



Northern Virginia Transportation Authority

The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE

Thursday, September 8, 2022 – 6:00 PM

3040 Williams Drive, Suite 200

Fairfax, VA 22031

Meeting to be conducted in person and live-streamed via YouTube

AGENDA

1. Call to Order/Welcome Mayor Rishell, Chair
2. Summary Minutes of the May 12, 2022 Meeting
Recommended Action: Approval of Minutes

Action Items

3. FY2023 Proposed Operating Budget Adjustment Mr. Longhi, CFO
Recommended Action: Recommend Authority Approval of Budget Adjustment
4. Policy 29 - Update for Duplicate Reimbursement Requests Mr. Longhi, CFO
Recommended Action: Recommend Authority Approval of Policy Changes

Information/Discussion Items

5. Finance Team Activity Report Mr. Longhi, CFO
6. Monthly Investment Portfolio Report Ms. Sen, Investment & Debt Manager
7. Monthly Revenue Report Mr. Longhi, CFO
8. Monthly Operating Budget Report Mr. Longhi, CFO
9. NVRTA Update (Verbal Report) Ms. Backmon, CEO

Closed Session
(If Needed)

Adjournment

10. Adjournment

Next Scheduled Meeting October 14, 2022 6:00 PM (Tentative Time)

3040 Williams Drive, Suite 200, Fairfax, Virginia



Northern Virginia Transportation Authority

The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE

Thursday, May 12, 2022 – 6:00 PM

3040 Williams Drive, Suite 200

Fairfax, VA 22031

Meeting conducted in person and live streamed via YouTube

MEETING SUMMARY

1. Call to Order/Welcome

- Mayor Rishell called the meeting to order at 6:10 PM.
- Attendees:
 - Committee Members: Mayor Rishell; Chair Randall; Council Member Snyder; Mayor Wood.
 - Staff: Monica Backmon (Chief Executive Officer); Michael Longhi (CFO); Peggy Teal (Assistant Finance Officer); Dev Priya Sen (Investment & Debt Manager); Jonathan Davis (Authority Board Secretary); Amanda Sink (Executive Assistant to CEO).
 - Council of Counsels: Daniel Robinson (Fairfax County); Robert Dickerson (Prince William County).
 - Remote: Joanna Anderson (City of Alexandria); MinhChau Corr (Arlington County).

2. Summary Minutes of the March 10, 2022, Meeting

Recommended Action: Approval [with abstentions from those who were not present]

Council Member Snyder moved approval of the minutes of the March 10, 2022, meeting; seconded by Mayor Wood. Motion abstained by Chair Randall.

Action Item

3. Revenue Projection Update

Recommended Action: Recommend Authority Adoption of Updated Revenue Projections.

- Mr. Longhi presented the FY2023 to FY2027 revenue projections included in the staff report by noting that revenues are monitored monthly with projection revisions typically made concurrent with Six Year Program updates (every two fiscal years).
- Mr. Longhi continued the discussion by noting that the revenue projections include the 30% local and 70% revenue funding and highlighted the impacts each funding source has made to the overall revenue projections.
- He further noted that the FY2023/27 revision/projections are based on:
 - Post COVID-19 pandemic recovery.
 - Inclusion of new or expanded revenues from the 2020 and 2021 General Assembly sessions.
 - Full implementation of the Grantor's Tax.
 - Multi-year inflationary pressures resulting from numerous triggers.

- Individual jurisdiction pre-pandemic, pandemic and projected endemic COVID influences on prior sales tax receipt history and projections.
 - Mr. Longhi further noted that the Revenue Projections feed into the PayGo determination in support of the current FY2020 to FY2025 Six Year Program and project funding levels for the upcoming two-year update (FY2026 and FY2027).
- Chair Randall moved the approval of the Revenue Projection Update, seconded by Mayor Wood. Motion carried unanimously.

4. Regional Revenue Funds Available for FY2026/27 Programming-PayGo

Recommended Action: Recommend Authority Adoption of Available Regional Revenue Funds for FY2026/27-PayGo

- Mr. Longhi presented the PayGo determination table which takes the gross amount of Regional Revenue funds and determines the funding projected to be available in future years to support upcoming Six Year program updates.
- He further noted that the NVTa planning staff will develop funding recommendations for the FY2022-2027 Six Year Program (SYP) to present to the Technical Advisory Committee, Planning Coordination Advisory Committee and the Planning and Programming Committee for consideration.
- Mr. Longhi continued the discussion noting that supporting the prior SYP project commitments during COVID necessitated the temporary suspension of certain prior practices through:
 - Release of Taper Funds.
 - Use of projected (unaudited) versus Audited Fund Balance.
 - Earlier use of prior Audited Fund Balance.
- He added that all the prior practices have been re-established in the preparation of the FY2026/27 PayGo recommendation.
- Mr. Longhi continued that the PayGo Estimation Analysis refines gross Regional Revenue Fund amounts to PayGo through 11 calculations. Some of these steps are based on currently known data points, and some are based on estimates extended over a six-year horizon. He noted that some of the known data points are:
 - Audited Fund Balances
 - Prior Taper Release
 - Debt Service
 - Proposed Taper Reinstatement
- Mr. Longhi further added that the PayGo Estimates includes:
 - Portfolio interest earnings (adjusted for COVID-19 and financial market turmoil)
 - Future TransAction Update costs
 - Technical support costs (Long Term Benefits, Congestion Reduction Relative to Cost (CRRC), SYP Updates) – These estimates have been reduced based on the recently adopted FY2023 Operating Budget.
 - Regional modeling and data initiatives.
 - Operating budget transfer estimates
- He further explained the factors for Risk Mitigation by explaining:

- No use of the Working Capital Reserve (WCR) of \$120 million is proposed.
 - NVTA staff can use Standard Project Agreement (SPA) Appendix B approvals to manage liquidity demands.
 - Authority credit ratings, the WCR, new revenue sources, and long project horizons provide strong fundamentals for the use of short-term financing, if required, to support project commitments.
 - Chair Randall asked Mr. Longhi if the credit rating for Authority is rated AA+. Mr. Longhi responded by acknowledging the same.
 - Council Member Snyder asked how the potential for inflation will impact the projections of the Investment Portfolio. Mr. Longhi responded that the inflationary situation favors the Fixed Income market.
- Chair Randall moved the Finance Committee recommend Authority approval of the Regional Revenue Funds Available for FY2026/27 Programming-PayGo, seconded by Mayor Wood. Motion carried unanimously.

5. Financial Statement Audit Services

Recommended Action: Recommend Authority Approval of Audit Contract Award

- Mr. Longhi highlighted that the Finance Committee, in its role as the Audit Committee, is responsible for approving the selection of an audit firm and audit plan supporting the preparation of annual audited financial statements.
- He noted that the Finance Committee provided guidance to seek a contract renewal via a contract rider with PBMares LLP. The basis for the guidance was to ensure continuity of audit services, develop routine annual duplicate payment audits, and expeditiously obtain consulting services for the potential administration of Federal funds.
- On February 10, 2022, a joint Request for Proposals (RFP) for financial auditing services were issued by Northern Virginia Transportation Commission (NVTC), Potomac and Rappahannock Transportation Commission (PRTC) and Virginia Railway Express (VRE) for a base period of three years beginning with FY2022, with options for two additional two-year periods. The RFP was issued in accordance with the Virginia Procurement Act.
 - Six proposals were received and ranked by the technical evaluation team in accordance with the guidelines specified in the RFP.
 - On April 22, 2022, VRE formalized a contract with PBMares LLP, which included a suitable rider clause.
- Mr. Longhi noted that retaining PBMares LLP as NVTA's independent auditor will allow a speedier implementation of two new initiatives approved by the Authority last month in FY2023 Operating Budget: (1) Implementation of annual duplicate reimbursement detection audits, and (2) Preparation for the Authority to become a qualified recipient of Federal Funds.
- Mr. Longhi highlighted that the two initiatives will have an expected earlier completion date of 6 to 8 months due to PBMares, LLP continuing as independent auditor.

Chair Randall moved the Finance Committee recommend Authority approval to

renew the Financial Statement Audit Service agreement with PBMares LLP for three base years, fiscal years 2022 through 2024, with options to extend for up to four additional years, in two-year increments., seconded by Mayor Wood. Motion carried unanimously.

Information/Discussion Items

6. Monthly Investment Portfolio Report

- Ms. Sen presented the Monthly Investment Portfolio Report as provided in the packet.

7. Monthly Revenue Report

- Mr. Longhi presented the Monthly Revenue Report as provided in the packet.

8. Monthly Operating Budget Report

- Mr. Longhi presented the Monthly Operating Budget Report as provided in the packet.

Adjournment

- Chair Rishell adjourned the meeting at 6:45 pm.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chair Rishell and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: September 1, 2022

SUBJECT: FY2023 Proposed Operating Budget Adjustment

1. **Purpose:** To seek the Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation for Authority authorization of an adjustment to the FY2023 Operating Budget.
2. **Suggested Motion:** *I move the Finance Committee recommend Authority authorization to advance the hiring of the Regional Transportation Planner, approved in the FY2023 Operating Budget, forward from January 2023 to September 15, 2022.*
3. **Background:**
 - a. The adopted FY2023 Operating Budget included two new positions, a Regional Transportation Modeler (effective July 1, 2022) and a Regional Transportation Planner (effective January 1, 2023).
 - b. The modeler position was filled with an internal candidate on August 15, 2022. Since an existing staff member was promoted to the position, a vacant Regional Transportation Planner position was created on the same date.
 - c. Recruitment to fill the newly vacant Regional Transportation Planner position is underway and is expected to be concluded no sooner than September 15, 2022.
 - d. Filling the newly established modeler position on August 15th, and not filling the newly vacant Regional Transportation Planner position sooner than September 15th, creates adequate unutilized budget capacity to advance the hiring of the FY2023 established Regional Transportation Planner position from January 1, 2023 to September 2022.
4. **Current Situation:**
 - a. Advancing the FY2023 budget authorization to hire the newly established Regional Transportation Planner will provide several efficiencies:
 - i. Reduced staff effort relative to undertaking two separate recruitment processes separated by two months. NVTA does not have a separate Human Resource function. All vacant position posting, screening, recruitment, on-boarding and related activities are undertaken on top of existing duties.
 - ii. A separate recruitment may require additional advertisement expenses of up to \$3,200.

iii. The current, highly competitive job market is not anticipated to ease over the next three months.

5. **Next Steps:** This proposed budget amendment has been included as an Action Item on the agenda for the September 8, 2022 Authority meeting. Depending on the Finance Committee decision, the Action Item will be retained or removed from the Authority's September 8th agenda.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**MEMORANDUM**

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

FROM: Michael Longhi, Chief Financial Officer

DATE: September 1, 2022

SUBJECT: Approval of Policy 29-Project Activation, Monitoring and De-Appropriation
Changes

- 1. Purpose:** To seek the Northern Virginia Transportation Authority (NVTA) approval of the attached proposed changes to Policy 29 – Project Activation, Monitoring and De-Appropriation Changes.
- 2. Suggested Motion:** *I move the NVTA Finance Committee recommend Authority approval of the proposed changes to Policy 29 – Project Activation, Monitoring and De-Appropriation identified in the attached draft.*
- 3. Background:**
 - a.** Project Sponsors are required to have a system of internal controls to prevent the submission of duplicate reimbursement requests to the Authority.
 - b.** As the Authority has been advised, duplicate reimbursement requests have been submitted to the Authority for project expenses. These duplicate requests were self-identified by Project Sponsors or identified by NVTA staff.
 - c.** In FY2022, the Authority commissioned an external Agreed Upon Procedures (AUP) audit to assess, under a limited scope, additional duplicate reimbursement requests which had been paid.
 - d.** Additional duplicate reimbursement requests which had been paid were identified through the FY2022 AUP audit. The Project Sponsor confirmed the duplication and made reimbursement.
 - e.** As part of the FY2023 Operating Budget, the Authority funded ongoing external AUP audits to identify duplicate reimbursement requests. The budget adoption noted that the costs of the audit would be assessed to the Project Sponsor(s) submitting duplicate reimbursement requests.

4. Summary of Policy Changes:

- a. Policy changes include a methodology, by example, for recovering the costs of the AUP audit.
- b. The policy limits the amount of audit cost recovery to the amount of the duplicate reimbursement if the recovery amount is less than the total or prorated audit cost.
- c. When duplicate reimbursement amounts exceed the cost of the audit, the audit cost will be prorated to Project Sponsors based on the amounts recovered. If the amount of duplicate reimbursement recovery does not exceed the audit cost the audit cost reimbursement will be capped at the amount of recovery.
- d. Any unrecovered audit costs will be an expense in the Operating Budget reflecting the Authority's commitment to strong internal controls.

Attachment: Draft Policy 29 – Project Activation, Monitoring and De-Appropriation Changes

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

Policy Number 29 – Project Activation, Monitoring and De-Appropriation

- I. **Purpose** The purpose of this policy is to provide a mechanism for the Authority to monitor project activation, progress and appropriation in accordance with project descriptions and Standard Project Agreements (SPA). The monitoring activities in the policy are designed to set benchmarks and guidelines for the evaluation of de-appropriation (cancellation) of project funding and identify duplicate reimbursement requests.

Expenditure reimbursement requests presented later than the existing cash flow schedule (as documented on the SPA Appendix B form), result in disruption of the Authority's cash management, liquidity and investment programs.

Expending tax exempt financing through bonds issued by the Authority later than originally projected, may present Internal Revenue Service arbitrage compliance issues.

Undertaking any form of debt to meet project sponsor expenditure projections that do not materialize, will result in unnecessary debt service expenses, reducing PayGo funds for other projects.

Project Sponsors are responsible for having to have an established a system of internal controls for the prevention of duplicate project reimbursement requests.

II. Key Definitions

- A. **Adopted Project** – A project which has been approved by the Authority for inclusion in the Six Year Program, and updates, but for which an appropriation has not been made.
- B. **Appropriation** - The formal approval for the expenditure of public funds by the governing body of a governmental jurisdiction. Appropriations are made for the full amount of a project in the first fiscal year the project is approved for funding, by the Authority.
- C. **Appropriated Project** - A project which was approved for inclusion in the Six Year Program and which has received an appropriation for the project amount.
- D. **De-appropriate** – Removal of an appropriation resulting in the cancellation of the project.
- E. **Project Sponsor** – Jurisdiction, Agency or representative submitting a project request to the Authority which was subsequently adopted.
- F. **Six Year Program** - The Six Year Program (SYP) is a short-term constrained funding program which has been formally adopted for the development or acquisition of a series of regionally significant transportation improvement projects. The SYP has specific planned projects, each of which is identified for specific amounts of funding, starting in specific fiscal years.
- G. **SYP Updates** - Updates to the Six Year Program are expected to occur approximately every two years, on a schedule approved by the Authority. SYP

updates will add additional adopted projects approximately four to five years ahead of the expected appropriation.

H. Substantive ~~drawdown~~-Drawdown – A request for reimbursement which through the incurrence of directly relevant project costs clearly demonstrates project start up and/or progress. The Chief Executive Officer (CEO) may accept the documented expenditure of funds from other sources, directly appropriated to the project, as a substitute for the expenditure of Authority funds.

I. Duplicate Reimbursement Request – A request for reimbursement, which contains either in whole or in part, an expense which has previously been submitted for reimbursement.

J. Duplicate Reimbursement Audit Cost – The direct cost incurred by NVTA for the Agreed Upon Procedures audit which detected the duplicate reimbursement. Such cost will be prorated based on the dollar amount of the duplicate reimbursements detected, based on the following examples.

- a. Example 1. – Audit cost is \$20,000. Audit discovered one duplicate of \$1,000. The Project Sponsor pays \$1,000 toward the cost of the audit, for a total reimbursement of \$2,000, setting a limit that Project Sponsors will pay no more than they are reimbursing toward the audit cost. Any balance of the audit cost will be retained by NVTA as an expense of its internal controls.
- b. Example 2. – Audit cost is \$20,000. Audit discovered four duplicates comprised of: Project Sponsor A, two duplicates one of \$50,000 the other of \$80,000. Project Sponsor B had one duplicate of \$15,000. Project Sponsor C, one duplicate of \$3,000. Total recovery is \$148,000 of which Project Sponsor A is 88%, Project Sponsor B is 10% and Project Sponsor C is 2%. Project Sponsor A is required to pay \$17,600 of the \$20,000 audit cost, Project Sponsor B is required to pay \$2,000 of the \$20,000 audit cost and Project Sponsor C pays \$400 of the \$20,000 audit cost.
- c. Example 3. – Audit cost \$100. No duplicates of found. NVTA retains the entire cost of the audit as an expense of its internal controls.

H.

III. General

- A. This policy will be in effect for all Regional Revenue Fund projects approved by the Authority and supersedes Policy 24 and Policy 25.
- B. There are three milestones which the Authority will use to assess project progress:
 1. Standard Project Agreement (SPA) approval by the Authority for a project within three months of the appropriation of Regional Revenue Funds.¹
 2. Project activation/progression documented through monthly updates submitted to NVTA and reported in the Chief Executive Officer's monthly report to the Authority for appropriated projects.

¹ For example, a project approved in year four of the Six Year Program, must have its SPA approved within three months of the Authority's appropriation action for year four as opposed to within three months of the adoption of the Six Year Program.

3. Project sponsor's submission of an initial substantive drawdown on appropriated funds within 18 months of the initial appropriation of Regional Revenue Funds, demonstrating meaningful project progress.
- C. For any project at risk of missing one of these three milestones, the project's sponsor may request an extension of time from the Chief Executive Officer.
 - D. The Chief Executive Officer may request additional information from the project sponsor in making a decision on an extension recommendation.
 - E. Agreement on project status will be sought with the implementing jurisdiction or agency.
 - F. If agreement is not reached, the Chief Executive Officer may take a project de-appropriation recommendation to the Finance Committee prior to referral to the Authority for action.
 - G. Project sponsors must keep their SPA-Appendix A and B forms up to date. Appendix B's can be updated in accordance with Policy 20. III B. 2.
 - H. All funds de-appropriated from actions taken under this policy will remain in the Regional Revenue Fund for future appropriation by the Authority.
 - I. Projects which had funds de-appropriated may reapply for funding during the next call for projects. Such applications will need to meet the application requirements of that SYP update cycle.
 - J.** The Chief Executive Officer may extend SPA deadlines for adopted projects in proportion to the number of months no meetings were held by the Authority within the next three months after project appropriations.
 - J.K.** The direct external audit cost related to the discovery of duplicate reimbursements will be assessed proportionally, based on the dollar amount of the duplicate(s) to the Project Sponsor submitting the duplicate requests as detailed in Section II. J. above.

IV. Responsibilities

A. Project sponsoring jurisdiction or agency primary responsibilities:

1. Completion of SPAs within three months of Authority appropriation of Regional Revenue Funds to the project.
2. Document project activation/progression on appropriated projects through monthly updates submitted to NVTA for inclusion in the Chief Executive Officer's monthly report to the Authority.
3. Submittal of initial substantive drawdown on appropriated projects within 18 months of the Authority's appropriation of Regional Revenue Funds for the project.
4. Proactively inform the Chief Executive Officer of material circumstances which may delay or otherwise impede the prospects for successful start, draw down of project funds or completion of adopted and appropriated projects included in the SYP.
5. Proactively inform the Chief Executive Officer of appropriated project scheduling issues, providing a revised timeline to be submitted on SPA

Appendix A forms with action steps required for timely completion of the project.

6. Proactively inform the Chief Executive Officer of adopted project scheduling issues, providing information as to a revised timeline to be submitted with action steps required to timely project completion.
7. Proactively request cancellation of an appropriated or adopted project if the project sponsor determines the project is no longer necessary or executable.
8. Provide additional project information upon request.
9. Provide continued updates as necessary to the project SPA – Appendix A and B forms (Tables B-2 and B-3) reimbursement timing/schedule for appropriated projects.
10. Through a system of internal controls, prevent the submission of duplicate requests of project expenses.
- 9.11. Reimburse duplicated project reimbursements which have been paid by NVTA, inclusive of the prorated costs of the independent external audit.

B. NVTA Chief Executive Officer

1. Monitor project progress through requests for reimbursements and submission of project activation/progress reports by project sponsors.
2. Include a report of appropriated project status in the Chief Executive Officer's monthly report to the Authority. Status reports will be consistent with project progress documented by project sponsors, unless otherwise noted.
3. Receive notice from project sponsors of possible delays in submitting drawdown requests or activating/progressing the project by the deadline.
4. Request information, when required, to evaluate project sponsor notice of delay or to request information on delay.
5. Receive and evaluate notices from project sponsors of adopted projects included in the SYP which are facing schedule or other risks which may impede their successful completion.
6. Accept requests for appropriated or adopted project cancellations from project sponsors and forward with a recommendation to the Finance Committee in advance of submission to the Authority with a recommendation to accept or reject the request.
7. Evaluate requests for extension of time or other accommodations requested by project sponsor.
8. Make recommendations to the Finance Committee on project de-appropriations to be referred to the Authority.
9. Direct the NVTA Chief Financial Officer to:
 1. Establish an outsourced Agreed Upon Procedure audit process designed to evaluate duplicate reimbursement risks to inform audit sampling.

2. Provide Project Sponsors information on identified potential duplicated reimbursement requests, providing an opportunity for confirmation, explanation or to dispute.
3. Recover any duplicate reimbursement payments and prorated audit costs from Project Sponsor(s).
- 8.4. Provide reports of duplicate reimbursements to the Authority Finance Committee.

Approval by the Finance Committee: March 21, 2019

Approved by Northern Virginia Transportation Authority: April 11, 2019

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chair Rishell and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: September 1, 2022

SUBJECT: Finance Team Activity Report

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on current and prospective activities of the NVTA Finance Team.
2. **Discussion Topics:**
 - a. Finance Team staff changes and introductions.
 - b. FY2022 project reimbursement levels compared to prior fiscal years as noted in the table below.

Fiscal Year	Reimbursed
FY2022	\$57.3M
FY2021	\$123.0M
FY2020	\$147.8M
FY2019	\$64.5M
FY2018	\$86.8M
FY2017	\$99.7M
FY2016	\$69.3M
FY2015	\$4.1M
FY2014	\$.0M
Total	\$652.6M

- c. FY2022 Financial Statement Audit Update.
 - i. Implementation of GASB 87 Lease Agreements
 - ii. Statement transparency Investment Income Realized/Unrealized, Gains and Losses in the Fair Value of Investments
- d. ESG/Green Bonds – Short discussion on Environmental, Social and Governance (ESG) and Green Bonds

- e. Initial FY2024 Budget Preparation
 - i. Website(s) Consolidation, Modernization (Operating Budget)
 - ii. Duplicate Reimbursement Audit Volume Increase (Operating Budget)
 - iii. Regional Bus Rapid Transit Study (Regional Revenue Fund Budget)
- f. Other Activities:
 - i. Record retention implementation
 - ii. Study of regional planning positions compensation levels.
 - iii. Fixed Asset Accounting Tracking System
 - iv. Portfolio Repositioning

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chair Rishell and Members, NVTA Finance Committee
FROM: Dev Priya Sen, Investment & Debt Manager
DATE: September 1, 2022
SUBJECT: Investment Portfolio Report

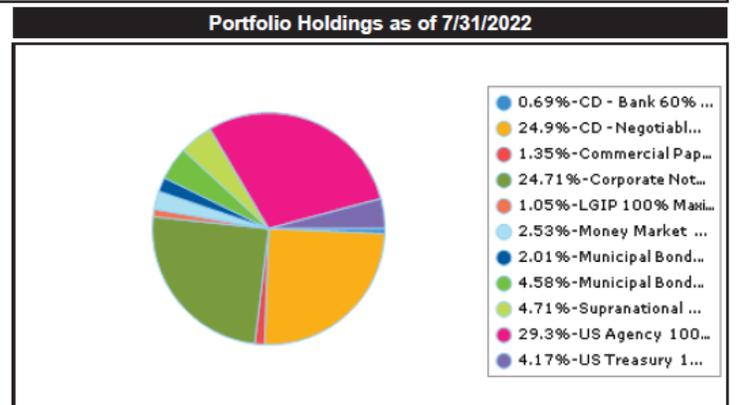
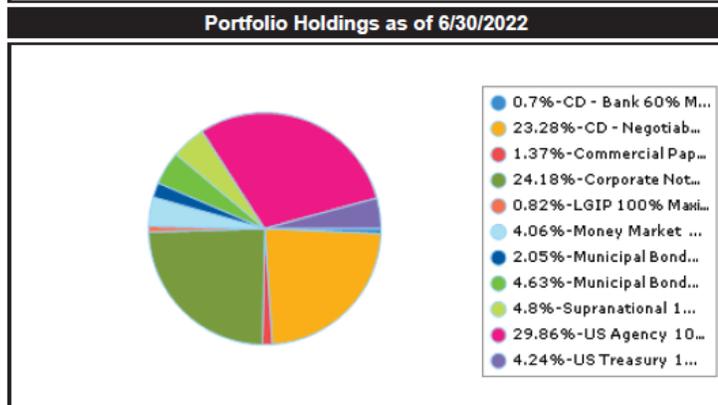
- Purpose:** To provide the Northern Virginia Transportation Authority (NVTA) Finance Committee with required reports on investment activities and portfolio performance through July 31, 2022.
- Background:** This Report is on investment activity through July 2022 and affirms the portfolio’s investments were acquired on the basis of safety, liquidity, and then yield. This report summarizes the portfolio structure and adherence to the NVTA Investment Policy.



Northern Virginia Transportation Authority
 Distribution by Asset Category - Book Value
 Report Group: Regional Revenue

Begin Date: 6/30/2022, End Date: 7/31/2022

Asset Category Allocation				
Asset Category	Book Value 6/30/2022	% of Portfolio 6/30/2022	Book Value 7/31/2022	% of Portfolio 7/31/2022
CD - Bank 60% Maximum	10,000,000.00	0.70	10,000,000.00	0.69
CD - Negotiable 25% Maximum	332,101,502.72	23.28	362,133,166.72	24.90
Commercial Paper 35% / 5% Maximum	19,527,822.18	1.37	19,584,999.96	1.35
Corporate Notes 50% Maximum	345,000,314.96	24.18	359,334,503.98	24.71
LGIP 100% Maximum	11,737,463.62	0.82	15,228,233.75	1.05
Money Market 60% Maximum	57,966,527.54	4.06	36,812,369.27	2.53
Municipal Bonds - US 75% Maximum	29,283,934.73	2.05	29,267,447.61	2.01
Municipal Bonds - Virginia 75% Maximum	66,020,777.04	4.63	66,653,964.31	4.58
Supranational 15% Maximum	68,498,001.46	4.80	68,426,174.11	4.71
US Agency 100% Maximum	426,073,611.83	29.86	426,073,091.32	29.30
US Treasury 100% Maximum	60,555,509.97	4.24	60,584,650.30	4.17
Total / Average	1,426,765,466.05	100.00	1,454,098,601.33	100.00



3. Current Period Reports:

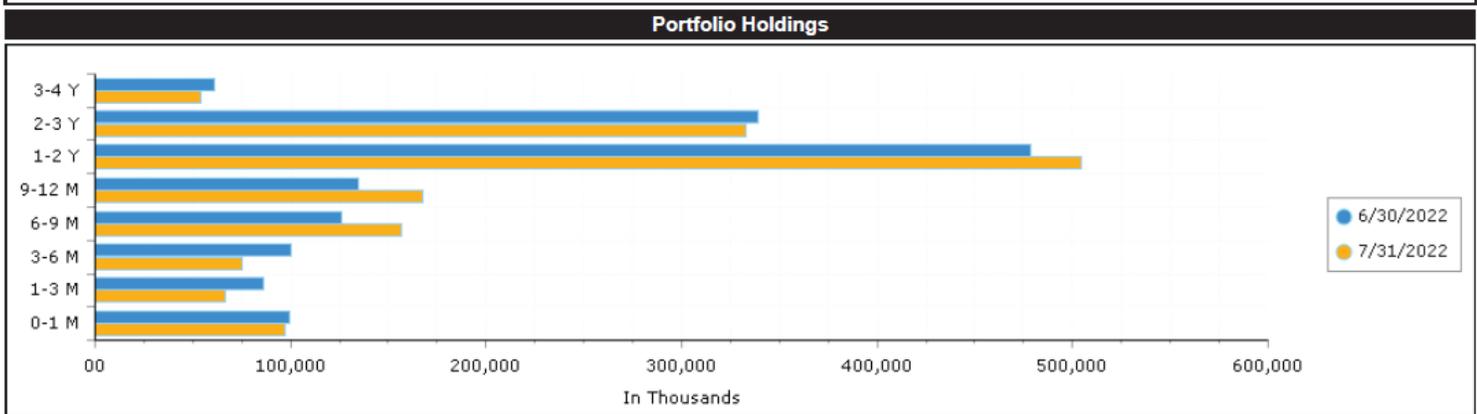
- a. The safety of the portfolio is reflected in the actual composition of the portfolio as shown above.



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

Begin Date: 6/30/2022, End Date: 7/31/2022

Maturity Range Allocation				
Maturity Range	Book Value 6/30/2022	% of Portfolio 6/30/2022	Book Value 7/31/2022	% of Portfolio 7/31/2022
0-1 Month	99,703,991.16	6.99	97,041,306.79	6.67
1-3 Months	86,223,123.24	6.04	66,191,176.85	4.55
3-6 Months	100,458,592.07	7.04	75,445,771.39	5.19
6-9 Months	126,488,402.75	8.87	156,464,462.93	10.76
9-12 Months	134,615,435.72	9.44	167,642,244.42	11.53
1-2 Years	478,596,983.50	33.54	504,143,672.82	34.67
2-3 Years	339,283,495.83	23.78	333,248,153.99	22.92
3-4 Years	61,395,441.78	4.30	53,921,812.14	3.71
Total / Average	1,426,765,466.05	100.00	1,454,098,601.33	100.00



The liquidity of the portfolio is reflected in the portfolio’s duration of 1.39 (1.0 = 1 year) and the maturity schedule is shown above.

NVTA Investment Benchmarks	Jul-22 Month End
Fed Funds Rate	2.32%
Treasury 90 Day T Bill	2.41%
Local Government Investment Pool	1.69%
Virginia Non-Arbitrage Program	1.69%
NVTA Performance	1.39%

Source: Bloomberg/NVTA Statements

- b. The yield on the portfolio at the end of July 2022 was 1.39%. The NVTA’s Investment Policy specifies the benchmarks shown above for yield performance comparison.

4. Portfolio Analysis & Statistics Overview:

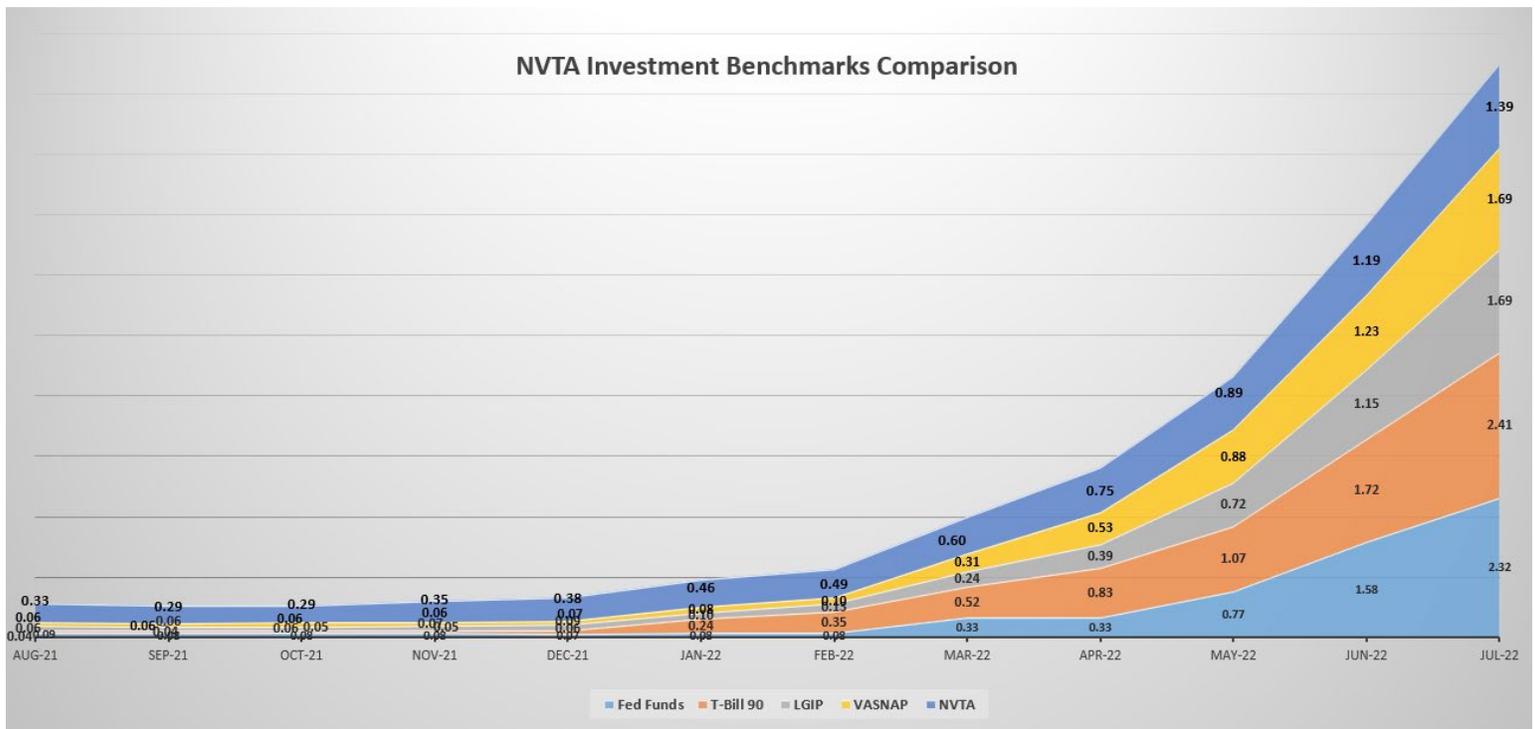
a. **Safety** The portfolio is invested primarily in:

- I. Local Government Investment Pools (1.05% from 0.82%)
- II. Collateralized bank money market accounts (3.22% from 4.76%)
- III. Commercial Paper (1.35% from 1.37%)
- IV. Negotiable CD's (24.90% from 23.28%)
- V. AAA/AA rated investment grade corporate bonds (24.71% from 24.18%)
- VI. Supranational Securities (4.71% from 4.80%)
- VII. Treasuries and Agencies (33.47% from 34.10%)
- VIII. VA & US Municipals (6.59% from 6.68%)

b. **Liquidity:** The NVTA Portfolio duration is 1.39 in July 2022 (1.0 = 1 year). In expectation of eventual interest rate increases, NVTA staff initiated a process in early summer to ladder maturities such that approximately \$40 million of securities mature each month. This is resulting in monthly opportunities to re-invest at increasing rates of return.

c. **Yield:** Market realities continue to work against bank depository rates and daily liquidity pools. During the summer, fixed income security yields have increased approximately 3% across asset classes.

- i. For the last several years, there was very little margin spread between funds placed with daily liquidity and those with a one-year maturity.
- ii. Since May 2022, staff has repositioned approximately \$180 million from community bank negotiated deposit placements to purchased fixed income securities. This action has been in addition to the approximately \$30 million a month in maturities and \$20 million from positive monthly cash flow.
- iii. The withdrawal from the community bank deposits was done with extensive communications with the banking community.
- iv. The intent of this strategy is to take advantage of rising rates in an orderly fashion by each month's maturities (principle and earned interest) being reinvested at higher rates.



5. **Custodian Certification:** Truist Bank 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. This report is fundamental for the Authority’s Annual Financial Statements and annual audit. 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.

Attachments: Compliance - GASB 40 Report



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

Portfolio Holdings Compliance - GASB 40 Report - As of 7/31/2022

Description	CUSIP/Ticker	Face Amount/Shares	Book Value	Market Value	Credit Rating 1	Credit Rating 2	% of Portfolio	Days To Maturity	Days To Call/Maturity	Maturity Date	Next Call Date	YTM @ Cost	Duration To Maturity
Certificate Of Deposit													
Bayerische Landesbank 0.27 12/15/2022	0727MCPE1	30,000,000.00	30,003,414.38	29,733,600.00	Fitch-F1	Moody's-P1	2.07	137	137	12/15/2022		0.240	0.38
Bayerische Landesbank 3.88 7/26/2024	0727MCXA0	30,000,000.00	30,046,153.04	30,306,600.00	Fitch-F1	Moody's-P1	2.07	726	726	7/26/2024		3.799	1.93
Credit Suisse 0.27 11/16/2022	22552G4L1	25,000,000.00	25,002,989.05	24,790,500.00	S&P-A1	Moody's-P1	1.72	108	108	11/16/2022		0.229	0.30
Credit Suisse 0.68 10/10/2023	22552G4R8	15,000,000.00	15,010,767.79	14,567,550.00	S&P-A1	Moody's-P1	1.03	436	436	10/10/2023		0.619	1.21
Credit Suisse 0.75 1/10/2024	22552G4T4	15,000,000.00	15,010,737.31	14,480,550.00	S&P-A1	Moody's-P1	1.03	528	528	1/10/2024		0.700	1.47
John Marshall Bank 2.137 12/15/2022	JMBDCD061522	10,000,000.00	10,000,000.00	10,000,000.00	NR	NR	0.69	137	137	12/15/2022		2.137	0.38
Nordea Bank0.26 4/20/2023	65558UGN6	30,000,000.00	30,000,000.00	29,457,000.00	S&P-A1+	Moody's-P1	2.07	263	263	4/20/2023		0.260	0.72
Nordea Bank2.6 12/20/2023	65558USB9	25,000,000.00	25,020,013.16	24,796,500.00	S&P-A1+	Moody's-P1	1.72	507	507	12/20/2023		2.540	1.41
Rabobank 0.26 2/23/2023	21684LAZ5	40,000,000.00	40,000,000.00	39,440,800.00	S&P-A1	Moody's-P1	2.76	207	207	2/23/2023		0.260	0.56
Standard Chartered Bank 0.25 10/21/2022	85325VN71	25,000,000.00	25,001,702.15	24,873,000.00	S&P-A1	Moody's-P1	1.72	82	82	10/21/2022		0.220	0.23
Standard Chartered Bank 0.35 6/16/2023	85325VQ37	25,000,000.00	25,004,411.12	24,434,500.00	S&P-A1	Moody's-P1	1.72	320	320	6/16/2023		0.330	0.89
Standard Chartered Bank 0.36 7/20/2023	85325VQ60	30,000,000.00	30,008,796.38	29,225,400.00	S&P-A1	Moody's-P1	2.07	354	354	7/20/2023		0.330	0.98
Swedbank 0.95 10/22/2024	87019V4A2	22,000,000.00	22,024,182.34	20,768,880.00	S&P-A1	Moody's-P1	1.52	814	814	10/22/2024		0.899	2.26
TD Bank 3.63 6/27/2023	89114WZ57	20,000,000.00	20,000,000.00	19,983,600.00	S&P-A1+	Moody's-P1	1.38	331	331	6/27/2023		3.630	0.92
TD Bank 3.75 7/11/2023	89115B5E6	30,000,000.00	30,000,000.00	30,003,000.00	S&P-A1	Moody's-P1	2.07	345	345	7/11/2023		3.750	0.96
Sub Total / Average Certificate Of Deposit		372,000,000.00	372,133,166.72	366,861,480.00			25.62	346	346			1.286	0.95
Corporate													
Apple0.75 5/11/2023	037833DV9	5,000,000.00	5,018,218.01	4,910,350.00	S&P-AA+	Moody's-Aaa	0.34	284	284	5/11/2023		0.280	0.78
Apple1.7 9/11/2022	037833DL1	16,145,000.00	16,143,185.11	16,129,177.90	S&P-AA+	Moody's-Aaa	1.11	42	42	9/11/2022		1.800	0.11
Apple2.4 5/3/2023	037833AK6	2,500,000.00	2,538,802.09	2,489,000.00	S&P-AA+	Moody's-Aaa	0.17	276	276	5/3/2023		0.340	0.75
Apple2.85 5/11/2024-24	037833CU2	2,135,000.00	2,224,197.46	2,125,883.55	S&P-AA+	Moody's-Aaa	0.15	650	589	5/11/2024	3/11/2024	0.484	1.74
Apple2.85 5/11/2024-24	037833CU2	10,000,000.00	10,425,654.01	9,957,300.00	S&P-AA+	Moody's-Aaa	0.69	650	589	5/11/2024	3/11/2024	0.442	1.74
Apple3.45 5/6/2024	037833AS9	10,000,000.00	10,552,150.77	10,090,400.00	S&P-AA+	Moody's-Aaa	0.69	645	645	5/6/2024		0.310	1.71
Asian Development Bank 1.75 9/13/2022	045167ED1	25,000,000.00	25,046,289.59	24,976,000.00	S&P-AAA	Moody's-Aaa	1.72	44	44	9/13/2022		0.210	0.12
Asian Development Bank 2.75 3/17/2023	045167EH2	18,083,000.00	18,366,131.59	18,071,969.37	S&P-AAA	Moody's-Aaa	1.25	229	229	3/17/2023		0.250	0.62
Berkshire Hathaway2.75 3/15/2023-23	084670BR8	10,000,000.00	10,128,206.42	9,981,000.00	S&P-AA	Moody's-Aa2	0.69	227	168	3/15/2023	1/15/2023	0.665	0.62
Berkshire Hathaway2.75 3/15/2023-23	084670BR8	5,000,000.00	5,071,152.23	4,990,500.00	S&P-AA	Moody's-Aa2	0.34	227	168	3/15/2023	1/15/2023	0.449	0.62
Berkshire Hathaway2.75 3/15/2023-23	084670BR8	8,200,000.00	8,313,972.73	8,184,420.00	S&P-AA	Moody's-Aa2	0.56	227	168	3/15/2023	1/15/2023	0.501	0.62
Credit Suisse 0 3/13/2023	2254EBQD6	20,000,000.00	19,584,999.96	19,586,800.00	S&P-A1	Moody's-P1	1.38	225	225	3/13/2023		3.404	0.62
ExxonVar. Corp 8/16/2022	30231GBA9	10,000,000.00	10,000,693.18	9,996,400.00	S&P-AA	Moody's-Aa1	0.69	16	16	8/16/2022		1.741	0.00
Exxon Mobil 2.019 8/16/2024-24	30231GBC5	10,000,000.00	10,266,054.80	9,784,900.00	S&P-AA-	Moody's-Aa1	0.69	747	716	8/16/2024	7/16/2024	0.699	1.99
Exxon Mobil 2.709 3/6/2025-24	30231GAF9	9,500,000.00	9,287,272.76	9,400,630.00	S&P-AA-	Moody's-Aa2	0.65	949	859	3/6/2025	12/6/2024	3.619	2.50
Exxon Mobil 2.992 3/19/2025	30231GBH4	20,000,000.00	19,940,393.73	19,921,200.00	S&P-AA-	Moody's-Aa2	1.38	962	962	3/19/2025		3.110	2.52
Guardian Life 1.1 6/23/2025	40139LAG8	13,000,000.00	12,211,870.08	12,056,720.00	S&P-AA+	Moody's-Aa2	0.90	1,058	1,058	6/23/2025		3.320	2.85
Guardian Life 1.1 6/23/2025	40139LAG8	9,456,000.00	8,756,055.44	8,769,872.64	S&P-AA+	Moody's-Aa2	0.65	1,058	1,058	6/23/2025		3.829	2.85
IBRD 0.25 11/24/2023	459058JM6	25,000,000.00	25,013,752.93	24,143,000.00	S&P-AAA	Moody's-Aaa	1.72	481	481	11/24/2023		0.208	1.31
Mass Mutual Global Funding 0.48 8/28/2023	57629WCV0	15,000,000.00	15,021,854.33	14,528,850.00	S&P-AA+	Moody's-Aa3	1.03	393	393	8/28/2023		0.344	1.08
Mass Mutual Global Funding 0.48 8/28/2023	57629WCV0	15,000,000.00	15,021,877.70	14,528,850.00	S&P-AA+	Moody's-Aa3	1.03	393	393	8/28/2023		0.344	1.08
Mass Mutual Global Funding 2.75 6/22/2024	57629WCE8	5,000,000.00	5,191,987.80	4,921,200.00	S&P-AA+	Moody's-Aa3	0.34	692	692	6/22/2024		0.701	1.85
Mass Mutual Global Funding 3.6 4/9/2024	57629WBV1	7,210,000.00	7,598,006.37	7,239,849.40	S&P-AA+	Moody's-Aa3	0.50	618	618	4/9/2024		0.400	1.64
MetLife 0.45 9/1/2023	59217GEK1	20,000,000.00	20,025,302.36	19,412,600.00	S&P-AA-	Moody's-Aa3	1.38	397	397	9/1/2023		0.333	1.08
MetLife 0.45 9/1/2023	59217GEK1	10,000,000.00	10,016,186.70	9,706,300.00	S&P-AA-	Moody's-Aa3	0.69	397	397	9/1/2023		0.301	1.08
MetLife 0.45 9/1/2023	59217GEK1	13,920,000.00	13,942,615.44	13,511,169.60	S&P-AA-	Moody's-Aa3	0.96	397	397	9/1/2023		0.300	1.08
MetLife 2.8 3/21/2025	59217GEW5	17,500,000.00	17,228,697.21	17,127,075.00	S&P-AA-	Moody's-Aa3	1.21	964	964	3/21/2025		3.420	2.54
Microsoft Corp 3.625 12/15/2023-23	594918AW4	13,000,000.00	13,548,335.36	13,151,840.00	S&P-AAA	Moody's-Aaa	0.90	502	472	12/15/2023	11/15/2023	0.530	1.35
Nestle 3.35 9/24/2023-23	641062AD6	15,665,000.00	16,186,248.92	15,693,980.25	S&P-AA-	Moody's-Aa3	1.08	420	389	9/24/2023	8/24/2023	0.437	1.12
New York Life 0.4 10/21/2023	64952WDT7	20,000,000.00	20,021,957.29	19,328,800.00	S&P-AA+	Moody's-Aaa	1.38	447	447	10/21/2023		0.310	1.22

Description	CUSIP/Ticker	Face Amount/Shares	Book Value	Market Value	Credit Rating 1	Credit Rating 2	% of Portfolio	Days To Maturity	Days To Call/Maturity	Maturity Date	Next Call Date	YTM @ Cost	Duration To Maturity
New York Life 0.9 10/29/2024	64952WEJ8	7,500,000.00	7,489,852.49	7,065,600.00	S&P-AA+	Moody's-Aaa	0.52	821	821	10/29/2024		0.961	2.22
New York Life 1.1 5/5/2023	64952WDP5	18,175,000.00	18,295,318.95	17,871,477.50	S&P-AA+	Moody's-Aaa	1.25	278	278	5/5/2023		0.230	0.76
New York Life 2.875 4/10/2024	64952WDG5	4,525,000.00	4,715,422.87	4,479,071.25	S&P-AA+	Moody's-Aaa	0.31	619	619	4/10/2024		0.378	1.65
Pacific Life 1.2 6/24/2025	6944PL284	5,000,000.00	4,614,178.93	4,636,700.00	S&P-AA-	Moody's-Aa3	0.34	1,059	1,059	6/24/2025		4.050	2.85
Prcoa Global Funding 2.4 9/23/2024	74153WCL1	9,000,000.00	9,324,720.29	8,769,870.00	S&P-AA-	Moody's-Aa3	0.62	785	785	9/23/2024		0.700	2.08
USAA Capital 3.375 5/1/2025	90327QD89	10,000,000.00	9,941,464.88	9,997,100.00	S&P-AA-	Moody's-Aa1	0.69	1,005	1,005	5/1/2025		3.600	2.63
Walmart3.4 6/26/2023-23	931142EK5	10,000,000.00	10,272,597.27	10,023,700.00	S&P-AA	Moody's-Aa2	0.69	330	299	6/26/2023	5/26/2023	0.372	0.89
Sub Total / Average Corporate		445,514,000.00	447,345,678.05	437,559,556.46			30.69	493	483			1.181	1.32
Local Government Investment Pool													
Commonwealth of VirginiaLGIP	LGIP0825	12,056.82	12,056.82	12,056.82	S&P-AAA	NR	0.00	1	1	N/A	N/A	1.685	0.00
Commonwealth of Virginia LGIP	LGIP0549	15,216,176.93	15,216,176.93	15,216,176.93	S&P-AAA	NR	1.05	1	1	N/A	N/A	1.685	0.00
Sub Total / Average Local Government Investment Pool		15,228,233.75	15,228,233.75	15,228,233.75			1.05	1	1			1.685	0.00
Money Market													
John Marshall Bank ICS MM	MM60000	32,925,566.27	32,925,566.27	32,925,566.27	NR	NR	2.27	1	1	N/A	N/A	1.670	0.00
Truist MM	MM1006	798,772.39	798,772.39	798,772.39	NR	NR	0.06	1	1	N/A	N/A	1.510	0.00
United Bank Ck MM	MM0667	9,511.00	9,511.00	9,511.00	NR	NR	0.00	1	1	N/A	N/A	0.000	0.00
United Bank MM	MM3272	3,078,519.61	3,078,519.61	3,078,519.61	NR	NR	0.21	1	1	N/A	N/A	1.530	0.00
Sub Total / Average Money Market		36,812,369.27	36,812,369.27	36,812,369.27			2.54	1	1			1.654	0.00
Municipal													
Arlington County 0.79 8/1/2025	041431VG9	7,000,000.00	7,039,310.76	6,505,030.00	S&P-AAA	Moody's-Aaa	0.48	1,097	1,097	8/1/2025		0.600	2.96
Calvert County MD 2 5/1/2023	131537T44	2,640,000.00	2,671,566.25	2,618,299.20	S&P-AAA	Fitch-AAA	0.18	274	274	5/1/2023		0.400	0.75
Calvert County MD 2 5/1/2024	131537T51	2,330,000.00	2,390,690.55	2,284,308.70	S&P-AAA	Fitch-AAA	0.16	640	640	5/1/2024		0.500	1.72
Calvert County MD 2 5/1/2025	131537T69	2,620,000.00	2,715,839.70	2,539,015.80	S&P-AAA	Fitch-AAA	0.18	1,005	1,005	5/1/2025		0.650	2.68
Carroll CNTY MD 2 11/1/2024	144880CK5	2,385,000.00	2,469,193.14	2,324,492.55	S&P-AAA	Moody's-Aaa	0.16	824	824	11/1/2024		0.420	2.20
Carroll CNTY MD 2 11/1/2025	144880CL3	1,890,000.00	1,976,619.05	1,821,071.70	S&P-AAA	Moody's-Aaa	0.13	1,189	1,189	11/1/2025		0.570	3.15
City Richmond GO 2 7/15/2023	76541VWT0	3,000,000.00	3,045,650.08	2,968,980.00	S&P-AA+	Moody's-Aa1	0.21	349	349	7/15/2023		0.400	0.95
City Richmond GO 2 7/15/2024	76541VWU7	3,000,000.00	3,087,237.62	2,934,570.00	S&P-AA+	Moody's-Aa1	0.21	715	715	7/15/2024		0.500	1.93
City Richmond GO 2 7/15/2025	76541VWV5	410,000.00	426,725.07	397,454.00	S&P-AA+	Moody's-Aa1	0.03	1,080	1,080	7/15/2025		0.600	2.88
FFX CNTY VA GO 0.645 10/1/2025	30382AKC5	5,000,000.00	5,027,361.76	4,654,500.00	S&P-AAA	Moody's-Aaa	0.34	1,158	1,158	10/1/2025		0.470	3.13
Florida State Revenue Bonds 1.258 7/1/2025	341271AD6	7,000,000.00	7,043,528.33	6,591,620.00	S&P-AA	Fitch-AA	0.48	1,066	1,066	7/1/2025		1.039	2.87
Loudoun County Economic Development 0.35 12/1/2023	54602QAY7	1,930,000.00	1,931,018.49	1,853,417.60	S&P-AA+	Moody's-Aa1	0.13	488	488	12/1/2023		0.310	1.33
Loudoun County Economic Development 3.75 6/1/2026	545895DQ4	1,500,000.00	1,649,448.22	1,514,745.00	Fitch-AA+	Moody's-Aa1	0.10	1,401	1,401	6/1/2026		1.080	3.59
NYC GO 1.58 8/1/2022	64966QFW5	10,000,000.00	10,000,010.59	10,000,000.00	S&P-AA	Moody's-Aa1	0.69	1	1	8/1/2022		1.541	0.00
VA Resources Auth Infrastructure Rev 0.329 11/1/20	92818NUZ9	435,000.00	435,000.00	432,020.25	S&P-AAA	Moody's-Aaa	0.03	93	93	11/1/2022		0.329	0.25
VA Resources Auth Infrastructure Rev 0.436 11/1/20	92818NVA3	720,000.00	720,000.00	696,441.60	S&P-AAA	Moody's-Aaa	0.05	458	458	11/1/2023		0.436	1.25
VA Resources Auth Infrastructure Rev 0.636 11/1/20	92818NVB1	1,000,000.00	1,000,000.00	945,280.00	S&P-AAA	Moody's-Aaa	0.07	824	824	11/1/2024		0.636	2.23
VA Resources Auth Infrastructure Rev 0.736 11/1/20	92818NVC9	1,180,000.00	1,180,000.00	1,091,323.00	S&P-AAA	Moody's-Aaa	0.08	1,189	1,189	11/1/2025		0.736	3.21
VA Resources Auth Infrastructure Rev 0.75 11/1/202	92818NUA4	1,300,000.00	1,300,860.52	1,229,475.00	S&P-AA	Moody's-Aa1	0.09	824	824	11/1/2024		0.720	2.23
VA St Housing Authority 2.15 8/1/2024	92812VWH5	665,000.00	649,378.07	648,840.50	S&P-AA+	Moody's-Aa1	0.05	732	732	8/1/2024		3.375	1.95
VA State College Building Auth 0.48 9/1/2024	92778WKQ8	22,820,000.00	22,826,964.66	21,503,286.00	S&P-AA+	Moody's-Aa1	1.57	763	763	9/1/2024		0.465	2.07
VA State College Building Auth 0.5 9/1/2023	92778WKP0	16,305,000.00	16,335,009.06	15,825,143.85	S&P-AA+	Moody's-Aa1	1.12	397	397	9/1/2023		0.330	1.08
Sub Total / Average Municipal		95,130,000.00	95,921,411.92	91,379,314.75			6.55	680	680			0.647	1.83
US Agency													
FFCBVar. FFCB 8/1/2022	3133EMAN2	25,000,000.00	25,000,000.00	25,000,000.00	S&P-AA+	Moody's-Aaa	1.72	1	1	8/1/2022		2.596	0.00
FFCB 0.6 11/24/2025-21	3133EMHF2	19,100,000.00	19,093,657.75	17,713,722.00	S&P-AA+	Moody's-Aaa	1.32	1,212	1,212	11/24/2025		0.610	3.28
FFCB Var. FFCB 1/31/2023	3133EMPG1	25,000,000.00	25,000,000.00	24,998,250.00	S&P-AA+	Moody's-Aaa	1.72	184	184	1/31/2023		2.591	0.00
FFCB Var. FFCB 11/7/2022	3133EK6W1	10,000,000.00	10,004,367.96	10,015,200.00	S&P-AA+	Moody's-Aaa	0.69	99	99	11/7/2022		2.956	0.00
FHLB 0.27 3/28/2024-21	3130AKKF2	15,000,000.00	14,999,217.73	14,298,300.00	S&P-AA+	Moody's-Aaa	1.03	606	606	3/28/2024		0.273	1.65
FHLB 1 11/15/2024-22	3130APRF4	22,500,000.00	22,514,730.47	21,431,025.00	Moody's-Aaa	S&P-AA+	1.55	838	15	11/15/2024	8/15/2022	0.971	2.26
FHLB 1 2/7/2024-22	3130AQLR2	5,000,000.00	4,998,090.66	4,845,100.00	S&P-AA+	Moody's-Aaa	0.34	556	556	2/7/2024		1.025	1.50
FHLB 1.04 7/11/2024-22	3130AQL27	25,000,000.00	25,000,000.00	24,207,250.00	S&P-AA+	Moody's-Aaa	1.72	711	72	7/11/2024	10/11/2022	1.040	1.93
FHLB 1.1 1/13/2025-23	3130AQGT4	20,000,000.00	19,959,078.47	19,084,000.00	S&P-AA+	Moody's-Aaa	1.38	897	166	1/13/2025	1/13/2023	1.185	2.42
FHLB 1.125 12/17/2024-22	3130AQ2U6	20,000,000.00	20,000,000.00	19,072,400.00	S&P-AA+	Moody's-Aaa	1.38	870	870	12/17/2024		1.125	2.35
FHLB 1.2 6/21/2024-22	3130AQP56	26,500,000.00	26,500,000.00	25,723,815.00	S&P-AAA	Moody's-Aaa	1.83	691	82	6/21/2024	10/21/2022	1.200	1.87
FHLB 1.28 6/11/2025-22	3130AQKY8	20,000,000.00	20,000,000.00	19,237,200.00	S&P-AA+	Moody's-Aaa	1.38	1,046	72	6/11/2025	10/11/2022	1.280	2.82
FHLB 1.3 12/15/2025-22	3130AQU53	25,000,000.00	24,994,725.36	23,925,250.00	S&P-AA+	Moody's-Aaa	1.72	1,233	1,233	12/15/2025		1.306	3.30
FHLB 1.4 2/18/2025-22	3130AQXQ4	25,000,000.00	25,000,000.00	23,921,250.00	S&P-AA+	Moody's-Aaa	1.72	933	933	2/18/2025		1.400	2.49
FHLB 1.67 3/1/2024-22	3130AR6G1	26,000,000.00	26,000,000.00	25,506,000.00	S&P-AA+	Moody's-Aaa	1.79	579	579	3/1/2024		1.670	1.56

Description	CUSIP/Ticker	Face Amount/Shares	Book Value	Market Value	Credit Rating 1	Credit Rating 2	% of Portfolio	Days To Maturity	Days To Call/Maturity	Maturity Date	Next Call Date	YTM @ Cost	Duration To Maturity
FHLB 1.78 4/8/2024-22	3130AR6H9	18,500,000.00	18,500,000.00	18,172,735.00	S&P-AA+	Moody's-Aaa	1.27	617	617	4/8/2024		1.780	2.06
FHLB 2.5 2/28/2024-22	3130ARQX2	25,000,000.00	25,000,000.00	24,842,750.00	S&P-AA+	Moody's-Aaa	1.72	577	577	2/28/2024		2.500	1.54
FHLB 2.64 8/28/2024-22	3130ARKP5	30,000,000.00	30,000,000.00	29,818,500.00	S&P-AA+	Moody's-Aaa	2.07	759	759	8/28/2024		2.640	2.02
FHLMC 0.375 4/8/2024-21	3134GWYD2	15,000,000.00	15,009,222.92	14,388,900.00	Fitch-AAA	Moody's-Aaa	1.03	617	617	4/8/2024		0.338	1.68
FHLMC 2.57 1/22/2024-22	3134GXRZ9	28,500,000.00	28,500,000.00	28,330,710.00	S&P-AA+	Moody's-Aaa	1.96	540	540	1/22/2024		2.570	1.46
Sub Total / Average US Agency		426,100,000.00	426,073,091.32	414,532,357.00			29.35	691	492			1.632	1.84
US Treasury													
T-Note 1.625 5/31/2023	912828R69	21,000,000.00	20,786,884.27	20,769,420.00	Fitch-AAA	Moody's-Aaa	1.45	304	304	5/31/2023		2.867	0.83
T-Note 2.5 4/30/2024	91282CEK3	20,000,000.00	19,930,586.11	19,846,200.00	Moody's-Aaa	None	1.38	639	639	4/30/2024		2.705	1.71
T-Note 2.75 5/15/2025	91282CEQ0	20,000,000.00	19,867,179.92	19,943,800.00	Moody's-Aaa	None	1.38	1,019	1,019	5/15/2025		3.000	2.69
Sub Total / Average US Treasury		61,000,000.00	60,584,650.30	60,559,420.00			4.20	648	648			2.857	1.73
Total / Average		1,451,784,603.02	1,454,098,601.33	1,422,932,731.23			100	515	453			1.393	1.38

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**MEMORANDUM**

FOR: Chair Rishell and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: September 1, 2022

SUBJECT: Monthly Revenue Report

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on monthly revenue receipts and 30% funds distributed to member localities.
2. **Background:** The attached reports reflect funding received and distributed through FYE June 30, 2022. Please note these reports, while for the end of the fiscal year, are unaudited. The FY2022 Financial Statement audit is ongoing at this time.
3. **Comments:**
 - a. **FY2022 Revenues (Attachment A)**
 - i. The Authority has received and accrued approximately \$424.7 million through the fiscal year-end June 30, 2022, transfers from the Commonwealth.
 - ii. The Authority has received \$20 million from the annual Northern Virginia District Transfer; \$51.2 million in Regional Congestion Relief Fees (Grantor's Tax); and \$332.6 million in Sales Tax Receipts; \$20.9 million in Interstate Operations and Enhancement Program.
 - iii. Attachment A shows 18.2% positive variance between the actual and budgeted sales tax receipts. This same trend has been seen throughout the Commonwealth. The trend is attributed to the strong liquidity position of regional consumers and the continued growth in inflation-driven consumer spending.
 - iv. Headline inflation is approximately 9%, which includes food and fuel. NVTA sales tax is not applied to food and fuel sales. The inflation rate excluding food and fuel is approximately 6%.
 - v. Inflation will provide an unexpected revenue boost through sales tax with two caveats.
 1. Caveat One – Inflation will reduce revenue if the rate of consumer pull back due to financial stress on their pocketbooks exceeds the inflation rate.
 2. Caveat Two – Inflation diminishes the actual purchase power of all revenue classifications.

b. FY2022 Distribution to localities (Attachment B)

- i. As of the fiscal year-end June 30, 2022, all member jurisdictions have completed the required *Code of Virginia* Section 33.2-2510 annual certification and have received their FY2022 Local Distribution Funds (30%).
- ii. As of the fiscal year-end, \$127.4 million has been distributed in FY2022 Local 30% Distribution funds to member jurisdictions.

c. FY2015 to FY2022 Year over Year Revenue Comparison (Attachment C). 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 and accrued as of June 30, 2022.

Attachments:

- A. FYE June 30, 2022 Sales Tax Revenues Received Compared to NVTA
- B. FYE June 30, 2022, 30% Distribution by Jurisdiction
- C. Month to Month Comparison of Sales Tax & Regional Congestion Relief Revenue and YTD Sales Tax Receipts for June 2015 to 2022

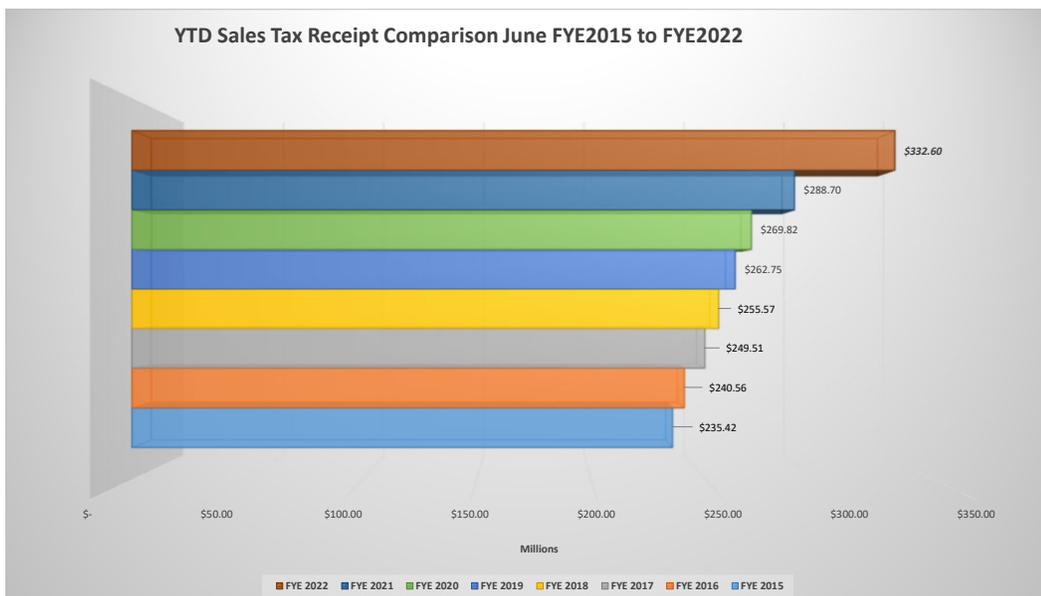
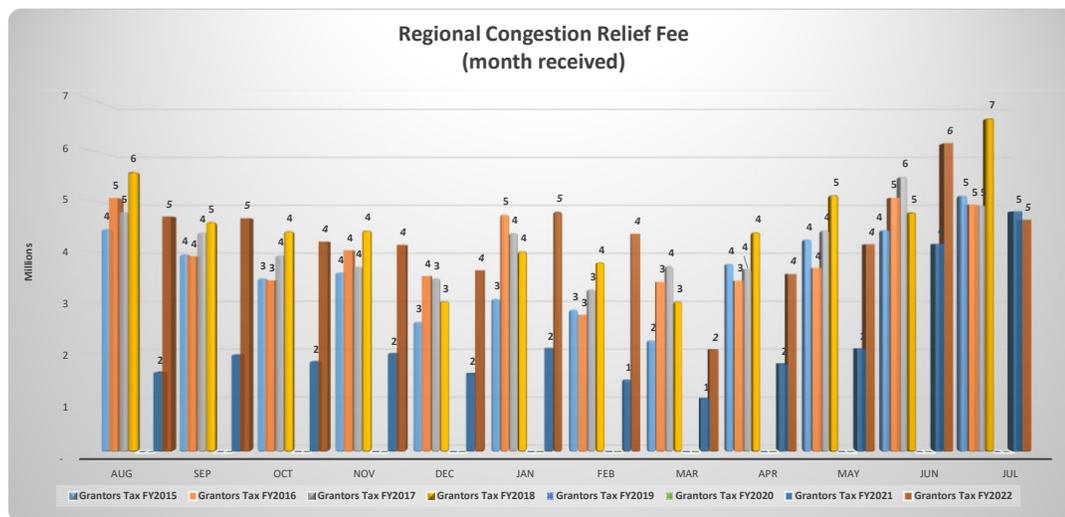
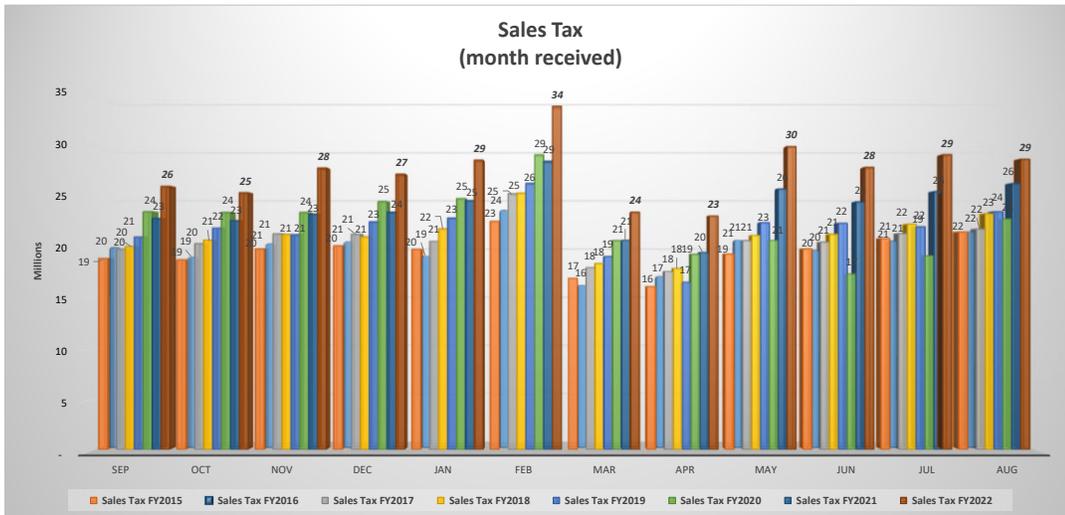
NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
SALES TAX REVENUES RECEIVED BY JURISDICTION, COMPARED TO NVTA ESTIMATES
 Based on: Revenue Data Through August 2022
 FYE June 30, 2022

Regional Sales Tax		Annualized				
Transaction Months	12	Received	Revenue based	FY2022	Annualized - Actual	
		To Date	on YTD Receipts	Budget	To Budget	
City of Alexandria		\$ 21,928,468	\$ 21,928,468	\$ 19,703,915	\$ 2,224,553	
Arlington County		29,486,678	29,486,678	22,518,760	6,967,917	
City of Fairfax		8,126,191	8,126,191	8,444,535	(318,344)	
Fairfax County		139,567,207	139,567,207	115,408,646	24,158,561	
City of Falls Church		3,060,514	3,060,514	2,814,845	245,669	
Loudoun County		68,435,224	68,435,224	59,111,746	9,323,478	
City of Manassas		7,773,119	7,773,119	5,629,690	2,143,428	
City of Manassas Park		2,121,803	2,121,803	2,814,845	(693,042)	
Prince William County		52,097,267	52,097,267	45,037,520	7,059,747	
Total Sales Tax Revenue		\$ 332,596,472	\$ 332,596,472	\$ 281,484,503	\$ 51,111,969	18.2%
Interstate Operation Enhance Program		Annualized				
Transaction Months	1	Received	Revenue based	FY2022	Annualized - Actual	
		To Date	on YTD Receipts	Budget	To Budget	
City of Alexandria		\$ 1,382,421	\$ 1,382,421	\$ 931,000	\$ 451,421	
Arlington County		1,777,700	\$ 1,777,700	1,064,000	713,700	
City of Fairfax		545,841	\$ 545,841	399,000	146,841	
Fairfax County		8,779,753	\$ 8,779,753	5,453,000	3,326,753	
City of Falls Church		238,798	\$ 238,798	133,000	105,798	
Loudoun County		4,242,860	\$ 4,242,860	2,793,000	1,449,860	
City of Manassas		474,456	\$ 474,456	266,000	208,456	
City of Manassas Park		133,317	\$ 133,317	133,000	317	
Prince William County		3,360,387	\$ 3,360,387	2,128,000	1,232,387	
Interstate Operation Enhance Program		\$ 20,935,532	\$ 20,935,532	\$ 13,300,000	\$ 7,635,532	57.4%
Regional Congestion Relief Fee		Annualized				
Transaction Months	12	Received	Revenue based	FY2022	Annualized - Actual	
		To Date	on YTD Receipts	Budget	To Budget	
City of Alexandria		\$ 4,172,158	\$ 4,172,158	\$ 2,386,800	\$ 1,785,358	
Arlington County		6,292,353	6,292,353	2,511,750	3,780,603	
City of Fairfax		474,466	474,466	242,250	232,216	
Fairfax County		20,491,475	20,491,475	10,409,100	10,082,375	
City of Falls Church		283,533	283,533	183,600	99,933	
Loudoun County		10,685,320	10,685,320	5,418,750	5,266,570	
City of Manassas		530,735	530,735	247,350	283,385	
City of Manassas Park		327,574	327,574	94,350	233,224	
Prince William County		7,901,647	7,901,647	4,006,050	3,895,597	
Total Regional Congestion Relief Fee		\$ 51,159,261	\$ 51,159,261	\$ 25,500,000	\$ 25,659,261	100.6%
NVTD Transfer from COVA		Annualized				
Transaction Months	4	Received	Revenue based	FY2022	Annualized - Actual	
		To Date	on YTD Receipts	Budget	To Budget	
City of Alexandria		\$ 1,319,292	\$ 1,319,292	\$ 1,400,000	\$ (80,708)	
Arlington County		1,655,474	\$ 1,655,474	1,600,000	55,474	
City of Fairfax		548,322	\$ 548,322	600,000	(51,678)	
Fairfax County		8,326,530	\$ 8,326,530	8,200,000	126,530	
City of Falls Church		232,571	\$ 232,571	200,000	32,571	
Loudoun County		4,086,226	\$ 4,086,226	4,200,000	(113,774)	
City of Manassas		464,569	\$ 464,569	400,000	64,569	
City of Manassas Park		125,296	\$ 125,296	200,000	(74,704)	
Prince William County		3,241,720	\$ 3,241,720	3,200,000	41,720	
Total NVTD Transfer from COVA		\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ -	0.0%
Total Revenue Received		\$ 424,691,265	\$ 424,691,265	\$ 340,284,503	\$ 84,406,762	24.80%

ATTACHMENT B

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY FY2020 30% DISTRIBUTION BY JURISDICTION											
Based on: Revenue Data Through August 2022											
Jurisdiction	Interstate Operat Enhance Program	Regional Sales Tax	Regional Congestion Relief Fee	NVTD Transfer From COVA	CoVa NVTA Interest	Cumulative Total	30% Funds	As of 6/30/2022 Accrued Interest (1)	7/31/2022 Prior Distributions	Current Month Distribution	Total Funds Transferred
								(+)			
City of Alexandria	\$ 1,382,420.77	\$ 21,928,468.47	\$ 4,172,158.40	\$ 1,319,292	\$ 3,859.54	\$ 28,806,199.28	\$ 8,641,859.78	\$ 402.97	\$ 8,083,719.99	\$ 558,542.76	\$ 8,642,262.75
Arlington County	\$ 1,777,700.38	\$ 29,486,677.65	\$ 6,292,352.80	\$ 1,655,474	\$ 5,210.56	\$ 39,217,415.17	\$ 11,765,224.55	\$ 518.11	\$ 10,969,786.32	\$ 795,956.34	\$ 11,765,742.66
City of Fairfax	\$ 545,840.50	\$ 8,126,191.18	\$ 474,466.00	\$ 548,322	\$ 1,328.69	\$ 9,696,148.65	\$ 2,908,844.60	\$ 115.13	\$ 2,728,761.07	\$ 180,198.66	\$ 2,908,959.73
Fairfax County	\$ 8,779,752.50	\$ 139,567,207.48	\$ 20,491,474.55	\$ 8,326,530	\$ 23,627.55	\$ 177,188,592.38	\$ 53,156,577.71	\$ 2,360.26	\$ 49,603,705.82	\$ 3,555,232.15	\$ 53,158,937.97
City of Falls Church	\$ 238,797.75	\$ 3,060,514.09	\$ 283,533.10	\$ 232,571	\$ 573.50	\$ 3,815,989.20	\$ 1,144,796.76	\$ 57.59	\$ 1,061,071.86	\$ 83,782.49	\$ 1,144,854.35
Loudoun County	\$ 4,242,860.20	\$ 68,435,223.90	\$ 10,685,320.41	\$ 4,086,226	\$ 11,374.76	\$ 87,461,005.36	\$ 26,238,301.61	\$ 1,208.91	\$ 24,394,844.30	\$ 1,844,666.22	\$ 26,239,510.52
City of Manassas	\$ 474,456.06	\$ 7,773,118.54	\$ 530,735.10	\$ 464,569	\$ 1,173.47	\$ 9,244,051.80	\$ 2,773,215.54	\$ 115.13	\$ 2,539,249.56	\$ 234,081.11	\$ 2,773,330.67
City of Manassas Park	\$ 133,317.29	\$ 2,121,803.35	\$ 327,573.80	\$ 125,296	\$ 366.65	\$ 2,708,357.16	\$ 812,507.15	\$ 57.57	\$ 758,542.74	\$ 54,021.98	\$ 812,564.72
Prince William County	\$ 3,360,386.55	\$ 52,097,267.33	\$ 7,901,646.50	\$ 3,241,720	\$ 8,884.46	\$ 66,609,904.83	\$ 19,982,971.45	\$ 921.08	\$ 18,643,787.02	\$ 1,340,105.51	\$ 19,983,892.53
Total Revenue	\$ 20,935,532.00	\$ 332,596,471.99	\$ 51,159,260.66	\$ 20,000,000.00	\$ 56,399.18	\$ 424,747,663.83	\$ 127,424,299.15	\$ 5,756.75	\$ 118,783,468.68	\$ 8,646,587.22	\$ 127,430,055.90
Interest 6/30/2022						\$ 424,747,663.83	\$ 127,424,299.15			\$ 8,646,587.22	\$ 127,430,055.90

FYE June 2022



NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chair Rishell and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: September 1, 2022

SUBJECT: Monthly Operating Budget Report

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on the Authority's Operating Budget for FY2022.
2. **Background:** The Authority elected to fund the Operating Budget for FY2022 through transfers from the Regional Revenue Fund.
3. **Comments:** Through fiscal year end (FYE) June 30, 2022, the FY2022 Operating Budget has produced the following:
 - a. The Operating Budget was fully funded through quarterly transfers of \$686,202 from the Regional Revenue Fund.
 - b. On November 18, 2021, the Authority adopted a mid-year budget adjustment increasing expenditures by \$148,984, to fund two additional staff positions (Communications and Executive Assistant to the CEO).
 - c. In June 2017, the Government Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. The objective of the Statement was to better meet the information needs of financial statement users. It established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.
 - d. GASB 87 requires the total contractual amount of the office space and copier leases to be reported as a capital outlay and an offsetting 'Inception of Lease Agreement' under other revenue. It also requires the actual annual lease payments to be broken out and reported under Lease Principal and Interest.
 - e. As of FYE June 30, 2022, the attached Income Statement reflects the Authority utilized 110% of its FY2022 amended expenditure budget or was \$300,730 negative (overspent).
 - f. The required implementation of GASB 87 required the one-time capitalization of the office and copier machine leases of \$666,079.

- g.** Removing the impact of the one-time implementation of GASB 87 would show only 88% of the authorized adjusted budget was expended resulting in a positive FYE budget variance (underspent) of \$365,350.
- h.** As of the fiscal year-end, all expense categories remained within budget.
- i.** The attached statement shows the total Operating Budget income and expenditure activity for FYE June 30, 2022 (unaudited).

Attachment: FY2022 Monthly Operating Budget through FYE June 30, 2022

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NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
Income Statement
For the Accounting Period: 13 / 22

Page: 1 of 2
Report ID: LB170A

1000 General Fund

Account Object	Description	----- Current Year -----				
		Current Month	Current YTD	Budget	Variance	
Expenses						
410000	Personnel Expenses					
110	Salaries-Regular Pay	64,464.82	1,554,773.55	1,646,103.00	91,329.45	94
130	Health & Dental Benefits		150,038.47	256,478.00	106,439.53	58
131	Payroll Taxes	5,840.76	105,854.51	128,634.00	22,779.49	82
132	Retirement VRS	444.20	122,374.21	136,385.00	14,010.79	90
133	Life Insurance	27.62	20,071.99	20,807.00	735.01	96
134	Flex Spending/Dependent Care		553.71	881.00	327.29	63
135	Workers Comp		1,202.00	1,708.00	506.00	70
137	Disability Insurance		14,571.90	19,270.00	4,698.10	76
	Total Account	70,777.40	1,969,440.34	2,210,266.00	240,825.66	89
420000	Professional Services					
210	Audit & Accounting Services		46,500.00	48,000.00	1,500.00	97
220	Bank Service		-141.34	750.00	891.34	-19
230	Insurance		8,797.00	7,835.00	-962.00	112
240	Payroll Services		2,221.02	2,636.00	414.98	84
245	Consulting Services		25,200.00	25,000.00	-200.00	101
260	Public Outreach & Regional Event Support		32,678.92	49,925.00	17,246.08	65
261	Legal/Bond Counsel Services			10,000.00	10,000.00	
262	Financial Advisory Services		35,000.00	36,951.00	1,951.00	95
263	Bond Trustee Fees		2,687.50	2,700.00	12.50	100
264	Legislative Services		84,473.51	78,690.00	-5,783.51	107
265	Investment Custody Svc		20,260.00	25,000.00	4,740.00	81
	Total Account		257,676.61	287,487.00	29,810.39	90
430000	Technology/Communication					
310	Acctg & Financial Report Systems		92,074.11	94,685.00	2,610.89	97
320	HW SW & Peripheral Purchase	2,925.46	26,877.00	5,000.00	-21,877.00	538
330	IT Support Svc Incl Hosting	-2,925.46	42,020.00	29,304.00	-12,716.00	143
335	GIS/Project Mgt/Modeling	23,200.00	124,285.84	211,728.00	87,442.16	59
340	Phone Service & Web Ex Chgs		14,779.21	13,160.00	-1,619.21	112
350	Web Develop & Hosting		7,004.01	9,185.00	2,180.99	76
	Total Account	23,200.00	307,040.17	363,062.00	56,021.83	85
440000	Administrative Expenses					
410	Advertisement		4,895.33	1,500.00	-3,395.33	326
411	Dues & Subscriptions		11,720.19	10,544.00	-1,176.19	111
412	Duplication & Printing	-2,358.45	6,613.45	13,610.00	6,996.55	49
413	Furniture & Fixture			14,000.00	14,000.00	
414	Hosted Meeting Expenses		6,494.19	4,500.00	-1,994.19	144
415	Mileage/Transportation		6,246.89	11,000.00	4,753.11	57
417	Office Lease	-181,597.24	836.41	193,976.00	193,139.59	
418	Office Supplies		10,210.28	7,100.00	-3,110.28	144
419	Postage & Delivery		50.67	700.00	649.33	7
420	Professional Develop & Training		10,865.21	23,650.00	12,784.79	46
	Total Account	-183,955.69	57,932.62	280,580.00	222,647.38	21
490600	Lease Pymnts					

1000 General Fund

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
655	Lease Principal	182,123.86	182,123.86		-182,123.86	
660	Lease Interest	1,831.83	1,831.83		-1,831.83	
	Total Account	183,955.69	183,955.69		-183,955.69	
510300	Capital Outlay - Lease Agreements					
930	Office Lease Agreements	652,676.57	652,676.57		-652,676.57	
935	Equipment Lease Agreements	13,402.57	13,402.57		-13,402.57	
	Total Account	666,079.14	666,079.14		-666,079.14	
	Total Expenses	760,056.54	3,442,124.57	3,141,395.00	-300,729.57	110
	Net Income from Operations	-760,056.54	-3,442,124.57			
	Other Revenue					
381050	Inception of Lease Agreement	666,079.14	666,079.14		666,079.14	
383000	Transfer Operating Budget from Regional Revenue		2,744,809.00	2,744,809.00		100
						124
	Total Other Revenue	666,079.14	3,410,888.14	2,744,809.00	666,079.14	124
	Other Expenses					
521000	Transfers					
820	Transfer to Operating Reserve			574,710.00	574,710.00	
825	Transf to Equip Reserve			31,486.00	31,486.00	
	Total Account			606,196.00	606,196.00	
	Total Other Expenses	0.00	0.00	606,196.00	606,196.00	
	Net Income	-93,977.40	-31,236.43			