distribution Estimates for FY2019 –2023: REVISED

NVTAs Revenue	FY2019 Projection	FY2020 Projection	FY2021 Projection	FY2022 Projection	FY2023 Projection	Five Year Total
Sales Tax	\$258,926,224	\$265,846,393	\$272,982,830	\$280,453,992	\$288,142,662	\$1,366,352,101
Transient Occ. Tax						
Grantors Tax						
Total Revenue	\$258,926,224	\$265,846,393	\$272,982,830	\$280,453,992	\$288,142,662	\$1,366,352,101
70% Regional Revenue	\$181,248,258	\$186,092,475	\$191,087,981	\$196,317,794	\$201,699,864	\$956,446,471
30% Local Distribution Revenue	\$77,677,868	\$79,753,918	\$81,894,849	\$84,136,198	\$86,442,799	\$409,905,631
Year to Year % Change	-21.12%	2.67%	2.68%	2.74%	2.74%	

Source: Unaudited NVTAs FY2018 Financial Reports

Figure 3. NVTA FY2019-2023 Estimated Revenue Breakdown by Tax Type: ORIGINAL

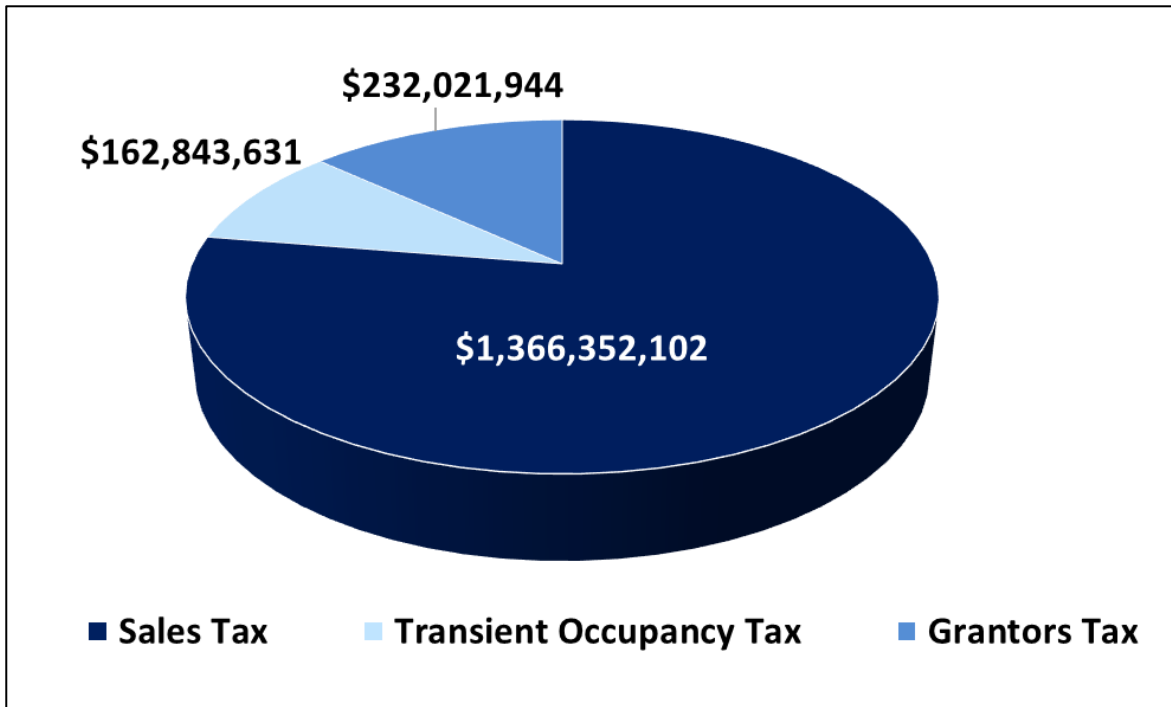


Figure 4. NVTA FY2019-2023 Estimated Revenue Allocation: ORIGINAL

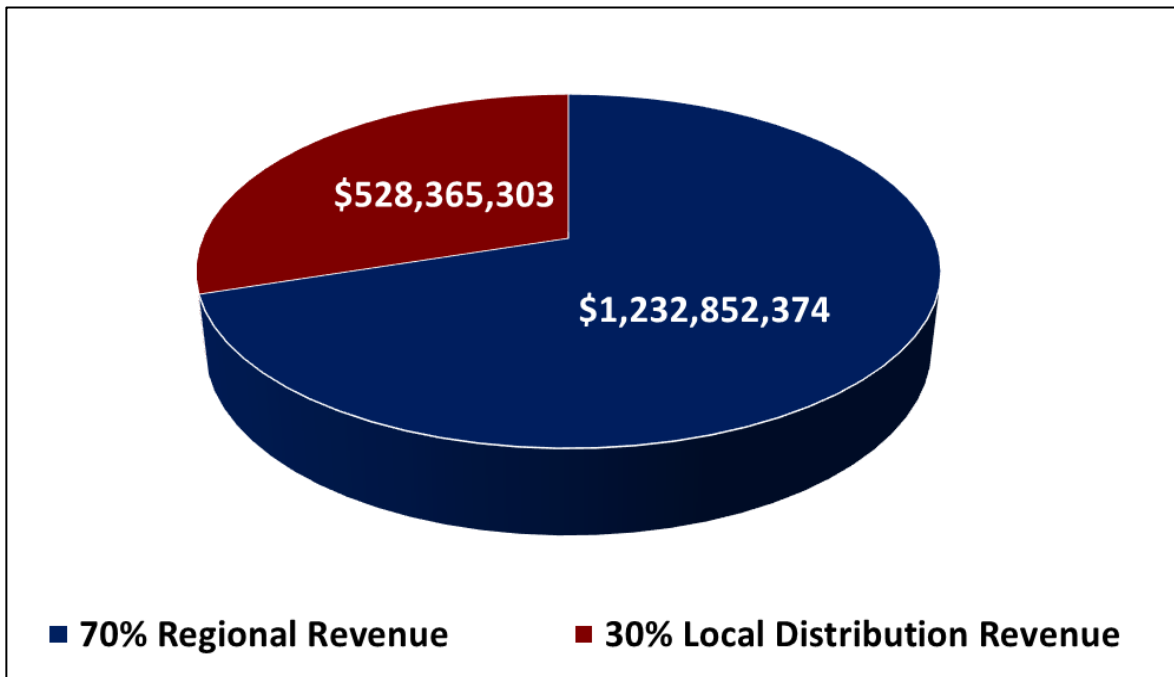


Figure 5. NVTA FY2019-2023 Estimated Revenue Breakdown by Tax Type: REVISED

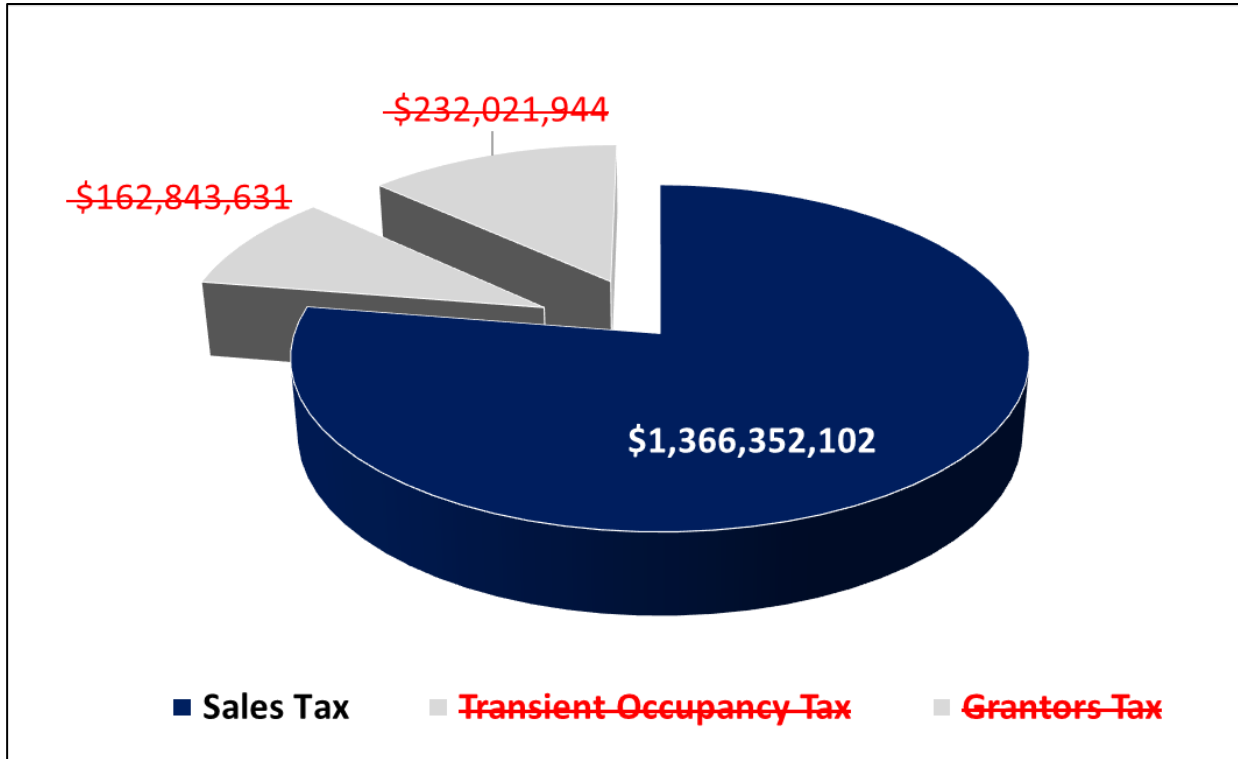
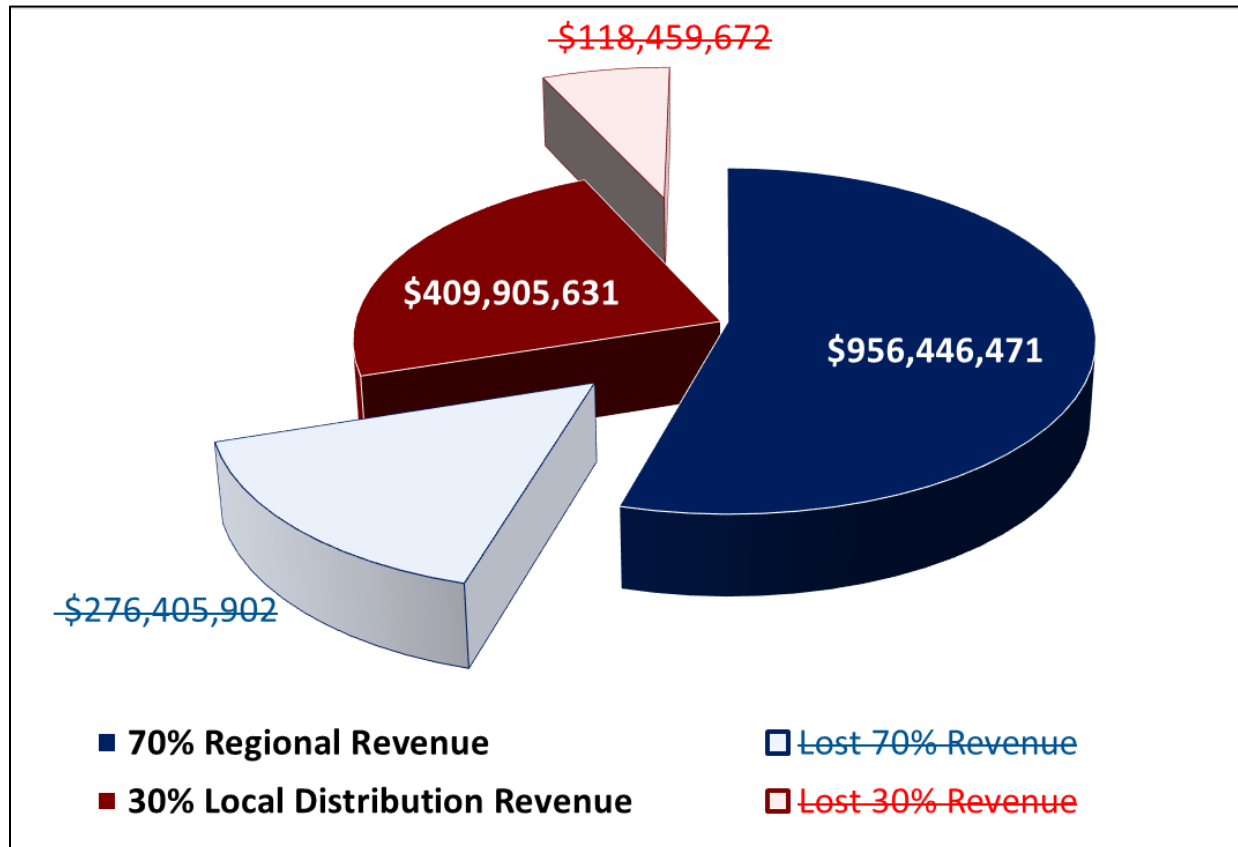


Figure 6. NVTA FY2019-2023 Estimated Revenue Allocation: REVISED



Voting Members

Chairman

Hon. Martin E. Nohe, Prince William County

Vice Chairman

Hon. Phyllis J. Randall, Loudoun County

Hon. Richard Black, Virginia Senate

Hon. Sharon Bulova, Fairfax County

Hon. Katie Cristol, Arlington County

Hon. Timothy Hugo, Virginia House of Delegates

Mary Hughes Hynes, Governor's Appointee, Commonwealth Transportation Board

Jim Kolb, Governor's Appointee

Hon. David L. Meyer, City of Fairfax

J. Randall Minchew, Speaker of the Virginia House of Delegates Appointee

Hon. Harry J. "Hal" Parrish, II, City of Manassas

Hon. Jeanette Rishell, City of Manassas Park

Hon. Allison Silberberg, City of Alexandria

Hon. David Snyder, City of Falls Church

Non-Voting Members

Hon. Kelly Burk, Town of Leesburg

Helen Cuervo, Virginia Department of Transportation

Jennifer Mitchell, Virginia Department of Rail and Public Transportation



NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Mayor Rishell, Vice Chair – NVTA Finance Committee

DATE: November 2, 2018

SUBJECT: Finance Committee Report of the October 18, 2018 Meeting

1. **Purpose:** To provide the Northern Virginia Transportation Authority (NVTA) with a report of NVTA Finance Committee (Committee) activities.
2. **Background:** The Finance Committee last met on October 18, 2018. The next meeting is scheduled for November 15, 2018 at 1:00PM. The following summarizes the October 18th meeting:
3. **Presentation:** The Committee received a presentation from Mr. Michael Garber, Partner with PBMares LLP. Mr. Garber presented the FY2018 Draft Financial and Compliance Audit reports, noting the authority received an unmodified (clean) audit opinion.
4. **Action Items:**
 - a. **FY2018 Draft Financial and Compliance Audit Reports** – The draft reports were received and reviewed by the audit committee. The Auditor made two recommendations in their Management Letter both of which are agreed to by NVTA management. The Committee recommends Authority acceptance of the audit reports.
 - b. **Investment Monitoring and Management Subscriptions** – The Committee received and reviewed a staff recommendation for a FY2019 budget transfer. This transfer will allow the implementation of investment monitoring and management subscription services in FY2019. The service implementation is supported by a FY2018 audit recommendation to increase the ability of the Authority to monitor the credit ratings of investments within its portfolio. The Committee recommended Authority approval of the budget transfer.
 - c. **Investment Portfolio Report.** The Committee received reports and provided comments on investment activity and performance. NVTA staff certified that the investment portfolio is in compliance with legal and policy requirements and further noted performance is on target with budgeted revenue projections.
 - d. **Monthly Revenue Report.** The Committee received reports on the Authority's revenue received through September. The revenue sources are now limited to Sales Tax. While we are currently 2.24% behind estimate, the September receipts only represent one

month of revenue transactions and staff recommended no changes to the estimate at this time.

- e. **NVTA Operating Budget.** The report received by the Committee noted all of the Authority's operating revenue for FY2019 has been received. On the expenditure side, the reports through September reflect 25% of the year and the Authority has utilized 22% of the operating budget.

- f. **Other Financial Activity Updates.** The Committee received verbal updates on:
 1. Draft Policy 29, jurisdiction and agency comment consolidation and recirculation.
 2. Revenue estimate preparations for FY2019 through FY2025 (adding two years).
 3. RFP development on Investment Custody Services.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Councilmember Snyder, Vice Chair – NVTA Governance and Personnel
Committee

DATE: November 2, 2018

SUBJECT: Governance and Personnel Committee Report of the October 11, 2018 Meeting

1. **Purpose:** To provide the Northern Virginia Transportation Authority (NVTA) with a report of the Governance and Personnel Committee (GPC) activities.
2. **Background:** The GPC last met on October 11, 2018. The next meeting is scheduled for November 26, 2018 at 10:00AM. The following summarizes the October 11th meeting:
3. **Action Item:** No Action Items
4. **Discussion Items:**
 - a. **Committee Assignment Changes.** Chairman Nohe announced several NVTA Committee changes.
 - i. Chairman Nohe will leave the GPC.
 - ii. Mr. Minchew will join the GPC, bringing his General Assembly and prior GPC membership experience.
 - iii. Chair Randall will leave the NVTA Finance Committee.
 - iv. Chairman Nohe will join the NVTA Finance Committee.
 - v. Chairman Nohe and Chair Randall reminded all present that all Authority members are welcome to attend all NVTA committee meetings.
 - b. **Preparation for the 2019 General Assembly Session.**
 - i. Ms. Backmon and Ms. Baynard presented updated background on the 2019 General Assembly Session.
 - ii. The Committee discussed the language to use in outreach for the 2019 General Assembly session.
 - iii. Updates to the 2018 Legislative program were discussed to include:
 1. Amending HB599, transferring responsibility for the analysis to the Authority.
 2. Use of the Regional Revenue Fund (70%) and interest earnings on the fund (approximately \$10 million per year) to support NVTA operating budgets.
 - c. **Annual Executive Director Performance Evaluation Process.**
 - i. Confirmed target for completing evaluation is January 2019.
 - ii. Agreed to evaluation process steps.
 - iii. Directed the NVTA CFO to undertake a regional salary survey and other administrative preparations.
 - iv. Distributed Executive Director's 2018 performance goals for reference.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Michael Longhi, Chief Financial Officer

DATE: November 2, 2018

SUBJECT: Investment Portfolio Report

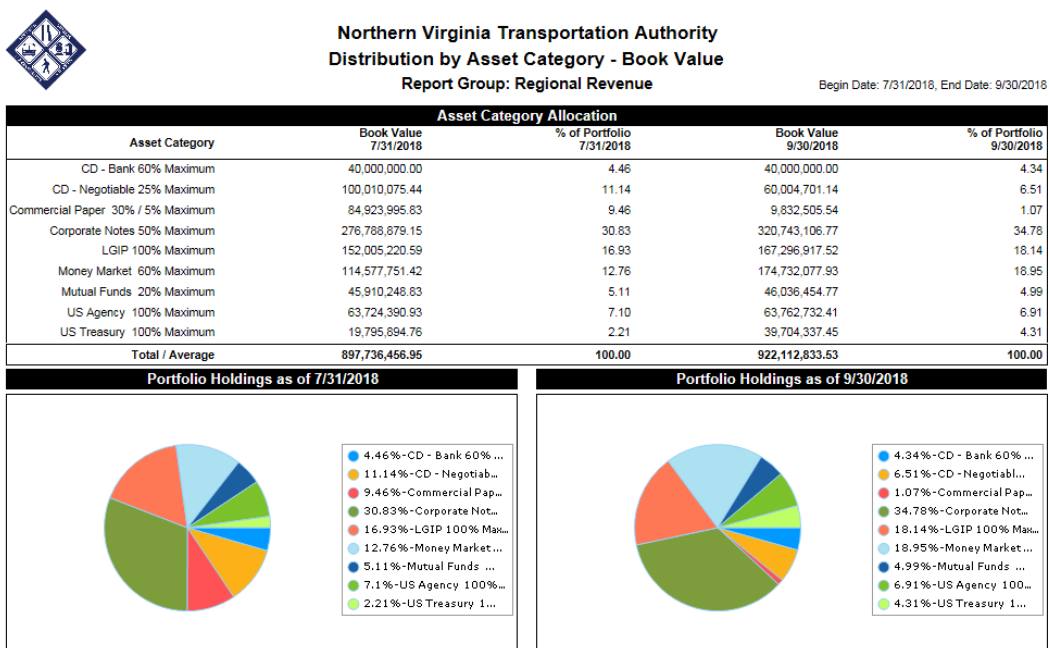
1) Purpose: To provide the Northern Virginia Transportation Authority (NVTA) with required reports on investment activities and portfolio performance through September 30, 2018.

2) Background:

- a. This report is on investment activity through September 2018 and affirms the portfolio investments were acquired on the basis of safety, liquidity and then yield. This report summarizes the portfolio structure, and adherence to the NVTA Investment Policy.
- b. Additionally, a monthly report is attached which complies with all reporting requirements prescribed in the NVTA Investment Policy.

3) Current Period Reports:

- a. The safety of the portfolio is reflected in the actual composition of the portfolio as shown below:



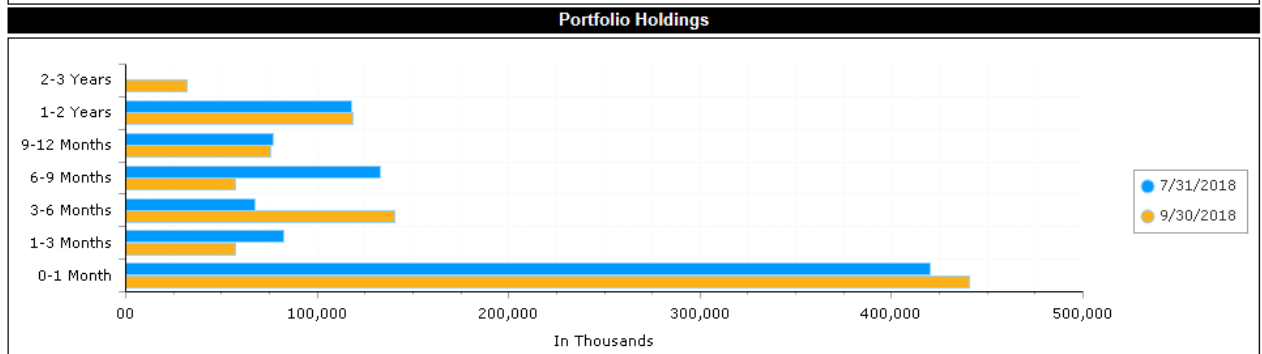
- b. The liquidity of the portfolio is reflected in the portfolio's duration of .43 (1.0 = 1 year) and the maturity schedule shown below:



Northern Virginia Transportation Authority
Distribution by Maturity Range - Book Value
 Report Group: Regional Revenue

Begin Date: 7/31/2018, End Date: 9/30/2018

Maturity Range Allocation				
Maturity Range	Book Value 7/31/2018	% of Portfolio 7/31/2018	Book Value 9/30/2018	% of Portfolio 9/30/2018
0-1 Month	419,947,198.75	46.78	440,566,297.75	47.78
1-3 Months	82,475,143.45	9.19	57,586,927.03	6.25
3-6 Months	67,589,715.78	7.53	140,298,015.65	15.21
6-9 Months	132,677,436.53	14.78	57,177,727.01	6.20
9-12 Months	76,749,609.82	8.55	75,759,333.95	8.22
1-2 Years	118,297,352.62	13.18	118,425,201.24	12.84
2-3 Years	0.00	0.00	32,299,330.90	3.50
Total / Average	897,736,456.95	100.00	922,112,833.53	100.00



- c. The yield on the portfolio at the end of September 2018 was 2.17%. The NVTA's Investment Policy specifies the benchmarks shown below for yield performance comparison:

NVTA Investment Benchmarks	FY 2018 Year End	Sep-18 Month End
Fed Funds Rate	1.82%	2.04%
Treasury 90 Day T Bill	1.92%	2.15%
Local Government Investment Pool	2.01%	2.17%
Virginia Non-Arbitrage Program	2.16%	2.21%
NVTA Performance	1.95%	2.17%

4) Portfolio Analysis & Statistics Overview

- a) **Safety:** The portfolio is invested primarily in;
- i) AAA/AA rated investment grade corporate bonds
 - ii) Liquid Government Investment Pools (LGIPs) and;
 - iii) Collateralized bank money market accounts.

b) Liquidity:

- i) The NVTA Portfolio average duration is under 6 months (.43). Given the flat yield curve, however, the NVTA has not sacrificed yield by investing in short maturities or pursuing a short duration strategy (nearly 50% of the portfolio is in 0-3 Month Maturities).
- ii) Analysis of forward transportation project liabilities (reimbursements) associated with the Six Year Program found that the portfolio has the flexibility to extend modestly to 2-3 year maturities (3.55% of the portfolio at present).

c) Yield:

- i) Federal Reserve Raises Rates: The Federal Funds Rate was raised to a range of 2% to 2.25% at the Federal Open Market Committee Reserve Meeting in late September. The November Investment Report will reflect a step up in performance during October as NVTA has obtained greater yielding Agencies and Treasuries instruments in the average range of 2.87% (as high as 3.01%) as a result of the Fed rate increase.

5) Custodian/Safekeeping: BB&T Retirement & Institutional Services is the custodian of all of NVTA's investment purchases and is where all of NVTA's non-deposit investments are held. Deposit type investments are protected through the Commonwealth of Virginia collateralization program or FDIC Insurance.

6) Policy Required Reports: The attached Compliance - GASB 40 Report addresses specific Investment Policy requirements regarding the purchase and holding of securities. The attached report, documents:

- a. **Compliance – Investment Policy, Summary.** The report shows the percentage of the portfolio by each type of investment.
- b. **Investment Portfolio – By Maturity Range.** The report shows the yield to maturity, and percentage of the portfolio which each type of investment represents.
- c. **Portfolio Holdings by Custodian.** This report shows each depository, investment firm or custodian holding NVTA securities or cash.

7) Investment Repositioning, Exiting the VIP 1-3 High Quality Bond Fund:

- i) **Reposition Plan Update:** The VIP 1-3 Bond Fund was exited on September 28, 2018 with a mark-to-market loss of \$842,554.07 that was an \$89,332 higher loss than forecast. The recovery of the mark-to-market loss will occur in 1 year. Two occurrences are related to the greater than expected Mark to Market loss:
 - (1) The Federal Reserve increased rates .25%, just prior to the redemption. While this increased the mark to market loss it also increased the reinvestment opportunity.
 - (2) The VIP fund manager has total discretion as to which investments were sold to redeem our shares.

Taking advantage of the Federal Reserve rate increase, the proceeds of \$46 million were reinvested the following week in various higher yielding investments, such as U.S. Treasuries, J.P. Morgan commercial paper, Federal Agencies such Freddie Mac, as well as highly rated corporate bonds such as BlackRock.

The new investments have an average yield of 2.86%, as compared with the VIP 1-3 which has delivered a gross total return of 1.21% (.43% annualized). The new investments are producing more than twice the gross total return and 6 times the annualized.

Attachments: Compliance - GASB 40 Report shows reporting requirements as listed above, and not otherwise presented. This report is also fundamental for the Authority's Annual Financial Statements and annual audit.



**Northern Virginia Transportation Authority
Portfolio Holdings
Compliance - GASB 40 Report
As of 9/31/2018**

Description	Issuer	Face Amount	Book Value	Market	Credit	Credit	Portfolio %	Days To	Days To Call	Maturity Date	YTM @	Duration To
		Shares		Value	Rating 1	Rating 2		Maturity	Maturity		Cost	Maturity
Certificate Of Deposit												
John Marshall Bank 1.95 10/25/2018	John Marshall Bank	10,000,000.00	10,000,000.00	10,000,000.00	NR	NR	1.08	25	25	10/25/2018	1.950	0.07
John Marshall Bank 2.25 10/11/2018	John Marshall Bank	17,500,000.00	17,500,000.00	17,500,000.00	None	None	1.89	11	11	10/11/2018	2.250	0.03
United Bank of VA 2.15 3/5/2019	United Bank of VA	12,500,000.00	12,500,000.00	12,500,000.00	NR	NR	1.35	156	156	03/05/2019	2.150	0.43
Sub Total / Average		40,000,000.00	40,000,000.00	40,000,000.00			4.33	60	60		2.144	0.16
Commercial Paper												
Commonwealth Bank of Australia - NY 1.75 11/2/2018	Commonwealth Bank of Australia - NY	13,530,000.00	13,526,964.51	13,522,558.50	Moody's-Aa3	S&P-AA-	1.46	33	33	11/02/2018	2.000	0.09
Commonwealth Bank of Australia - NY 1.75 11/2/2018	Commonwealth Bank of Australia - NY	15,000,000.00	14,998,983.48	14,991,750.00	Moody's-Aa3	S&P-AA-	1.62	33	33	11/02/2018	1.825	0.09
JP Morgan Securities 0 5/24/2019	JP Morgan Securities	5,000,000.00	4,916,416.66	4,904,897.22	S&P-A1	Moody's-P1	0.54	236	236	05/24/2019	2.599	0.65
JP Morgan Securities 0 5/24/2019	JP Morgan Securities	5,000,000.00	4,916,088.88	4,904,897.22	S&P-A1	Moody's-P1	0.54	236	236	05/24/2019	2.610	0.65
Sub Total / Average		38,530,000.00	38,358,453.53	38,324,102.94			4.17	86	86		2.089	0.23
Corporate Bond												
Apple Corp 1.5 9/12/2019	Apple Corp	4,685,000.00	4,643,795.47	4,633,933.50	Moody's-Aa1	S&P-AA+	0.51	347	347	09/12/2019	2.450	0.95
Apple Corp 1.8 11/13/2019	Apple Corp	15,000,000.00	14,890,509.14	14,841,450.00	Moody's-Aa1	S&P-AA+	1.62	409	409	11/13/2019	2.470	1.11
Apple Corp 1.8 11/13/2019	Apple Corp	10,000,000.00	9,934,475.47	9,894,300.00	Moody's-Aa1	S&P-AA+	1.08	409	409	11/13/2019	2.400	1.11
Apple Corp 1.8 11/13/2019	Apple Corp	4,995,000.00	4,957,597.16	4,942,202.85	Moody's-Aa1	S&P-AA+	0.54	409	409	11/13/2019	2.488	1.11
Apple Corp. 2 11/13/2020	Apple Corp.	5,000,000.00	4,926,599.02	4,911,000.00	S&P-AA+	Moody's-Aa1	0.54	775	775	11/13/2020	2.718	2.07
Australia New Zealand Bank - NY Office 1.6 7/15/20	Australia New Zealand Bank - NY Office	20,000,000.00	19,945,712.99	19,813,800.00	Moody's-Aa3	S&P-AA-	2.16	288	288	07/15/2019	1.950	0.79
Australia New Zealand Bank - NY Office 2.05 9/23/2	Australia New Zealand Bank - NY Office	5,900,000.00	5,905,628.41	5,852,387.00	Moody's-Aa3	S&P-AA-	0.64	358	358	09/23/2019	1.950	0.98
Australia New Zealand Bank - NY Office 2.05 9/23/2	Australia New Zealand Bank - NY Office	6,000,000.00	6,009,760.81	5,951,580.00	Moody's-Aa3	S&P-AA-	0.65	358	358	09/23/2019	1.880	0.98
Berkshire Hathaway 2.1 8/14/2019	Berkshire Hathaway	5,000,000.00	4,980,314.29	4,974,500.00	S&P-AA	Moody's-Aa2	0.54	318	318	08/14/2019	2.558	0.87
Berkshire Hathaway 2.2 3/15/2021	Berkshire Hathaway	7,386,000.00	7,275,936.65	7,242,268.44	S&P-AA	Moody's-Aa2	0.80	897	897	03/15/2021	2.833	2.40
Berkshire Hathaway Fin 1.7 3/15/2019	Berkshire Hathaway Fin	8,940,000.00	8,913,177.01	8,909,246.40	Moody's-Aa2	S&P-AA	0.97	166	166	03/15/2019	2.371	0.46
Chevron Corp 1.686 2/28/2019	Chevron Corp	20,000,000.00	20,010,997.69	19,925,600.00	Moody's-Aa2	S&P-AA-	2.16	151	151	02/28/2019	1.551	0.41
Chevron Corp 4.95 3/3/2019	Chevron Corp	15,000,000.00	15,157,760.98	15,129,300.00	Moody's-Aa2	S&P-AA-	1.62	154	154	03/03/2019	2.410	0.43
Chevron Corp. 2.1 5/16/2021	Chevron Corp.	5,560,000.00	5,445,164.36	5,423,390.80	S&P-AA-	Moody's-Aa2	0.60	959	959	05/16/2021	2.923	2.55
Chevron Corp. 2.193 11/15/2019	Chevron Corp.	8,950,000.00	8,915,972.80	8,886,276.00	Moody's-Aa2	S&P-AA-	0.97	411	411	11/15/2019	2.540	1.11
Coca Cola 1.375 5/30/2019	Coca Cola	10,000,000.00	9,940,833.22	9,922,200.00	Moody's-Aa3	S&P-AA-	1.08	242	242	05/30/2019	2.280	0.66
Commonwealth Bank of Australia 2.05 3/15/2019	Commonwealth Bank of Australia	3,306,000.00	3,305,529.60	3,296,941.56	Moody's-Aa3	S&P-AA-	0.36	166	166	03/15/2019	2.081	0.46
Commonwealth Bank of Australia 2.05 3/15/2019	Commonwealth Bank of Australia	15,560,000.00	15,548,786.17	15,517,365.60	Moody's-Aa3	S&P-AA-	1.68	166	166	03/15/2019	2.210	0.46
Exxon Mobile Corp 1.912 3/6/2020	Exxon Mobile Corp	8,663,000.00	8,584,291.11	8,559,130.63	Moody's-Aaa	S&P-AA+	0.94	523	523	03/06/2020	2.566	1.42
Johnson and Johnson 2.95 9/1/2020	Johnson and Johnson	5,000,000.00	5,044,396.76	5,019,750.00	S&P-AAA	Moody's-Aaa	0.54	702	702	09/01/2020	2.472	1.88
Mass Institute Technology 2.051 7/1/2019	Mass Institute Technology	145,000.00	144,786.86	144,215.55	Moody's-Aaa	S&P-AAA	0.02	274	274	07/01/2019	2.250	0.75
Microsoft Corp 1.1 8/8/2019	Microsoft Corp	5,000,000.00	4,941,791.04	4,935,900.00	S&P-AAA	Moody's-Aaa	0.54	312	312	08/08/2019	2.483	0.85
Microsoft Corp 1.1 8/8/2019	Microsoft Corp	2,000,000.00	1,977,471.63	1,974,360.00	S&P-AAA	Moody's-Aaa	0.22	312	312	08/08/2019	2.442	0.85
Microsoft Corp 1.55 8/8/2021	Microsoft Corp	5,000,000.00	4,823,185.74	4,799,150.00	S&P-AAA	Moody's-Aaa	0.54	1,043	1,043	08/08/2021	2.850	2.80
Microsoft Corp. 1.85 2/6/2020	Microsoft Corp.	1,196,000.00	1,185,285.06	1,181,492.52	S&P-AAA	Moody's-Aaa	0.13	494	494	02/06/2020	2.530	1.34
National Australia Bank 2.25 1/10/2020	National Australia Bank	5,000,000.00	4,955,431.79	4,942,400.00	Moody's-Aa3	S&P-AA-	0.54	467	467	01/10/2020	2.970	1.26
Proctor and Gamble Co. 1.9 10/23/2020	Proctor and Gamble Co.	5,000,000.00	4,915,830.34	4,892,700.00	S&P-AA-	Moody's-Aa3	0.54	754	754	10/23/2020	2.746	2.02
Stanford University 4.75 5/1/2019-18	Stanford University	5,892,000.00	6,004,220.21	5,962,998.60	Moody's-Aaa	S&P-AAA	0.64	213	213	05/01/2019	1.431	0.57
Toyota Motor Credit corp 1.4 5/20/2019	Toyota Motor Credit corp	1,515,000.00	1,506,350.60	1,503,289.05	Moody's-Aa3	S&P-AA-	0.16	232	232	05/20/2019	2.311	0.64

Toyota Motor Credit corp 1.55 10/18/2019	Toyota Motor Credit corp	16,000,000.00	15,865,327.71	15,788,160.00	Moody's-Aa3	S&P-AA-	1.73	383	383	10/18/2019	2.370	1.04
Toyota Motor Credit corp 2.125 7/18/2019	Toyota Motor Credit corp	11,043,000.00	11,002,079.74	10,996,729.83	Moody's-Aa3	S&P-AA-	1.20	291	291	07/18/2019	2.600	0.79
Toyota Motor Credit corp 2.125 7/18/2019	Toyota Motor Credit corp	1,735,000.00	1,730,978.88	1,727,730.35	Moody's-Aa3	S&P-AA-	0.19	291	291	07/18/2019	2.420	0.79
Toyota Motor Credit corp. 2.2 1/10/2020	Toyota Motor Credit corp.	5,000,000.00	4,967,569.44	4,955,450.00	S&P-AA-	Moody's-Aa3	0.54	467	467	01/10/2020	2.720	1.26
Walmart Corp 1.9 12/15/2020	Walmart Corp	5,000,000.00	4,912,614.79	4,893,600.00	S&P-AA	Moody's-Aa2	0.54	807	807	12/15/2020	2.722	2.16
Wells Fargo Bank 1.8 11/28/2018	Wells Fargo Bank	15,200,000.00	15,203,872.55	15,184,496.00	Moody's-Aa2	Fitch-AA	1.64	59	59	11/28/2018	1.639	0.16
Wells Fargo Bank 1.8 11/28/2018	Wells Fargo Bank	8,850,000.00	8,852,244.54	8,840,973.00	Moody's-Aa2	Fitch-AA	0.96	59	59	11/28/2018	1.640	0.16
Yale University 2.086 4/15/2019	Yale University	13,025,000.00	13,017,021.97	12,990,874.50	Moody's-Aaa	S&P-AAA	1.41	197	197	04/15/2019	2.200	0.54
Yale University 2.086 4/15/2019	Yale University	375,000.00	374,772.11	374,017.50	Moody's-Aaa	S&P-AAA	0.04	197	197	04/15/2019	2.200	0.54
Yale University 2.086 4/15/2019	Yale University	1,500,000.00	1,499,084.67	1,496,070.00	Moody's-Aaa	S&P-AAA	0.16	197	197	04/15/2019	2.200	0.54
Sub Total / Average		293,421,000.00	292,217,158.78	291,231,229.68			31.75	347	347		2.269	0.94
FFCB Bond												
FFCB 1.4 3/27/2019	FFCB	10,000,000.00	10,002,389.59	9,947,700.00	Moody's-Aaa	S&P-AA+	1.08	178	178	03/27/2019	1.350	0.49
Sub Total / Average		10,000,000.00	10,002,389.59	9,947,700.00			1.08	178	178		1.350	0.49
FHLB Bond												
FHLB 1.75 12/14/2018	FHLB	5,000,000.00	5,004,861.95	4,995,150.00	Moody's-Aaa	S&P-AA+	0.54	75	75	12/14/2018	1.270	0.21
FHLB Step 3/5/2020-18	FHLB	10,000,000.00	9,976,415.66	9,972,600.00	Moody's-Aaa	S&P-AA+	1.08	522	66	03/05/2020	2.696	1.41
Sub Total / Average		15,000,000.00	14,981,277.61	14,967,750.00			1.62	373	69		2.221	1.01
FHLMC Bond												
FHLMC 1.35 1/25/2019-17	FHLMC	10,000,000.00	10,000,000.00	9,969,100.00	Moody's-Aaa	S&P-AA+	1.08	117	25	01/25/2019	1.350	0.32
FHLMC 1.375 3/15/2019	FHLMC	5,000,000.00	5,000,000.00	4,977,350.00	S&P-AA+	Fitch-AAA	0.54	166	166	03/15/2019	1.375	0.46
FHLMC Step 9/30/2019-17	FHLMC	4,500,000.00	4,495,375.84	4,486,410.00	Moody's-Aaa	S&P-AA+	0.49	365	91	09/30/2019	1.772	1.00
Sub Total / Average		19,500,000.00	19,495,375.84	19,432,860.00			2.11	187	76		1.454	0.51
FNMA Bond												
FNMA 1.25 8/23/2019-17	FNMA	10,000,000.00	9,981,637.99	9,875,800.00	Moody's-Aaa	S&P-AA+	1.08	327	54	08/23/2019	1.459	0.89
Sub Total / Average		10,000,000.00	9,981,637.99	9,875,800.00			1.08	327	54		1.459	0.89
Local Government Investment Pool												
Commonwealth of Virginia LGIP	Commonwealth of Virginia	10,063.02	10,063.02	10,063.02	S&P-AAA	NR	0.00	1	1	N/A	2.168	0.00
Commonwealth of Virginia LGIP	Commonwealth of Virginia	51,065,390.82	51,065,390.82	51,065,390.82	S&P-AAA	NR	5.53	1	1	N/A	2.168	0.00
VIP 1-3 Year LGIP	VIP 1-3 Year	46,036,454.77	46,036,454.77	46,036,454.77	S&P-AA+	NR	4.98	1	1	N/A	2.030	0.00
VIP Stable NAV LGIP	VIP Stable NAV	116,221,463.68	116,221,463.68	116,221,463.68	S&P-AAA	NR	12.58	1	1	N/A	2.180	0.00
Sub Total / Average		213,333,372.29	213,333,372.29	213,333,372.29			23.09	1	1		2.145	0.00
Money Market												
Access National Bank MM	Access National Bank	84,872,866.75	84,872,866.75	84,872,866.75	NR	NR	9.18	1	1	N/A	2.240	0.00
BB&T MM	BB&T	295,434.35	295,434.35	295,434.35	NR	NR	0.03	1	1	N/A	1.780	0.00
John Marshall Bank ICS MM	John Marshall Bank ICS	18,237,982.68	18,237,982.68	18,237,982.68	NR	NR	1.97	1	1	N/A	2.250	0.00
United Bank MM	United Bank	71,325,794.15	71,325,794.15	71,325,794.15	NR	NR	7.72	1	1	N/A	2.250	0.00
Sub Total / Average		174,732,077.93	174,732,077.93	174,732,077.93			18.91	1	1		2.244	0.00
Negotiable Certificate Of Deposit												
Natixis - NY office 1.75 10/23/2018	Natixis - NY office	15,000,000.00	15,000,470.71	14,995,350.00	Moody's-P1	S&P-A1	1.62	23	23	10/23/2018	1.699	0.06
Standard Charter NY 1.74 10/23/2018	Standard Charter NY	10,000,000.00	10,000,376.82	9,996,800.00	Moody's-P1	S&P-A1	1.08	23	23	10/23/2018	1.679	0.06
Standard Charter NY 2.46 3/18/2019-18	Standard Charter NY	20,000,000.00	20,000,914.92	19,983,000.00	Moody's-P1	S&P-A1	2.16	169	169	03/18/2019	2.450	0.46
Toronto Dominion Bank 2.71 5/22/2019	Toronto Dominion Bank	15,000,000.00	15,002,938.69	15,004,583.85	Moody's-P1	S&P-A1+	1.62	234	234	05/22/2019	2.679	0.65
Sub Total / Average		60,000,000.00	60,004,701.14	59,979,733.85			6.49	124	124		2.191	0.34
Treasury Bond												
T-Bond 0 2/15/2019	Treasury	20,000,000.00	19,858,459.69	19,836,800.00	Moody's-Aaa	S&P-AA+	2.16	138	138	02/15/2019	1.900	0.38
Sub Total / Average		20,000,000.00	19,858,459.69	19,836,800.00			2.16	138	138		1.900	0.38
Treasury Note												
T-Note 1.875 12/31/2019	Treasury	10,000,000.00	9,929,692.31	9,896,900.00	S&P-AAA	Moody's-Aaa	1.08	457	457	12/31/2019	2.450	1.24

T-Note 1.875 12/31/2019	Treasury	10,000,000.00	9,916,185.45	9,896,900.00	S&P-AAA	Moody's-Aaa	1.08	457	457	12/31/2019	2.561	1.24
Sub Total / Average		20,000,000.00	19,845,877.76	19,793,800.00			2.16	457	457		2.505	1.24
U.S. Agency for International Development												
OPIC - Overseas Private Invest corp 0 11/13/2019	OPIC - Overseas Private Invest corp	9,544,505.40	9,302,051.38	9,174,600.38	Moody's-Aaa	S&P-AA+	1.03	409	409	11/13/2019	2.329	1.12
Sub Total / Average		9,544,505.40	9,302,051.38	9,174,600.38			1.03	409	409		2.329	1.12
Total / Average		924,060,955.62	922,112,833.53	920,629,827.07			100	157	147		2.179	0.43

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Michael Longhi, Chief Financial Officer

DATE: November 2, 2018

SUBJECT: Monthly Revenue Report

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) on monthly revenue receipts and 30% funds distributed to member localities.
2. **Background:** The attached reports reflect funding received and distributed through September 2018 for the Authority's sole revenue source, sales tax.
3. **Comments:**
 - a. **FY2019 Revenues (Attachment A)**
 - i. The Authority has received approximately \$21.1 million through the September 2018 transfers from the Commonwealth. The \$21.1 million represents one month of sales tax receipts relating to July 2018 transactions.
 - ii. Actual to estimate comparison of sales tax revenues through September show a 2.24% negative variance in Sales Tax compared to the FY2019 adopted revenue estimates.
 - iii. As this denotes only one month of revenue, no changes to the FY2019 revenue estimates are recommended at this time.
 - b. **FY2019 Distribution to localities (Attachment B)**
 - i. As of the preparation of this report, eight jurisdictions have completed the HB2313 required annual certification process to receive FY2019 30% funds.
 - ii. Of the \$21.1 million received by the Authority through September for FY2019, approximately \$6.3 million represents 30% local funds of which \$5.8 million was distributed to the member jurisdictions.
 - c. **FY2015 to FY2019 Year over Year Revenue Comparison (Attachment C).**
 - i. This chart reflects a month-to-month comparison of sales tax revenue and a year-to-year comparison of fiscal year to date revenues received through September 2018.

Attachments:

- A. Sales Tax Revenues Received Compared to NVTA Estimates, Through September 2018
- B. FY2019 30% Distribution by Jurisdiction, through September 2018

C. Month to Month Comparison of Sales Tax Revenue and YTD Receipts for September
2015 to 2019

Attachment A

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
SALES TAX REVENUES RECEIVED BY JURISDICTION, COMPARED TO NVTA ESTIMATES
 Based on: Revenue Data Through September 2018
 FYE June 30, 2019

Regional Sales Tax*	Transaction Months	Received		FY2019	Annualized - Actual	
		To Date	Annualized	Budget	To Budget	
City of Alexandria	1	\$1,304,136	\$ 15,649,629	\$ 16,057,290	\$	(407,661)
Arlington County		\$2,134,626	\$ 25,615,511	\$ 25,308,696	\$	306,815
City of Fairfax		\$626,338	\$ 7,516,052	\$ 7,432,605	\$	83,447
Fairfax County		\$8,913,349	\$ 106,960,186	\$ 111,788,679	\$	(4,828,493)
City of Falls Church		\$210,868	\$ 2,530,418	\$ 2,659,800	\$	(129,382)
Loudoun County		\$4,166,863	\$ 50,002,353	\$ 50,940,000	\$	(937,647)
City of Manassas		\$442,713	\$ 5,312,555	\$ 5,100,000	\$	212,555
City of Manassas Park		\$129,824	\$ 1,557,884	\$ 1,462,415	\$	95,469
Prince William County		\$3,165,512	\$ 37,986,150	\$ 38,176,740	\$	(190,590)
Total Sales Tax Revenue		\$ 21,094,228	\$ 253,130,738	\$ 258,926,225	\$	(5,795,487) -2.24%
		\$ 21,094,228				

Attachment B

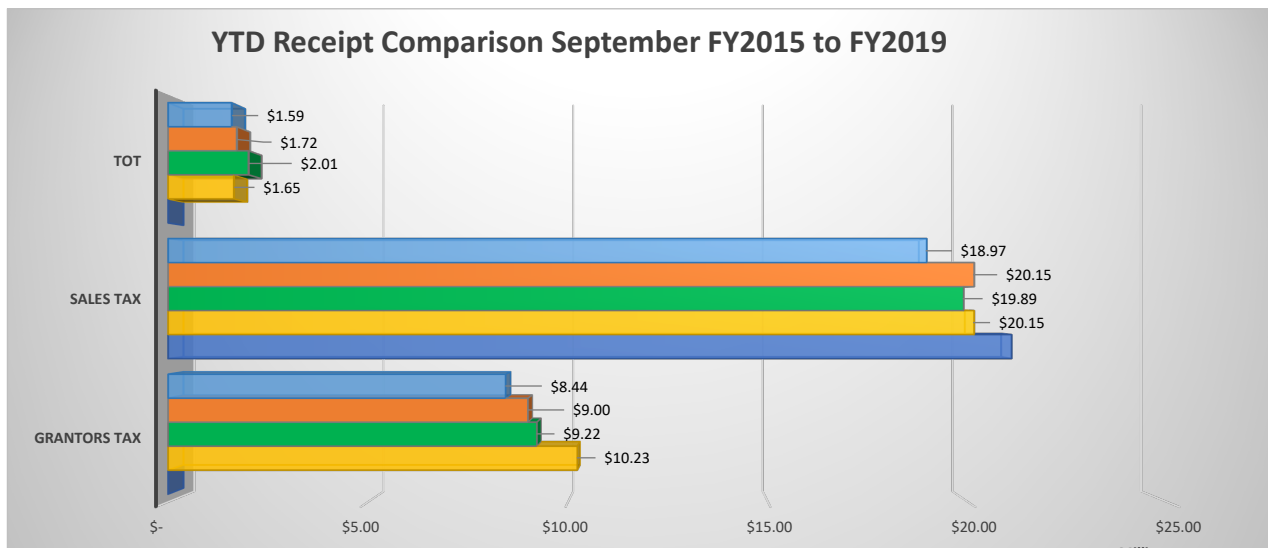
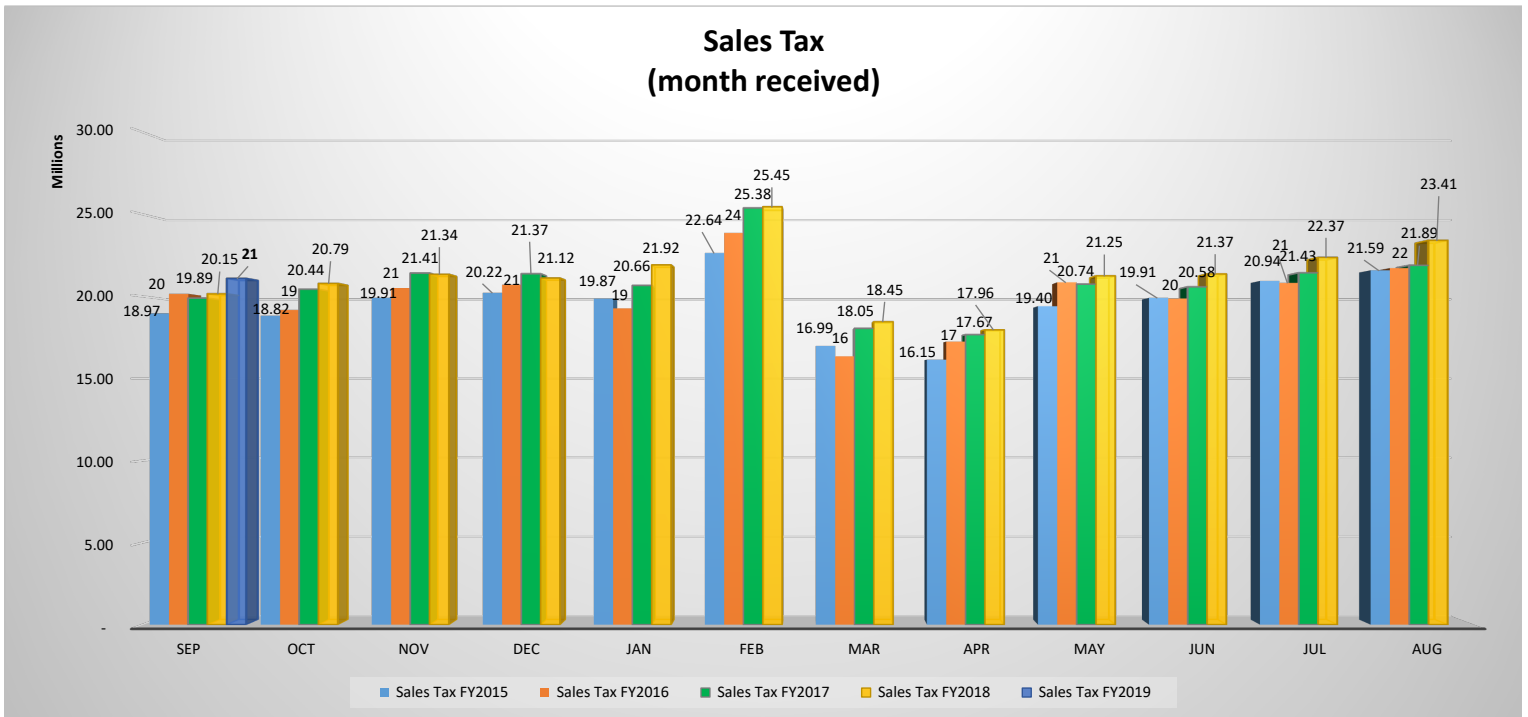
NORTHERN VIRGINIA TRANSPORTATION AUTHORITY FY2019 30% DISTRIBUTION BY JURISDICTION

Based on: Revenue Data Through September 2018

Jurisdiction	Regional Sales Tax	NVTA Fund Interest	Cumulative Total	30% Funds	Thru 8/30/18 Accrued Interest (1)	8/31/2018 Prior Distributions	Current Month Distribution	Total Funds Transferred
					(+)			
City of Alexandria	\$ 1,304,135.77	\$ -	\$ 1,304,135.77	\$ 391,240.73	\$ 131.13		\$ 391,371.86	
Arlington County	\$ 2,134,625.95	\$ -	\$ 2,134,625.95	\$ 640,387.79	\$ 196.70		\$ 640,584.49	\$ 640,584.49
City of Fairfax	\$ 626,337.63	\$ -	\$ 626,337.63	\$ 187,901.29	\$ 65.57		\$ 187,966.86	
Fairfax County	\$ 8,913,348.82	\$ -	\$ 8,913,348.82	\$ 2,674,004.65	\$ 1,005.36		\$ 2,675,010.01	\$ 2,675,010.01
City of Falls Church	\$ 210,868.17	\$ -	\$ 210,868.17	\$ 63,260.45	\$ 21.86		\$ 63,282.31	\$ 63,282.31
Loudoun County	\$ 4,166,862.73	\$ -	\$ 4,166,862.73	\$ 1,250,058.82	\$ 393.40		\$ 1,250,452.22	\$ 1,250,452.22
City of Manassas	\$ 442,712.92	\$ -	\$ 442,712.92	\$ 132,813.88	\$ 43.71		\$ 132,857.59	\$ 132,857.59
City of Manassas Park	\$ 129,823.69	\$ -	\$ 129,823.69	\$ 38,947.11	\$ 21.87		\$ 38,968.98	\$ 38,968.98
Prince William County	\$ 3,165,512.48	\$ -	\$ 3,165,512.48	\$ 949,653.74	\$ 305.98		\$ 949,959.72	\$ 949,959.72
Total Revenue	\$ 21,094,228.16	\$ -	\$ 21,094,228.16	\$ 6,328,268.46	\$ 2,185.58	\$ -	\$ 6,330,454.04	\$ 5,751,115.32

(1) Interest earned through 8/31/2018

FY2019 September 2018



NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

DATE: November 2, 2018

SUBJECT: Executive Director's Report

1. **Purpose:** To inform the Northern Virginia Transportation Authority (NVTA) of items of interest not addressed in other agenda items.
2. **2018 Annual Report** – The 2018 Annual Report will be distributed to the Authority at the January 2019 Authority meeting. This year's tagline is "Moving Northern Virginia Forward" and the two themes are multimodal and the inaugural FY2018–2023 Six Year Program. This year's report will also include an Economic Impact Assessment of the projects adopted in the FY2018-2023 Six Year Program.
3. **Fourth Annual ITS RoundTable---Save the Date**
The Authority will host the Fourth Annual Intelligent Transportation Systems Roundtable on Wednesday, March 13, 2019, at the NVTA Offices. To discuss the emergence of innovative and disruptive technologies in transportation and how they currently and will continue to impact commuting in the region. This annual event is more timely than ever and was sold out last year. Please let us know as soon as possible if you will be able to attend.
4. **NVTA Standing Committee Meetings**
 - **Finance Committee:** The NVTA Finance Committee is scheduled to meet next on Thursday, November 15, 2018 at 1:00pm.
 - **Governance and Personnel Committee:** The next meeting of the NVTA Governance and Personnel Committee (GPC) is Monday, November 26, 2018 at 9:30am.
 - **Planning and Programming Committee:** The NVTA Planning and Programming Committee is not scheduled to meet again until late 2019/early 2020 as part of the update of the Authority's Six Year Program covering fiscal years FY2020-2025.
5. **NVTA Statutory Committee Meetings:**
 - **Planning Coordination Advisory Committee:** The NVTA Planning Coordination Advisory Committee is not scheduled to meet again until late 2019/early 2020 as part of the update of the Authority's Six Year Program covering fiscal years FY2020-2025.

- **Technical Advisory Committee:** The next meeting of the NVTAs Technical Advisory Committee is not scheduled to meet again until late 2019/early 2020 as part of the update of the Authority's Six Year Program covering fiscal years FY2020-2025.

6. CMAQ-RSTP Transfers:

- CMAQ and RSTP Transfers requested since the last Executive Director's report are presented in Attachment A.

7. Regional Projects Status Report:

- Please note the updated Regional Projects Status Report (Attachment B), which provides a narrative update for each project and the amount of project reimbursements requested and processed to date.

Attachments:

- A. CMAQ-RSTP Transfers
- B. Regional Projects Status Report

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
MEMORANDUM

TO: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Monica Backmon, Executive Director

SUBJECT: Approval of Reallocation of Regional Surface Transportation Program (RSTP)
funds for the Town of Leesburg

DATE: November 2, 2018

1. **Purpose:** To inform the Northern Virginia Transportation Authority (NVTA) of the Regional Jurisdiction and Agency Coordinating Committee (RJACC) Approval of Reallocation of Regional Surface Transportation Program (RSTP) funds the Town of Leesburg.
2. **Background:** On September 11, 2008, the Authority delegated the authority to approve requests to reallocate Congestion Mitigation and Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) funding between projects that were previously approved by the NVTA to the Regional Jurisdiction and Agency Coordinating Committee (RJACC).

On October 24, 2018, the Town of Leesburg requested the following reallocation:

- \$951,782 in surplus RSTP funds to the Route 15 Bypass / Edwards Ferry Road Interchange project (UPC 89890) from the following projects:
 - \$378,665 from the Widen Route 15 Phase I project (UPC 17687)
 - \$73,117 from the Battlefield Parkway project (UPC 18992)
 - \$500,000 from the Widen Route 15 Phase II Project (UPC 103999)

The Route 15 Bypass / Edwards Ferry Road is a new grade separated interchange that will eliminate existing traffic signals at Edwards Ferry Road and Fort Evans Road. This transfer will permit early acquisition of a single parcel needed as right-of-way for the interchange, which is expected to reduce right-of-way acquisition costs. The Route 15 Phase I and Battlefield Parkway projects are complete and the Route 15 Phase II project is under construction.

The RJACC approved this request on October 25, 2018.

Attachment(s): DRAFT Letter to VDOT NOVA District Administrator Cuervo
Request from the Town of Leesburg

Coordination: Regional Jurisdiction and Agency Coordinating Committee



Northern Virginia Transportation Authority

The Authority for Transportation in Northern Virginia

November 8, 2018

Ms. Helen Cuervo
District Administrator
Virginia Department of Transportation
4975 Alliance Dr. Suite 4E-342
Fairfax, Virginia 22030

Reference: Request to Reallocate of Regional Surface Transportation Program (RSTP) funds for the Town of Leesburg

Dear Ms. Cuervo:

On September 11, 2008, the Authority delegated the authority to approve requests to reallocate Congestion Mitigation and Air Quality (CMAQ) and Regional Surface Transportation Program (RSTP) funding between projects that were previously approved by the NVTA to the Regional Jurisdiction and Agency Coordinating Committee (RJACC).

On October 24, 2018, the Town of Leesburg requested the following reallocation:

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 - \$73,117 from the Battlefield Parkway project (UPC 18992)
 - \$500,000 from the Widen Route 15 Phase II Project (UPC 103999)

The Route 15 Bypass / Edwards Ferry Road is a new grade separated interchange that will eliminate existing traffic signals at Edwards Ferry Road and Fort Evans Road. This transfer will permit early acquisition of a single parcel needed as right-of-way for the interchange, which is expected to reduce right-of-way acquisition costs. The Route 15 Phase I and Battlefield Parkway projects are complete and the Route 15 Phase II project is under construction.

NVTA's delegation requires that the RJACC notify the NVTA of these requests. The RJACC approved the requests on October 25, 2018 and the NVTA was informed at their November 8, 2018, meeting. The NVTA has not objected to these reallocations.

Please take the necessary steps to reallocate these funds in the Transportation Improvement Program and the State Transportation Improvement Program. Thank you very much.

Sincerely,

Noelle Dominguez
NVTA RJACC Chairman

cc: Martin E. Nohe, Chairman, NVTA
Monica Backmon, Executive Director, NVTA
Renée LaFollette, P.E., Director, Town of Leesburg Department of Public Works and Capital Projects



25 West Market Street ■ 20176 ■ 703-771-2790 ■ Fax: 703-737-7065 ■ rlafollette@leesburgva.gov ■ www.leesburgva.gov

October 24, 2018

Noelle Dominguez, Legislative Liaison
Coordination and Funding Division
Fairfax County Department of Transportation
4050 Legato Road, Suite 400
Fairfax, Virginia 22033

RE: Reallocation of RSTP funds, UPCs 17687, 18992 & 103999 to UPC 89890

Dear Ms. Dominguez:

The Town of Leesburg requests the approval of the Regional Jurisdiction and Agency Coordinating Committee (RJACC) and the Northern Virginia Transportation Authority (NVTA) to transfer a total \$951,782 in RSTP funds to the Route 15 Bypass / Edwards Ferry Road Interchange project (UPC 89890).

- UPC 17687 (Widen Rte 15 Phase I) is complete with a surplus of \$378,665
- UPC 18992 (Battlefield Parkway) is complete with a surplus of \$73,117
- UPC 103999 (Widen Rte 15 Phase II) is under construction with a projected surplus - \$500,000

The scope of UPC 89890 is the construction of a new grade separated interchange on the Route 15 Leesburg Bypass that will eliminate existing traffic signals at Edwards Ferry Road and Fort Evans Road. The Interchange Justification Report for the interchange has been completed, and is currently pending approval by VDOT. NVTA has previously funded the completion of the IJR and has approved funding for the final design.

The purpose of this fund transfer is to permit early acquisition of a single parcel needed as right of way for the interchange project. The Town is in negotiation with the property owner in connection with a partial take of the parcel by eminent domain needed for a previously constructed improvement at the intersection. The interchange project will require acquisition of the remainder of that parcel. By acquiring the entire parcel at this time, the Town and VDOT can avoid a second eminent domain action, which is expected to reduce right-of-way acquisition costs significantly.

The fund transfer will allow cover cost increases incurred by VDOT in administering the design of the project.

If there are questions about this request, please contact Calvin Grow, Town Transportation Engineer, at 703-771-2791 or cgrow@leesburgva.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Renee LaFollette".

Renee LaFollette, PE
Director, Public Works and Capital Projects

Attach.

CMAQ/RSTP Transfer Request Form
(One Sheet Needed Per Donor Project)

Attachment

Date: October 23, 2018

Name of Jurisdiction/Agency Requesting: Town of Leesburg

Current Balance of CMAQ/RSTP Funds Currently Allocated to Donor Project (Prior to this Transfer): _____ \$73,117.00

From (Donor): _____ To (Recipient): _____

UPC	Project Description	Type of Funds	Transfer from Previous Fiscal Years	If No, Year Requested	Transfer Amount	UPC	Project Description	Previously Approved by NVTA	If Yes, Year Approved	JACC Approval (NVTA)	Authority Approval (NVTA)	Funds Verified (VDOT)	Completed (VDOT)
18992	Battlefield Parkway	RSTP	Y		\$73,117.00	89890	Rte 15 Bypass/Edwards Ferry Rd Interchange	Y	FY '16			JSV	

TOTAL OF TRANSFER \$73,117.00

Attach Signed Request of Transfer Letter



NVTA FY2014-17 Program Project Status

Upcoming Public Information Meetings:

Arlington County: Pentagon City Multimodal Connections and Transitway Extension (FY2018-2023 SYP) – An Open House is scheduled for Thursday, November 8, 2018 from 6:30 pm to 8 pm at the Crystal City Shops Crystal City Community Room, 2100 Crystal Drive, Arlington, VA 22202

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
Arlington County	Boundary Channel Drive Interchange – Constructs two roundabouts at the terminus of the ramps from I-395 to Boundary Channel Drive, which eliminate redundant traffic ramps to/from I-395. In addition, the project will create multi-modal connections (new trail connection to the Mt. Vernon trail) to/from the District of Columbia that will promote alternate modes of commuting into and out of the District.	\$4,335,000 (FY2014)	Construction	Planning and design underway (awaiting IMR approval from FHWA); construction of the interchange begins in Fiscal Year 2020. Working with VDOT to transfer PE/ROW/CN phases from County to VDOT. Long Bridge Drive was complete on June 28, 2018 and is in closeout.	Long Bridge Drive was completed in June 2018 and interchange is expected by end of Calendar year 2022	Mid-2020	49.9%
Arlington County	Columbia Pike Multimodal Improvement – Includes a modified street cross-section with reconfigured travel and transit lanes, medians and left-turn lanes, utility undergrounding and other upgrades along Arlington's 3.5 mile Columbia Pike corridor from the Fairfax County line on the west end to Four Mile Run.	\$12,000,000 (FY2014)	Construction	Streetscape and Undergrounding plan approval received in May 2017. Washington Gas relocations to be completed by Fall 2018. The undergrounding and streetscape improvement have commenced with NTP of 2/20/18. Watermain installation work nearing completion, testing of watermain underway. Sanitary sewer work and storm sewer work ongoing. Utility duct banks installation ongoing on the western end of this segment. Redesigning of dry utilities on the eastern end of this segment due to existing utility conflicts.	Spring 2021	Fall 2020	10.1%
Arlington County	Columbia Pike Multimodal Street Improvements (East End) – Includes a modified street cross- section along the eastern portion of Arlington's 3.5 mile Columbia Pike corridor. Specific works includes realignment of road including shifting the roadway south of its existing location,	\$10,000,000 (FY2015-16)	Engineering Construction	Segment A (East End) has been split into two sections. First section is Orme to Oak (West) and the second is Oak to Joyce Street (East). Right-of-Way acquisition underway, but must be completed prior to final plan approval and construction. Pursuing required easements.	Western Half – Fall 2021; Eastern Half – projected Spring 2022 (depending on negotiations)	Western Half – Fall 2021; Eastern Half – projected Spring 2022 (depending on negotiations)	9.5%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	eliminating the s-curves, utility undergrounding and enhancing pedestrian facilities			Finalizing Dominion Electric relocations. Design approval is expected in late 2018. Segment A East is subject to negotiations with Arlington National Cemetery. Completed review of draft Environmental Assessment (EA) with comments sent to U.S. Army Corps of Engineers on 9/21/18. Continuing discussions with ANC based on EA comments.			
Arlington County	Crystal City Multimodal Center – Provides four additional saw-tooth bus bays for commuter and local bus services, seating, dynamic information signage, lighting, additional bicycle parking, curbside management plan for parking, kiss and ride, and shuttles, and pedestrian safety improvements along 18th Street South between South Bell Street and South Eads Streets.	\$1,500,000 (FY2014)	Construction	Ribbon cutting occurred on May 18, 2017. Remaining funds being used to implement the real-time information signage installation. Staff determined type and location of sign. Property easement is being finalized. Power source being identified. Installation is expected by Spring 2019.	Closed construction contract and released retainage by late April 2018. Signage phase to be completed by Spring 2019.	Signage phase to be completed by Spring 2019.	88.4%
Arlington County	Ballston-MU Metrorail Station West Entrance – Constructs a second entrance to the Ballston- MU Metrorail Station, at North Fairfax Drive and North Vermont Street. Includes two street-level elevators & escalators, connecting to an underground passageway & new mezzanine. It will have fare gates, fare vending machines and an attended kiosk. Provides direct access, relieves congestion at the	\$12,000,000 (FY2015-16)	Design	Design work is expected to run two years starting in Winter 2019. County and WMATA staff have reinitiated coordination on the project. WMATA is reviewing the 2006 30% design plans and preparing an estimated level of support for the project. County staff is drafting the project coordination agreement, design support agreement, and project implementation plan. Project is tied to redevelopment plan of	Start of construction in Spring 2021	Fall 2020	0.3%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
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	current entrance and provides for more even distribution along the platform			adjacent private property.			
Arlington County	Glebe Road Corridor Intelligent Transportation System Improvements – Design and construction of Intelligent Transportation System (ITS) and Adaptive Traffic Control System, including hardware and software for real time traffic data collection, Forward Looking Infra Red (FLIR) traffic detection, 3D pedestrian and bike detection, interactive audible ADA accessible pedestrian crossings, CCTVs, backup power supply information systems, queue detections, and dynamic message signs.	\$2,000,000 (FY2015-16)	Engineering Construction	Task 1 – On Site Support - Engineer has been procured for this project. Task 2 – Chain Bridge ITS upgrades – 100% design submitted to VDOT. Task 3 – Chain Bridge Fiber communication – In construction phase. 80% completed. Task 4 – ITS Equipment Installations – Equipment procured. 50% completed. Task 5 – TSP equipment installation – Waiting on contract to procure TSP equipment.	Task 2 – Summer 2019 Task 3 - Nov 2018 Task 4 – Nov 2018 Task 5 – Fall 2018	Task 2 – Summer 2019 Task 3 - Nov 2018 Task 4 – Nov 2018 Task 5 – Fall 2018	20.9%
Arlington County	Lee highway Corridor ITS Enhancements – The project proposes to address congestion, safety, and transit issues by installing an Intelligent Transportation System (ITS) and corresponding Adaptive Traffic Control System program, to better manage traffic flow for both automobiles and buses. The project will install additional Bluetooth devices, count stations, CCTV cameras, and Forward Looking Infrared (FLIR) detectors in order to monitor traffic flow and safety of all modes. At the interchange of Lee Highway and I- 66, the project will upgrade two signals,	\$3,000,000 (FY2017)	Design, PE, ROW, Construction	Task 1 – Lee Hwy / Adams – 90% design completed Task 2 – Lee Hwy / Danville - 90% design completed Task 3 – Lee Hwy / Spout Run - 30% design completed Task 4 - Lee Hwy / Old Dom. - 30% design completed Task 5 – Lee Hwy/Culpepper - 30% design completed Task 6 – ITS Equipment installation – Field survey completed. Equipment procurement in process.	June 2020	June 2020	5.4%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
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	providing a better-timed connection between I-66 and Lee Highway. The project will also upgrade existing mast arm signals and add or improve existing streetlights along Lee Highway.						
Arlington County	Crystal City Streets: 12 th Street Transitway, Clark/Bell Realignment & Intersection Improvements – The goal is to streamline the existing road network, make movements for all modes of transportation more efficient, create new connections to the street grid network, and to construct an extension of the Crystal City-Potomac Yard (CCPY) Transitway. It includes reconfiguring the street between South Eads Street and South Clark Street to provide exclusive transit lanes, reconfigure and realign a segment of Clark Street with Bell Street, and the intersection improvements around 23rd Street South and US-1 will simplify the design of three closely-spaced intersections that are confusing and inefficient for all modes.	\$11,600,000 (FY2017)	Design, PE, ROW, Construction	12 th Street design plans are at 30%. The County has decided to combine this phase of the project with the larger CCPY extension project to Pentagon City Metro. County engineers will bring that phase to 30% and then complete overall design concurrently. This phase is currently on hold pending further traffic studies to accommodate the Transitway extension. 23 rd street has been split into 2 phases. The segment between US1 and Eads will be completed in Phase 1. Design has been expanded to include improvements on the south side of this segment in Phase 1. Design and construction are scheduled to be completed by Spring/Summer 2019. The new Phase 2 will include the reconfiguration of US1 interchange and adjacent pedestrian facilities as well as the section of 23 rd Street from Eads to Crystal Drive. This project will be designed in coordination with an adjacent private sector development. Discussions have begun with that developer and design may begin by February 2019.	June 2020	June 2020	12%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
				Phase 2 will also include the closing of the existing pedestrian tunnel under US1 and removal of all above-ground structures Clark/Bell Realignment has completed 30% design. The remaining design work may be done by a consultant or in-house. That decision will be made in the upcoming weeks. The design is scheduled to be completed by the end of 2019.			
Fairfax County	Innovation Metrorail Station – Construction of the Silver Line Phase II extension of the rail system from Washington DC, to and beyond the Dulles International Airport. This multimodal facility will include bus bays, bicycle parking, kiss-and-ride and taxi waiting areas, as well as pedestrian bridges and station entrances from both the north and south sides of the Dulles Airport Access Highway/Dulles Toll Road.	\$41,000,000 (FY2014)	Design, Construction	Pedestrian bridges are complete. The County has awarded the contract for construction and work is expected on the kiss and ride, bike facilities and taxi waiting areas. The bus bays have been completed on the south side.	Spring 2019	Spring 2019	92%
	Innovation Metrorail Station (Continuation) - Construction of the Silver Line Phase II extension of the rail system from Washington DC, to and beyond the Dulles International Airport. This multimodal facility will include bus bays, bicycle parking, kiss-and-ride and taxi waiting areas, as well as pedestrian bridges and station entrances from both the north and south sides of the Dulles Airport Access Highway/Dulles Toll	\$28,000,000 (FY2015-16)	Construction	Pedestrian bridge is complete. The County has awarded the contract for construction and work is expected on the kiss and ride, bike facilities and taxi waiting areas. The bus bays have been completed on the south side.	Spring 2019	Spring 2019	99.4%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	Road.						
Fairfax County UPC 108720	VA Route 28 Widening – Prince William County Line to Route 29 - Widen from 4 to 6 lanes including intersection improvements and pedestrian/bicycle facilities.	\$5,000,000 (FY2015-16)	PE and Environment al Study	Based on scope change due to May 2018 FCDOT reduction in requested NVTA funding, project design and traffic studies will be revised. Design: Approximately 20% complete. Environmental: NEPA Concurrence for revised project scope received from FHWA. VDHR on 10/23/18 provided concurrence that project would have no adverse impact on historic properties. Noise and air studies are underway and should be complete by mid November 2018. Traffic: VDOT approved existing conditions traffic report April 2018. Draft 2040 traffic model submitted to VDOT 10/18/18. Utility Designation survey completed in May 2016. Geotech: Draft Geotechnical Data Report sent to VDOT for review on 10/19/18.	2023	2019	39.2%
UPC 108720	VA Route 28 Widening – Prince William County Line to Route 29 (continuation) - Widen from 4 to 6 lanes including intersection improvements and pedestrian/bicycle facilities.	\$5,000,000 (FY2017)	PE, ROW	Continuation of the 2015-16 project.	2023	2019	0%
Fairfax County UPC 107937	Fairfax County Parkway Improvements – A Study of short and long-term corridor improvements, Environmental Assessment (EA)/ Finding of No Significant Impact (FONSI),	\$10,000,000 (FY2015-16)	Design, Environmental, PE	VDOT awarded the contract on 5/1/2017 and started working on traffic analysis and alternatives development. The overall project is about 20% complete, including obtaining survey information, developing	2023	Spring 2019	40%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	and/or Preliminary Engineering for five segments of the Parkway.			multiple design concepts (Popes Head/Shirley gate interchange, Burk Center Parkway intersection improvement, and Parkway widening), initiating Traffic data collection, Noise analysis, Environment assessment, IJR framework, TDM, public outreach programs etc. Three public information meetings were held on Sep 25, Sep 27, and Oct 3. A Design Public Hearing will likely happen in early 2019. A Design Public Hearing will likely happen in early 2019. NEPA documents will be prepared prior to the public hearing. The preliminary noise analysis is complete and VDOT is currently reviewing the report.			
Fairfax County UPC 107937	Route 286 Fairfax County Parkway Widening: Route 123 to Route 29 – Widen Route 286 from four lanes (undivided) to six lanes (divided). It also includes bike-ped amenities such as paved trail. Intersection improvement and access management will be considered in design.	\$10,000,000 (FY2017)	ROW	VDOT awarded the contract on 5/1/2017 and started working on traffic analysis and alternatives development. The overall project is about 20% complete, including obtaining survey information, developing multiple design concepts (Popes Head/Shirley gate interchange, Burk Center Parkway intersection improvement, and Parkway widening), initiating Traffic data collection, Noise analysis, Environment assessment, IJR framework, TDM, public outreach programs etc. Three public information meetings were held on Sep 25, Sep 27, and Oct 3. A Design Public	2023	Spring 2021	0%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
				Hearing will likely happen in early 2019. NEPA documents will be prepared prior to the public hearing.			
Fairfax County UPC 109814 & 5559	Rolling Road Widening – Widen Rolling Road from 2 to 4 lanes from Old Keene Mill Road (VA 644) to Franconia Springfield Pkwy (VA 289) and Fairfax County Parkway (VA 286). Project will add pedestrian and bicycle facilities.	\$5,000,000 (FY2015-16)	Design, PE, ROW	Phase 1 (interim improvements at Old Keene Mill Road and Rolling Road intersection) and Phase 2 (roadway design) design is in progress. A public hearing was held on February 27. Fairfax County Board endorsed public hearing plans on 7/31/18. Construction to begin in fall 2019 and end in fall 2020.	Phase 1: 2020 Phase 2: 2024	Fall 2018	62.5%
Fairfax County UPC 106742	Frontier Drive Extension - Extend Frontier Drive from Franconia-Springfield Parkway to Loisdale Road, including access to Franconia-Springfield Metrorail Station and interchange improvements (braided ramps) to and from the Parkway. Provide on-street parking along Frontier Drive where feasible, as well as add pedestrian and bicycle facilities.	\$2,000,000 (FY2015-16)	Design, PE	VDOT is administering this project. Design and Preliminary Engineering related efforts are underway. The IMR has received conditional approval based upon some modifications necessary to the modelling but are the subject of a supplemental submitted by the consultants for some out of scope efforts. More coordination required with WMATA. At a recent Value Engineering presentation. Fairfax County indicated conditional agreement on the VE recommendations which will result in significant redesign if adopted. Public Hearing has been postponed indefinitely.	2022-2023	Fall 2018 (Full payment made to VDOT)	100%
Fairfax County UPC 106917 (Parent UPC 52328; Asso	Route 7 Widening: Colvin Forest Drive to Jarrett Valley Drive – Widen Route 7 from four to six lanes, improve intersections, and	\$10,000,000 (FY2017)	ROW	30% plans completed. Public hearing held on 11/15/16. Official RFP was released on 11/21/17. A Working Group meeting was held on March 7,	2024	June 2020	0%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
UPC 99478)	add 10-ft shared use path on both sides with connections to local trails.			2018. Bids were opened on 3/29/18. CTB Award and NTP to the Design-Build contractor expected in July 2018. Construction is anticipated to begin in early 2019. Final project completion is expected in Summer 2024. Kick-off meeting with DB Team. Preliminary design going on. This includes aerial mapping, field surveys, utility designations, utility test pits, pipe video inspections, property title searches (240 of 280 searches complete; will proceed with ROW paperwork for ~60 properties shortly, since there are no significant impacts), traffic counts, geotech investigations, wetland delineations and setting up horizontal and vertical alignments (vertical alignment will not be set until mapping is complete; horizontal completed). This is expected to take several months. Field surveys completed by Nov. 1 st . Geotech report is expected in May 2019. Early ROW plans in Dec 2018.			
Loudoun County	Leesburg Park and Ride – Funding of land acquisition for a second Leesburg Park and Ride facility to accommodate a minimum of 300 spaces.	\$1,000,000 (FY2014)	ROW, Construction	A construction contract was awarded and a construction kick-off meeting was held on October 1, 2018 to begin construction for a 300-space park and ride lot adjacent to Bolen Park in the Town of Leesburg. Site work started on October 22, 2018	January 2020	January 2020	0%
Loudoun	Belmont Ridge Road -	\$19,500,000	Construction	Design is complete. Right of	Summer	Summer	10.5%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
County	Truro Parish Road to Croson Ln – The road will be widened from a substandard two-lane rural section to a four-lane arterial standard with the appropriate auxiliary turn lanes and signalization.	(FY2015-16)		way acquisition continues.	2021	2021	
Loudoun County UPC 97529, 105064, 105575	Loudoun County Parkway (VA Route 607) – U.S. 50 to Creighton Rd – Provides for the design, right-of-way acquisition and construction of Loudoun County Parkway from Creighton Road to U.S. Route 50. The project will be designed as a four-lane urban major collector with a divided median in a six-lane ultimate right-of-way, associated turn lanes and shared use path.	\$31,000,000 (FY2015-16)	Design, ROW, Construction	The construction of intersection at Loudoun County Parkway and Old Ox Road is complete. Additional work to design, acquire ROW, and construct a right turn lane from southbound Loudoun County Parkway to Westbound Route 50 is being initiated.	Mid 2021	Mid 2021	34.1%
Prince William County	Route 1 Widening from Featherstone Road to Marys Way – Widen Route 1 from a 4 lane undivided highway to a 6 lane divided highway. The total distance for the project will be 1.3 miles and will include the construction of a 10 foot wide multi-use trail on the west side and a five foot wide sidewalk on the east side, along the entire route.	\$3,000,000 (FY2014)	Design	Duct bank design completed and approved by VDOT Finalizing roadway project design.	April 2021	October 2018	78.5%
	Route 1 Widening from Featherstone Road to Marys Way (continuation) - Widening of Route 1 from a 4 lane undivided highway to a 6 lane divided highway. The total distance for the project will be 1.3 miles and will include the construction	\$49,400,000 (FY2015-16)	Design, ROW Acquisition, Construction	Right of Way plan approval and authorization received from VDOT for total and partial takes. There are approximately 69 parcels impacted with 11 total takes. All ROW has been acquired with the exception of 12 parcels waiting for settlement.	April 2021	April 2021	49.4%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	of a 10 foot wide multi-use trail on the west side and a five foot wide sidewalk on the east side, along the entire route.			Property Demolition has resumed and is ongoing with asbestos removal as needed. Roadway construction advertisement is anticipated for January 2019, with award in March 2019. The \$14,475,732 Duct Bank construction contract was awarded to Sagres Construction Corporation on August 7, 2018. Construction of the Duct Bank is anticipated to take one year. The pre-construction meeting was held on August 27, 2018. The duct bank construction activities are on schedule. Two buildings have been demolished. Demolition of structures continues and removal of tanks from service stations are ongoing.			
	Route 1 Widening from Featherstone Road to Marys Way (continuation) - Widening of Route 1 from a 4 lane undivided highway to a 6 lane divided highway. The total distance for the project will be 1.3 miles and will include the construction of a 10 foot wide multi-use trail on the west side and a five foot wide sidewalk on the east side, along the entire route.	\$11,000,000 (FY2017)	Construction	Continuation of the FY2014 and FY2015-16 projects above.	April 2021	April 2021	0%
Prince William County	Route 28 Widening from Linton Hall Road to Fitzwater Drive -- Widen from a 2 lane undivided roadway to a 4 lane divided highway. Project includes the construction of a multi-use trail on the south side	\$28,000,000 (FY2014)	Engineering, ROW Acquisition, Construction	ROW acquisition and utility relocations are complete. On October, 2018, the contractor completed the southbound lanes to final configuration and traffic shift. Northbound lane construction is ongoing. Footer for Abutment A & B	October 2019	October 2019	54.7%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	and a sidewalk on the north side.			have been completed on the northbound bridge.			
Prince William County	Route 28 Widening from Route 234 Bypass to Linton Hall Road - Widen approximately 1.5 miles of Route 28 from a 4 lane undivided highway to a 6 lane divided highway, which will include a multi-use trail and sidewalk.	\$16,700,000 (FY2015-16)	Design, ROW Acquisition, Construction	Project was bid as an unsolicited PPTA (Public-Private Transportation Act) proposal. The construction contract was awarded on March 6, 2018 to Shirley Contracting, LLC. The QA/QC plan was approved in April 2018. Design activities are ongoing. Negotiating with area developer that may be working in the area simultaneously to reduce impacts and duplication. Design activities are ongoing. Final bridge typical section design is being coordinated with VDOT to include a multi-use trail.	Summer 2021	Design March 2018 thru summer 2019. Construction to begin summer 2019.	10.4%
	Route 28 Widening from Route 234 Bypass to Linton Hall Road (continuation) - Widen approximately 1.5 miles of Route 28 from a 4 lane undivided highway to a 6 lane divided highway, which will include a multi-use trail and sidewalk.	\$10,000,000 (FY2017)	Construction	Continuation of the FY2015-16 project above.	Summer 2021	Design March 2018 thru summer 2019. Construction to begin summer 2019.	0%
City of Manassas/Prince William County	Route 28 (Manassas Bypass) Study – Godwin Drive Extended - This study will evaluate the scope, cost, environmental, traffic forecasts, alternative alignments and feasibility factors required to gain approval for Route 28 corridor congestion improvements between the City of Manassas and Fairfax County.	\$2,500,000 (FY2015-16)	Engineering Study	NEPA process began in Spring 2018, with an approximate 21 to 36-month timeline. A new task order with Parsons Transportation Group was finalized in April 2018. Additional funds have been approved as part of the NVTA SYP. VDOT provided a signed concurrence letter from FHWA indicating that the study can move forward as an EA on July 26, 2018.	Location study (phase 1 of the overall study) completed in November 2017. NEPA (phase 2) to be	Location study (phase 1 of the overall study) completed in November 2017. NEPA (phase 2) to be completed by spring 2021.	37.9%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
				Preliminary data collection is completed. The technical report is being finalized. Public Information Meetings are scheduled for December 5 th (in Prince William County) and December 6 th (in Fairfax County). Locations are being finalized.	completed by spring 2021.		
City of Alexandria	Potomac Yard Metrorail Station EIS – This project supports ongoing design and environmental activities associated with the development of a new Blue/Yellow Line Metrorail station at Potomac Yard, located between the existing Ronald Reagan Washington National Airport Station and Braddock Road Station.	\$2,000,000 (FY2014)	Design Environmental	Project phase completed and final reimbursement submitted 04/23/2018.	EIS Phase is complete	EIS Phase is completed. Project completion form accepted by NVTA	100%
	Potomac Yard Metrorail Station (continuation) - Planning, design, and construction of a new Metrorail station and ancillary facilities at Potomac Yard along the existing Metrorail Blue and Yellow lines between the Ronald Reagan Washington National Airport Station and the Braddock Road Station.	\$1,500,000 (FY2015-16)	Planning, PE, Design	Project phase completed and final reimbursement submitted as of 08/08/2018.	Planning phase is complete	Completed in September 2018. Project close out form submitted on 10/1/2018.	100%
	Potomac Yard Metrorail Station (continuation) - Planning, design, and construction of a new Metrorail station and ancillary facilities at Potomac Yard along the existing Metrorail Blue and Yellow lines between the Ronald Reagan Washington National Airport Station and the Braddock	\$66,000,000 (FY2017)	Design, PE, Construction (Design-Build)	WMATA awarded the contract on September 10, 2018 to the Potomac Yard Constructors JV for design and construction of the project. Notice to Proceed was issued 9/24/2018. The City has conducted several public meetings to present the design of the station access to the public. The	Project completion is currently scheduled for Winter/Spring 2022	Phase will be completed in 2022.	0%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	Road Station.			City in conjunction with the contractor and WMATA continue to advance the project design. Additional public meetings will be held in November and December.			
City of Alexandria	Shelters and Real Time Transit Information for DASH/WMATA – Constructs bus shelters and provides associated amenities such as real time information at high ridership stops.	\$450,000 (FY2014)	Asset Acquisition, Construction	Since January 2017, 19 shelters have been constructed and opened to the public. Final NVTA reimbursement prepared and being submitted to NVTA.	Summer 2018	Summer 2018	84.1%
City of Alexandria	Traffic Signal Upgrades/Transit Signal Priority – Includes design of transit priority systems on Route 1 and Duke Street, and purchase of equipment and software to install transit signal priority and upgrade traffic signals on Route 1.	\$660,000 (FY2014)	Design, Asset Acquisition	The construction contract was awarded to R.E. Lee and the Notice to proceed was issued. The equipment submittals have been provided and approved. The contractor has ordered the equipment and equipment installation is expected to begin in November.	Winter 2019	Fall 2018	12.1%
City of Alexandria	Duke Street Transit Signal Priority - Includes design, install and implementation of a transit vehicle signal priority system (on board system on DASH and field equipment along the route) on Duke Street.	\$190,000 (FY2015-16)	Construction	The construction contract was awarded to R.E. Lee and the Notice to proceed was issued. The equipment submittals have been provided and approved. The contractor has ordered the equipment and equipment installation is expected to begin in November.	Winter 2019	Fall 2018	31.6%
City of Alexandria	West End Transitway (WET) - Will provide frequent, reliable transit service connecting major activities. The WET will connect to two metro stations (Van Dorn, Pentagon), major employment centers (Pentagon, Mark Center), and major transit nodes (Landmark Mall, Southern	\$2,400,000 (FY2015-16)	Design, Construction	The project has been revised to align with available funding in order for the City to achieve a beneficial facility sooner. The first phase will be along Van Dorn between Landmark Mall Rd and Sanger Avenue and Beauregard between Sanger Avenue and Mark Center Drive. The procurement for design services is anticipated	2023	2020	36.6%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
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	Towers, and Shirlington Transit Center).			for 3 rd Quarter of FY 2019.			
City of Fairfax	Chain Bridge Road Widening/Improvements from Route 29/50 to Eaton Place – Widen Route 123 (Chain Bridge Road) to six lanes, improves the lane alignments of the roadway approaches for the intersection of Route 29/50 (Fairfax Boulevard) at Route 123 and improves pedestrian accommodations at all legs of the intersection. Includes extensive culvert improvements to eliminate roadway flooding caused by the inadequate culvert under Route 123.	\$5,000,000 (FY2014)	ROW Acquisition, Construction	NTP for construction was issued on September 19, 2016. Detour at CBR/Route 50 ended. Punchlist items.	December 2018	December 2018	100%
	Chain Bridge Road Widening/Improvements from Route 29/50 to Eaton Place “Northfax” – Widens Route 123 (Chain Bridge Road) to 6 lanes, improves the lane alignments of the roadway approaches for the intersection of Route 29/50 (Fairfax Boulevard) at Route 123 and improves pedestrian accommodations at all legs of the intersection. Includes extensive culvert improvements to eliminate roadway flooding caused by the inadequate culvert under Route 123.	\$10,000,000 (FY2015-16)	Construction	NTP for construction was issued on September 19, 2016. Detour at CBR/Route 50 ended. Punchlist items.	December 2018	December 2018	70.5%
City of Fairfax	Kamp Washington Intersection Improvements – Eliminates the existing substandard lane shift between Route 50 and Route 236 through the intersection;	\$1,000,000 (FY2015-16)	Construction	Construction began in December 2015. Project is substantially complete. Working on punch list items.	Fall 2018	Fall 2018	100%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	signalization phasing improvements; construction of an additional southbound lane on U.S 29 from the Kamp Washington (50/29/236) intersection to the existing third southbound lane; extension of the westbound through lanes on VA 236 (Main Street) from Chestnut Street to Hallman Street; lengthening of turn lanes to provide additional storage for turning vehicles from Route 50 to Route 50/29 and Route 236 to Route 29; new crosswalks, curb ramps, sidewalks and pedestrian signalization; and replacement of span-wire signals with mast arm signals.						
City of Falls Church	Pedestrian Access to Transit – Includes the provision of enhanced pedestrian connections to the Intermodal Plaza being designed for the intersection of South Washington Street and Hillwood Avenue. The Intermodal Plaza will serve as a focal point for bus transportation in the area when completed.	\$700,000 (FY2014)	Engineering, Environmental, Construction	100% design completed. Currently in ROW phase with 8 out of 12 easements completed. Utility undergrounding contract award made to Sagres Construction Corp on June 28, 2017. Notice to Proceed issued on September 11, 2017, and currently under construction. Closed out construction.	Complete in August 2018	Complete in August 2018	100%
City of Manassas	Route 28 Widening South to City Limits – Includes widening Route 28 from 4 lanes to 6 lanes from Godwin Drive in Manassas City to the southern city/Prince William County limits. This project also adds a dual left turn lane on north bound Route 28 to serve Godwin Drive. The	\$3,294,000 (FY2015-16)	Engineering, ROW Acquisition, Construction	PE phase is ongoing. PE plans at 90%. Obtained CTB approval for "Limited Access Control Change." Right of Way acquisition and utility relocation coordination continues. Project advertising expected in spring 2019.	October 2019	October 2019	0.4%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	project eliminates a merge/weave problem that occurs as travelers exit the 234 bypass and attempt to cross 2 lanes to access Godwin Drive. Signalization improvements are included.						
Town of Dumfries UPC 90339	Widen Route 1 (Fraleley Boulevard) Brady's Hill Road to Route 234 (Dumfries Road) - This project will complete the Northern segment of a Prince William County funded project (VDOT's Route 1 / Route 619) and will allow local traffic to travel to and from Quantico / Stafford to the Route 234 interchange and communities along the Route 1 corridor. This project will bring northbound and southbound Route 1 onto the same alignment by widening Route 1 NB from 2 lanes to 6 lanes, with a wide curb lane for on-road bicycle use and a sidewalk and multi-use trail for pedestrians and other modes. It includes replacing the bridge over Quantico Creek.	\$6,900,000 (FY2015-16)	Engineering	The project had a PFI stage milestone meeting on 9/13/2017. The design team has addressed the PFI comments. Environmental Document is complete. Resolution of Design Support was received by the Town. Value Engineering has been approved in July 2018. A design Public Hearing was held on Thursday October 18, 2018. Design approval is scheduled for spring of 2019. ROW is expected to begin in July 2019.	FY2025	FY2023	10.2%
Town of Herndon	Intersection Improvements (Herndon Parkway/Sterling Road) – Street capacity improvements for congestion relief. Project includes ROW acquisition and construction to build a sidewalk on the north side of Sterling Road between Herndon Parkway and the town limits.	\$500,000 (FY2014)	Final Engineering, ROW Acquisition, Construction	Sidewalk construction on Sterling Rd west of Herndon Pkwy is complete and close-out pending	Highway capacity improvements completed November 2014.	Complete in June 2018	40.1%
Town of Herndon	Intersection Improvements (Herndon	\$500,000 (FY2014)	Construction	Design is at 80% complete. Land acquisition and utility	Expected in 2020, prior	Spring 2020	0%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	Parkway/Van Buren Street – Street capacity improvements for congestion relief. Project includes sidewalk/trail connectivity to Herndon Metrorail.			underground/relocation to occur during early 2019.	to the opening of Dulles Metrorail Phase II.		
Town of Herndon	Access Improvements (Silver Line Phase II – Herndon Metrorail Station) – Provides additional vehicle and bus pull-off bays and major intersection improvements to include ADA accessible streetscape, paver crosswalks, bike-pedestrian signalization, refuge media islands and bus shelter/transit facilities.	\$1,100,000 (FY2014)	Engineering, ROW Acquisition, Construction	Currently in ROW phase. Construction expected to start in early 2020.	Expected in 2020, to be coordinated with the opening of Dulles Metrorail Phase II.	Winter 2020	0%
Town of Herndon UPC 50100	East Elden Street Improvement & Widening - Widen and reconstruct East Elden Street from 4 to 6 lanes with a raised landscaped median between Fairfax County Parkway and Herndon Parkway; continue as a 4-lane section with a raised landscaped median and dedicated turning lanes between Herndon Parkway and Van Buren Street; transition to a 2-lane section with left-turn lanes between Van Buren and Monroe Street. The project will be ADA accessible to include pedestrian/audio signalization, crosswalk enhancements and bus stop improvements at select major intersections as well as proposed bike lanes along the length of the project.	\$10,400,000 (FY2015-16)	ROW, Utilities	Right of way acquisition/street dedication in 2018-2019. Construction advertisement to occur in 2022. VDOT and consultant continue work on Field Inspection / Right of Way plans. VDOT is conducting Utility Field Inspection (UFI) to coordinate the latest PE plans with utility companies.	2024	TBD after contract award	0%
Town of	Edwards Ferry Road and	\$1,000,000	Design	Interchange Justification	Design	Design	100%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
Leesburg UPC 89890	Route 15 Leesburg Bypass Grade Separated Interchange (Continuation) - The project consists of development of a new grade-separated interchange on Edwards Ferry Road at the Route 15 Leesburg Bypass. The existing signalized at-grade intersection at this location is heavily congested.	(FY2015-16)		Report Traffic Framework document was approved on 7/14/16. Public Involvement Meeting was held on March 2 where three alternative proposals were presented. The town endorsed Alternative B on 5/9/17. Preliminary Field Inspection meeting held on 8/9/17. Draft CE has been prepared and has been approved by Federal Highway in April 2018. Public Hearing was held in May 2018. Value Engineering recommendations as well as IJR currently under review with Central Office. PH Transcript and Design Approval request also currently under review at the District.	approval expected in Fall 2018.	approval expected in Fall 2018. (Full payment made to VDOT)	
Town of Leesburg UPC 106573	Route 7 East Market Street and Battlefield Parkway Interchange - Improve safety and pedestrian/vehicle flow by building a grade-separated interchange which will allow Route 7 to become a limited-access freeway through the Town of Leesburg	\$13,000,000 (FY2015-16)	Design	On June 27, 2017, the Leesburg Town Council endorsed Alternate 4 (Single Point Urban Interchange-SPUI), Right in/Right out with an acceleration lane at Cardinal Park Drive and Design Build delivery method. The NEPA document (CE) is under way. Public Hearing held Mar 7, 2018. The NEPA document (CE) approved by FHWA on June 8, 2018. Request for D-B Proposal (RFP) and conceptual plans released on June 18, 2018. RFP process continues. Alternate Technical Concepts (ATCs)/proprietary meetings held and ATC under review. Technical proposals due on November 27, 2018 and Price Proposals due on	November 2021	November 2019	30.8%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
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				December 12, 2018.			
	Route 7 East Market Street and Battlefield Parkway Interchange (continuation) - Improve safety and pedestrian/vehicle flow by building a grade-separated interchange which will allow Route 7 to become a limited-access freeway through the Town of Leesburg.	\$20,000,000 (FY2017)	Construction	Continuation of the FY2015-16 project above.	November 2021	Begin construction on 2020	0%
Potomac and Rappahannock Transportation Commission	Western Maintenance Facility – New facility will alleviate overcrowding at PRTC’s Transit Center (which was designed to accommodate 100 buses, but is currently home to over 166 buses) and to permit service expansion as envisioned and adopted in PRTC’s long range plan.	\$16,500,000 (FY2015-16)	Construction Testing Inspection Oversight	Building Permit was approved by Prince William County on 2/5/2016. Building Permit has been extended indefinitely. Because of two years of delay in order to be able to use the NVTA (Financial Close for I-66 has taken place), additional funding has been requested to cover increase in construction costs. PRTC was awarded \$11M in Concessionaire payment funds. Still awaiting project agreements from DRPT. Bid packages were issued July 16, with bids being due August 16, 2018. Clark Construction is working with the bidders to evaluate prices. On average bids increased by 25% from 3 years ago with copper and steel increasing by 40%. May have to cut some items in order to stay within budget. Start of construction expected in fall of 2018. Seeking Commission authorization to amend Clark’s contract to include GMP (Guaranteed Maximum Price) for construction. Waiting for DRPT agreement for the Concession Payment – NTP	late Spring 2020	December 2019	0%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
				may have to be delayed if agreement isn't completed by end of month as we'll be unable to sign contract with Clark.			
Virginia Railway Express	Alexandria Station Tunnel – Includes a pedestrian tunnel connection between Alexandria Union Station/ VRE Station and the King Street Metrorail Station, as well as the improvement of the VRE station east side platform to enable it to service trains on both sides.	\$1,300,000 (FY2014)	Construction	The concept of the tunnel project is being reconsidered due to projected cost increases.	TBD	TBD	0%
Virginia Railway Express	Gainesville to Haymarket Extension/ Broad Run Expansion – Corridor study and preliminary engineering development of an 11-mile VRE extension from Manassas to Gainesville-Haymarket.	\$1,500,000 (FY2014)	Planning, Project Development, Conceptual Design	Phase I, planning and alternatives analyses, complete. Phase II, NEPA/PE, is underway. Preliminary engineering/30% design for expansion of the VRE Broad Run Station and Maintenance and Storage Facility (MSF) site, the selected VRE Manassas Line expansion option, is underway. NEPA effects assessment is underway. The Project Development phase including NEPA/PE will be complete in early 2019. Project completion is anticipated in December 2022. Open House held on Sep 26.	2022	2019	50.8%
Virginia Railway Express	Lorton Station Second Platform – Includes final design and construction of a 650 foot second platform at the VRE Lorton Station in Fairfax County to accommodate trains up to 8 cars in length.	\$7,900,000 (FY2014)	Final Design, Construction	Currently in the project development phase. Preliminary engineering/30% design plans and NEPA documents are currently under review by CSXT. Once design review comments are received, the PE plans and environmental documents will be revised	2021	2021	0%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
				and the project development phase completed. A task order for final design services utilizing a General Engineering Consultant has been prepared with an anticipated start by 3Q FY2019. It is anticipated that Construction will start in 3Q FY2020 and be complete by 4Q FY2021.			
Virginia Railway Express	Manassas Park Station Parking Expansion - Planning and engineering investigations to expand parking and pedestrian connections at the VRE Manassas Park station	\$500,000 (FY2015-16)	Planning & Engineering Studies	Alternatives analysis and planning and Preliminary Engineering/30% design complete. A zoning waiver was approved by the Planning Commission and Governing Body for the project. All work associated with FY15/16 funding is complete.	Completed in Spring 2018	Completed in Spring 2018	48.4%
	Manassas Park Station Parking Expansion (continuation) - Planning and engineering investigations to expand parking and pedestrian connections at the VRE Manassas Park station.	\$2,000,000 (FY2017)	Design, PE, Environmental	Continuation of the FY2015-16 project. Value Engineering (VE) Study was completed and final design scope of work under development incorporating VE Study findings. Final Design will include Procurement Support and Limited Construction Administration Services.	2022	2020	0%
Virginia Railway Express	Franconia-Springfield Platform Expansion - Design and construction to extend the existing north-side (Metro station side) platform by up to 700 feet to allow the north-side platform at the station to be usable by full length VRE trains. It also includes design and construction of modifications to the south-side platform at the station.	\$13,000,000 (FY2015-16)	Design, Construction	The project is currently in the project development phase. Preliminary engineering/30% design plans and environmental documents are currently under review by CSXT. Once design review comments are received, the PE plans and environmental documents will be revised and the project development phase completed. A task order for	2021	2021	0%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
				final design services utilizing a General Engineering Consultant has been prepared with an anticipated start by 3Q FY2019. It is anticipated that Construction will start in 1Q FY2020 and be complete by 4Q FY2021.			
Virginia Railway Express	Rippon Station Expansion and Second Platform - Includes NEPA, design and construction to modify the existing platform and add a second platform at the station to service trains up to 8 cars long. An elevator will also be constructed to get passengers to the new platform.	\$10,000,000 (FY2015-16)	NEPA, Design, Construction	The project is currently in the project development phase. Draft preliminary engineering/30% design plans and NEPA documents are complete for review by CSXT, pending a final design review agreement. Final Design services are anticipated to be completed by 4Q FY2020 with construction completed by 4Q FY2022.	2022	2022	0%
Virginia Railway Express	Slaters Lane Crossover - Includes the design and construction of a rail crossover and related signal equipment near Slaters Lane, north of the VRE Alexandria station. It will enable trains to move between all 3 tracks and makes the east side (Metro side) platform at the VRE Alexandria station usable from both sides.	\$7,000,000 (FY2015-16)	Design, Construction	Final design and Construction Agreement/Force Account Agreement between CSXT and VRE complete. Construction schedule pending availability of CSXT construction forces.	TBD	TBD	1.3%
Virginia Railway Express	Crystal City Platform Extension Study - Includes planning and engineering investigations to evaluate the options for expansion of the VRE Crystal City station that will alleviate existing crowding, improve multimodal connections, and accommodate future service expansion and bi-directional	\$400,000 (FY2015-16)	Planning Engineering Studies	Concept Design is complete. Open house held in June 2018. Comment period ended July 1, 2018. Responses are being developed. Briefings to Arlington County Transportation Commission and Board occurred in Sept 2018. This NVTA-funded phase will be complete in Sept 2018.	2023	September 2018. Final invoice is being prepared.	51.2%

Jurisdiction/ Agency	Project Description	NVTA Funds	Phase(s) Funded	Status	Completion (Project)	Completion (NVTA funded Phases)	Percentage Reimbursed as of 9/30/18
	service. The project includes development of a NEPA checklist.						
Washington Metropolitan Area Transit Authority	8-Car Traction Upgrades – Begins the process of upgrading traction power along the Orange Line by incrementally improving the power system to increase power supply capacity to support the future expanded use of eight car trains.	\$4,978,685 (FY2014)	Construction Contract Admin.	Installation of the traction power gear began June 11, 2017 at K06TB2 Greenwich Street. K06TB2 was cutover back on-line July 28, 2017 and punch list items completed by September. The second location at K07TB2 was cutover back on-line on August 21, 2017 and punch list items completed in October. NVTA funded phases are 100% complete and contract close out is currently in progress.	Projected Contract Close- out Nov. 2018	Nov 2018	29.8%
Washington Metropolitan Area Transit Authority	Blue Line 8-Car Traction Upgrades – Begins the process of upgrading traction power along the Blue Line by incrementally improving the power system to increase power supply capacity to support the future expanded use of eight car trains.	\$17,443,951 (FY2017)	Engineering, Construction, Contract Admin.	Invitation for Bid (IFB) was released on September 6, 2017. Notice to Proceed was issued to the Contractor April 20, 2018. Contractor site surveys have been completed and shop drawing/submittal approvals are ongoing. Tie breaker and Traction Power Substation manufacturing are ongoing. Due to manufacturing lead times installation is estimated to commence February 2019.	Project Contract Close-out estimated December 2021	December 2021	0%

Correspondence



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION

4975 Alliance Drive
Fairfax, VA 22030

Stephen C. Brich, P.E.
COMMISSIONER

October 16, 2018

Dear Regional Planning Partner:

Subject: 2018 Fall Transportation Meetings

The Commonwealth Transportation Board will conduct nine public meetings across the state beginning in October 2018 to give stakeholders the opportunity to review and provide comments on transportation projects and priorities. Specifically, information will be provided on projects and strategies submitted for consideration through the SMART SCALE prioritization process. I will co-host this meeting with our local CTB representative(s) and Secretary of Transportation, Shannon Valentine.

This year's meetings will consist of an Open House format beginning at 5:30 p.m. where attendees can review and provide feedback on the projects and strategies submitted for consideration for both the High-Priority Projects Program and the Construction District Grant Program during SMART SCALE application phase. Following the Open House, an opportunity to engage with the Secretary will be provided for the public and transportation stakeholders. Meeting materials will be available on the web at <http://www.ctb.virginia.gov/planning/fallmeetings/> starting October 15, 2018. The Fall Transportation Meeting Schedule is attached.

I encourage you to come and speak with our transportation agency representatives. If you cannot attend the meetings, you may send your comments to Infrastructure Investment Director at 1401 E. Broad Street, Richmond, VA 23219 or e-mail them to Six-YearProgram@vdot.virginia.gov by December 13, 2018. Comments on rail and public transportation may be sent to DRPT Public Information Officer at 600 East Main Street, Suite 2102, Richmond, VA 23219 or e-mail them to drptpr@drpt.virginia.gov.

I truly appreciate your attendance at this session. If you have any questions prior to the meeting, please contact Maria Sinner at (703) 259-2342.

Sincerely,

A handwritten signature in blue ink that reads 'Helen Cuervo'.

Helen Cuervo, P.E.
Northern Virginia District Engineer



Public Meetings

Fall Transportation Meetings

You are invited to participate in public meetings held by the Commonwealth Transportation Board. The meetings will begin with an open house followed by a public comment period. At the open house you can learn about various transportation initiatives, as well as Virginia's project prioritization process (SMART SCALE), Virginia's Statewide Transportation Improvement Program, and the MTrans Multimodal Transportation Plan. Representatives from the Office of Intermodal Planning and Investment and Departments of Transportation and Rail and Public Transportation will be in attendance to highlight their transportation programs and discuss your ideas and concerns about Virginia's transportation network. The open house will be followed by a public comment period, where you can provide comments about the various initiatives. Comments will be accepted at the meeting and may also be submitted via email or online at www.CTB.Virginia.gov.

Public Meetings* to be held at the dates, locations and times listed below:

Monday, October 15, 2018 at 4 p.m. Culpeper District Office 1601 Orange Road Culpeper, VA 22701	Wednesday, October 17, 2018* at 4 p.m. Blue Ridge Community College Plecker Center for Continuing Education One College Lane Weyers Cave, VA 24486	Monday, October 22, 2018* at 4 p.m. Southwest Higher Education Center One Partnership Circle Abingdon, VA 24210
Thursday, October 25, 2018* at 2 p.m. (Note: Start time has changed) Holiday Inn - Valley View 3315 Ordway Drive NW Roanoke, VA 24017	Tuesday, November 13, 2018 at 4 p.m. Hampton Roads District Office 7511 Burbage Drive Suffolk, VA 23435	Thursday, November 15, 2018 at 4 p.m. Homewood Suites—Chester 12810 Old Stage Road Chester, VA 23836
Monday, November 19, 2018 at 4 p.m. Lynchburg District Complex Ramey Memorial Auditorium 4303 Campbell Avenue Lynchburg, VA 24501	Wednesday, November 28, 2018 at 4 p.m. Fredericksburg District Office Auditorium 86 Deacon Road Fredericksburg, VA 22405	Thursday, November 29, 2018 at 5:30 p.m. NOVA District Office Potomac Conference Room 4975 Alliance Drive Fairfax, VA 22030

*These meetings will be held in conjunction with planned I-81 Corridor Improvement Plan meetings.

Fall meeting materials will be available at <http://www.ctb.virginia.gov/planning/fallmeetings/> beginning October 15, 2018.

If you cannot attend a meeting, you may send your comments on highway projects to Infrastructure Investment Director, VDOT, 1401 E. Broad St., Richmond, Virginia 23219, or Six-YearProgram@VDOT.Virginia.gov.

You may send comments on rail, public transportation, and transportation demand management to Public Information Officer, DRPT, 600 E. Main St., Suite 2102, Richmond, Virginia 23219, or DRPTPR@drpt.Virginia.gov.

Comments will be accepted until December 13, 2018.

The Commonwealth is committed to ensuring that no person is excluded from participation in, or denied the benefits of, its services on the basis of race, color, or national origin, as protected by Title VI of the Civil Rights Act of 1964. If you need further information on these policies or special assistance for persons with disabilities or limited English proficiency, please contact the Virginia Department of Transportation's Title VI Compliance Officer at 804-786-2730 or the Virginia Department of Rail and Public Transportation's Title VI Compliance Officer at 804-786-4440 (TTY users call 711).