

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chair Phyllis J. Randall and Members
Northern Virginia Transportation Authority

FROM: David Snyder, Chair, NVTA Finance Committee

DATE: March 5, 2026

SUBJECT: FY2027 Regional Revenue Fund Budget

1. **Purpose:** To seek the Northern Virginia Transportation Authority (NVTA) adoption of the proposed FY2027 Regional Revenue Fund Budget as recommended by the Finance Committee.
2. **Suggested Motion:** *I move the Authority adoption of the proposed FY2027 Regional Revenue Fund Budget, as presented.*
3. **Background:** The Regional Revenue Fund Budget is the source for transportation project funding by the Authority. The budget details are contained in an attached report with indexing in the Notes column to this staff report.
 - A. **Revenue:** The Authority's four principal sources of revenue are shown at 70% of what is expected to be received. Additional revenues are:
 - I. **CoVa Interest:** This is interest earned on NVTA funds prior to their transfer to the Authority's investment and banking accounts.
 - II. **Investment Portfolio Earnings:** This is the estimated earnings (excluding unrealized gains or losses) from the Authority's internally managed investment portfolio.
 - B. **Expenditures:**
 - I. **Debt Service - Principal:** The principal payment required on the Authority's outstanding bonds.
 - II. **Debt Service - Interest:** The interest payment required on the Authority's outstanding bonds.
 - III. **Modeling License and Support:** Cost of the software licenses and hosting costs to support the Authority's computer modeling and geographic information system functions.
 - a. The proposed FY2027 budget includes the development costs for a project sponsor dashboard within the Project Information Management and Monitoring System (PIMMS).
 - b. Proposes the development of a user-specific project sponsor internal dashboard that appears immediately upon login. This feature is designed to provide project sponsors with a clear visual snapshot of key items requiring attention, such as pending reimbursements or SPA updates, while offering intuitive navigation to the modules and tools they use most.

In addition to improving workflow efficiency and responsiveness, the dashboard will help users stay on top of critical actions and track the overall status and momentum of their projects more effectively.

- c. Staff is recommending a \$250,000 budget allocation for FY2027, anticipating the need for a FY2028 allocation to complete the work. The efforts will be spread over two fiscal years.

IV. Recommended Project Appropriation Requests: Starting in September of 2025, member jurisdictions and agencies were advised monthly of the opportunity to request FY2027 project appropriations. The deadline for requests was January 31, 2026. The total requested and NVTA staff recommended project funding is for seven projects totaling \$147,200,000. The seven recommended projects are:

- a. **City of Alexandria:** Alexandria Duke Street Transitway (2020-45-2) \$75,000,000.
- b. **City of Fairfax:** Bleinheim Boulevard Multimodal Improvements. (2020-48-2) \$8,000,000.
- c. **Fairfax County:** Soap Stone Drive Extension (2020-310-1) \$15,000,000.
- d. **Fairfax County:** Seven Corners Ring Road Improvements (2022-325-1) \$4,200,000.
- e. **Prince William County:** Old Bridge Road Widening: Colby Drive to Minnieville Road (2022-327-1) \$25,000,000.
- f. **Prince William County:** Route 234 Operational Improvements (2024-345-1) \$10,000,000. Note: This is a forward appropriation from the FY2024-2029 program. Prince William County staff have determined the project timing can be accelerated.
- g. **Prince William County:** Triangle Mobility Hub and First/Last Mile Connection Improvements. (2024-347-1) \$10,000,000. Note: This is a forward appropriation from the FY2024-2029 program. Prince William County staff have determined the project timing can be accelerated.

V. Net Revenue-Restricted for the FY2020-FY2027 Six Year Program

Commitments: This represents funding approved in the FY2020/25 and FY2022/27 Six Year programs for which appropriations have not been requested. These are considered restricted funds which can only be used for those Authority approved projects. The restriction on those funds remains unless the Authority were to take additional action.

VI. Transfer Out to Operating Fund: Transfer from the Regional Revenue Fund to support the Authority's FY2027 Operating Budget, as permitted in the Code of Virginia, and in lieu of jurisdictions paying on a per capita basis.

VII. Restricted Fund Balance - Carryforward to Six Year Program Update: When available, these funds represent projected positive revenue variances and investment portfolio income, which is used in future PayGo determinations for updates to the Six Year Program.

- VIII. Working Capital Reserve:** This is a NVTAs policy required, and credit rating agency monitored reserve to insulate project and operational funding from variances and disruptions in revenues.
- IX. Debt Service Reserve:** This reserve is required by the Authority's bond covenants.

Attachment: Proposed FY2027 Regional Revenue Fund Budget (70%)

**Northern Virginia Transportation Authority
Proposed FY2027 Regional Revenue Fund Budget**

	Adopted FY2026 Budget	Proposed FY2027 Budget	Notes
Revenue 70% Regional Funds			
Sales Tax	\$ 274,731,130	\$ 282,973,064	2.A.
Interstate Operations & Enhancement Program (IOEP) Transfer	16,660,000	16,940,000	2.A.
Grantor's Tax	22,264,138	22,709,420	2.A.
Commonwealth NVTD Transfer	14,000,000	14,000,000	2.A.
CoVa Interest	733,597	825,409	2.A.I.
Bond Proceeds	-	-	
Future Financing/Future Appropriation Finance (if required)	-	-	
Investment Portfolio Earnings	70,000,000	70,000,000	2.A.II.
Total Revenue	\$ 398,388,865	\$ 407,447,893	
Expenditures			
Debt Service - Principal	\$ 3,575,000	\$ 3,755,000	2.B.I.
Debt Service - Interest	1,972,000	1,793,250	2.B.II.
Professional Services - Bond Issuance Costs			
Modeling License, PIMMS & Technical Support	397,145	298,666	2.B.III.
TransAction Update (BRT-PDP, SYP/CRRC/LTB Tech Support)	4,500,000		
Recommended Project Appropriation Requests	173,330,460	147,200,000	2.B.IV.
Total Expenditures / Six Year Program Commitments	\$ 183,774,605	\$ 153,046,916	
Net Revenue-Restricted for the FY2020-FY2027 Six Year Program Commitments	\$ 214,614,260	\$ 254,400,977	2.B.V.
Transfers & Carryforward			
Transfer Out to Operating Fund	\$ (5,391,265)	\$ (5,105,102)	2.B.VI.
Restricted Fund Balance - Carryforward to Six Year Program			
Update/FWD Appropriations	55,000,000	133,581,000	2.B.VII.
Total Available for Project Assignments Carryforward	\$ 49,608,735	\$ 128,475,898	
Cumulative Regional Revenue Reserve Balances			
Working Capital Reserve	\$ 120,000,000	\$ 120,000,000	2.B.VIII.
Debt Service Reserve (Held by Trustee)	5,551,000	5,551,000	2.B.IX.
Cumulative Reserve Balances	\$ 125,551,000	\$ 125,551,000	

*Adopted on 3/12/2026