



Northern Virginia Transportation Authority

The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE
Thursday October 17, 2019 – 1:00 PM
3040 Williams Drive, Suite 200
Fairfax, VA 22031

AGENDA

- I. Call to Order/Welcome** Mayor Parrish, Chairman
- II. Summary Minutes of the September 19, 2019 Meeting**
Recommended Action: Approval [with abstentions from those who were not present]

Action Items

- III. FY2019 Financial Statement and Compliance Audit** Mr. Garber, PBMares, LLP
(Recommended Action: Recommend Authority Acceptance of Audited Financial Statements)
- IV. Revisions to Policy 19 – Local Distribution (30% Funds)** Mr. Longhi, CFO
(Recommended Action: Recommend Authority Approval of Policy Changes)
- V. Revisions to Policy 20 – Regional Revenue (70% Funds)** Mr. Longhi, CFO
(Recommended Action: Recommend Authority Approval of Policy Changes)

Information/Discussion Items

- VI. Project Reimbursement Parameters** Mr. Longhi, CFO
- VII. Policy 29 Status Report - Update** Mr. Longhi, CFO
- VIII. Investment Portfolio Report** Mr. Stavros, Investment & Debt Manager
- IX. Monthly Revenue Report** Mr. Longhi, CFO
- X. Operating Budget Report** Mr. Longhi, CFO

Adjournment

- XI. Adjournment**

Next Scheduled Meeting November 21, 2019 at 1:00PM (Room B)

3040 Williams Drive, Suite 200, Fairfax, Virginia



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE
Thursday, September 19, 2019 1:30
PM (Room B)
3040 Williams Drive, Suite 200
Fairfax, VA 22031

MEETING SUMMARY

I. Call to Order/Welcome

- Vice Chair Rishell called the meeting to order at 1:42 PM.
- Attendees:
 - ✓ Authority Members: Chairman Nohe; Chairman Bulova; Mayor Rishell, Mayor Wilson (Arrived 1:48 PM);
 - ✓ Other Authority Members: Board Member Cristol
 - ✓ Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Richard Stavros (Investment & Debt Manager); Peggy Teal (Assistant Finance Officer); Dev Priya Sen (Financial Analyst)
 - ✓ Council of Counsels: Ellen Posner (Fairfax County – Department of Transportation); Rob Dickerson (Prince William County)
 - ✓ Other Attendees: Tarrence Moorner (Alexandria); Paolo Belita (Prince William); Kristy Choi (PFM); Rich Roisman (Arlington County); Penny Newquist (Loudoun); Brent Riddle (Fairfax County); Greg Potts (WMATA); John Irish (Herndon); Mark Duceman (Herndon)

II. Summary Minutes of the June 2013, 2019 Meetings

- Chairman Bulova moved approval of the minutes of the meeting; seconded by Chairman Nohe. Motion carried unanimously.

Action Items

III. TransAction Contract Amendment 5: 2019 Tracking Survey

Mr. Longhi, CFO

- Mr. Longhi presented the TransAction Update Contract Amendment 5, which is a request for a 2019 tracking survey to update those previously conducted in 2015 and 2016, noting:
 - ✓ The purpose of the third survey is to identify current awareness and priorities and to assess any changes that may have occurred on any of the key measures from the earlier two waves of research, including:
 1. Transportation issue awareness and perceptions
 2. Perceptions of quality of life in terms of transportation and future outlook
 3. Identification of key factors impacting transportation quality of life
 4. Identification of regional transportation priorities and key projects

5. NVTA and TransAction Plan awareness and performance

- ✓ Mr. Longhi noted that the results of the 2019 tracking survey update will also be used as part of the Request for Proposal (RFP) when the Authority next updates TransAction.
- ✓ Chairman Nohe asked if the tracking survey was the last activity under the current TransAction contract.
- ✓ In response Mr. Longhi said the tracking survey proposed in Amendment 5 is one of several remaining tasks under the current contract. The other tasks are related to the FY2020/25 Six Year Program (SYP) Two Year Update and Long Term Benefit Analysis.
- ✓ Chairman Nohe asked a follow-up question as to the status of the current contractor relative to the new RFP.
- ✓ Mr. Longhi elaborated that the approval of the amendment does not guarantee AECOM and their subcontractor Hearts+Minds will be the consultants for the next TransAction contract award, nor does it preclude them. The next TransAction RFP will be a new open competitive procurement.
- ✓ Mr. Longhi added that the tracking survey costs were within budget.
- Chairman Bulova moved approval; seconded by Chairman Nohe. Motion carried unanimously.

IV. Direct Investment Purchases: Investment Policy Change

Mr. Longhi, CFO

- Mr. Longhi presented the NVTA direct investment purchase initiative, noting this had been discussed at previous Committee meetings. The proposed policy modifications will allow the implementation of direct (electronic) purchase of securities.
 - ✓ Mr. Longhi discussed how direct purchases would reduce the time Mr. Stavros spends on the phone with brokers fielding solicited and unsolicited calls, as the Bloomberg terminal can instantly display multiple offers from broker and dealers.
 - ✓ Mr. Longhi noted, that in addition to better pricing, the direct purchase approach enables Mr. Stavros to quickly click into the specifics of the individual security to make sure it's in compliance with Code of Virginia (a feature Mr. Stavros has been using with the more time-consuming voice transactions).
 - ✓ Mr. Longhi described examples with voice transactions where the NVTA approval process was too slow and NVTA lost opportunities. Direct purchases would improve the internal approval process timeline as Mr. Stavros could more quickly identify, communicate and receive approval for investments.
 - ✓ In addition to saving time, Mr. Longhi added that direct purchases would also improve security and oversight. The CFO will have a Bloomberg terminal as part of the initiative, and Ms. Teal, NVTA's primary investment monitor and Ms. Sen (who has a background in security transactions) will have Bloomberg audit terminals. Thus, providing greater transparency to what is happening with the portfolio and fully implementing the Investment Monitor role called for in the Investment Policy.
 - ✓ Mr. Longhi noted that NVTA's study on direct purchases found the potential for \$400,000 in investment savings (yield increase) from a \$21,000 increase in

subscription service costs.

- ✓ Mr. Longhi showed the policy is proposed to change in three places;
 - Page 6 of the policy recognizes that a Bloomberg terminal selection would be considered part of a competitive process.
 - Page 4 restricts transactions to brokers that have been screened by NVTA.
 - Page 2 makes it clear that NVTA's investment monitors, Ms. Teal, NVTA's prime monitor, and Ms. Sen, will be able to see every transaction that goes through the Bloomberg.
- ✓ Mr. Longhi noted that NVTA will not change the delivery versus payment policy requirement on page 11. This important security protocol puts NVTA's money in the hands of a 3rd party, who holds it until the party selling the security puts the security in its hands, and then does the exchange.
- ✓ Mayor Rishell congratulated the finance team on the initiative to save \$400,000 in costs.
- ✓ Chairman Nohe moved approval; seconded by Chairman Bulova. Motion carried unanimously

V. Direct Investment Purchases: Budget Amendments

Mr. Longhi, CFO

- Mr. Longhi presented the budget transfer that supports the implementation of the Direct Investment Purchase initiative, noting that the background was the same as the previous discussion.
- Mr. Longhi noted the budget action requested allows the implementation of direct security purchases this fiscal year.
 - ✓ The budget action allows the use of the Operating Reserve to pay the \$21,000 cost of implementing direct purchases this year, with the fund being replenished in the FY2021 budget.
 - ✓ Mr. Longhi discussed the portfolio's realized and unrealized gains; interest income from the NVTA portfolio exceeded the FY2019 Budget Projection by \$12 million (unaudited) in realized income.
 - ✓ Mr. Longhi discussed the implication of realized and unrealized gains and losses on the Authority's financial statements and budget practices.
 - ✓ Mr. Longhi discussed the addition of a service by Inter Continental Exchange (known as ICE) as part of the direct purchase initiative which will perform an evaluation every fiscal year showing how well the portfolio performed from a transaction standpoint (whether the acquiring of investments were optimal, and how well brokers have been treating NVTA from a cost standpoint)
- Chairman Bulova moved approval; seconded by Chairman Nohe. Motion carried unanimously.

VI. Office Lease Renewal

Mr. Longhi, CFO

- Mr. Longhi reported that all the goals the Finance Committee set out in previous discussions had been achieved in the proposed lease. The new lease terms include:
 - ✓ Clearer delineation of shared and non-shared spaces and common area costs.
 - ✓ Reduced cost to the Authority.
- Mr. Longhi noted that the lease renewal with NVRC has 2 base years and three "approximate" one year renewal options. Mr. Longhi explained his use of the term

“approximate” is because the rent calculation is on Oct. 6 and the expiration is at the end of October. Thus, Mr. Longhi continued, the fiscal year does not line up with the calendar year, nor with the lease term calendar period.

- Mr. Longhi noted the annual lease costs of \$169,000 for the year starting October 6, 2019 with increases to \$191,000 for the final (2025) term of the lease.
- Mayor Wilson moved approval; seconded by Chairman Bulova. Motion carried unanimously. As part of their approval recommendation, and for purposes of transparency, Mayor Rishell, Chairman Bulova, and Chairman Nohe noted for the record, that they also serve as Commissioners on NVRC.

Information/Discussion Items

VII. Policy 29 Report

Mr. Longhi, CFO

- Mr. Longhi reviewed the two year development background of Policy 29 prior to its authorization by the Authority in April 2019. The primary policy objective is to establish clear communications regarding the status, and if appropriate, challenges which face NVTA projects. The communication is accomplished through prompt execution of SPA’s, reports and meetings as well as updates to the Executive Director’s monthly report to the Authority.
- Mr. Longhi added all active projects through all funding cycles were reviewed for this report.
- Mr. Longhi further noted that during the two year development period of Policy 29, there was a remarkable increase by jurisdictions and agencies in the frequency and detail of:
 - Project reports
 - Project reimbursements
 - Updates to Appendix A’s (project schedule updates)
 - Updates to Appendix B’s (cash flow schedule updates)
 - Project closeouts
- Mr. Longhi noted these activities by jurisdictions and agencies supported the Policy 29 goals of increasing communication and advancing projects.
- Mr. Longhi reported that three project sponsors (Arlington County, the Town of Herndon and Fairfax County) had reportable policy violations or concerns.
 - ✓ Mr. Longhi reviewed the reported status of the Arlington County Ballston Metrorail West Entrance project.
 - Board Member Cristol asked to speak to the Committee and noted the Ballston Metrorail West Entrance project has the attention of Arlington County and the project is of strategic interest, particularly I-66 commuters.
 - Board Member Cristol further discussed efforts to bring the Ballston project into compliance, adding that the project would start to get back on track soon as there is a dedicated project manager on County staff and updated environmental and engineering studies, funded by NVTA, in process.
 - Board Member Cristol referred to a letter that was shared with the Authority from WMATA General Manager Paul Wiedefeld to Arlington County Manager Mark Schwartz sharing WMATA’s commitment to the project.

- From the letter, Board Member Cristol added a major potential milestone would be the inclusion of the project into the WMATA CIP (Capital Improvement Plan). To do so, a project coordination agreement is needed, which would come out of the preliminary engineering work now underway. WMATA General Manager Paul Wiedefeld's letter summarized the process, Board Member Cristol added.
 - ✓ Ms. Backmon noted staff is working on the update of the SYP and mentioned a recommendation at the October or November Finance Committee meetings relative to any project funding that will be deallocated or deprogrammed. This will allow NVTA staff to revise its PayGo estimates and produce a more accurate number for SYP update.
 - ✓ Vice Chair Rishell noted that NVTA staff should be given the opportunity to review the WMATA letter and report back to the Finance Committee and suggested an ongoing status report on Policy 29 violations.
- Mr. Longhi reported the Town of Herndon has three projects in violation of Policy 29. He reviewed the details of the three projects and violations, noting:
 - ✓ The Town of Herndon promptly produced a detailed and well thought out plan to address the policy violations.
 - ✓ Mr. Longhi noted the Town proposal includes completing the three projects with their own resources (rather than requesting additional NVTA funding) and on an aggressive timeline.
 - ✓ Mr. Longhi recommended the continued monitoring of the Town's progress.
- Mr. Longhi then reviewed the Fairfax County report status which has 12 projects with Policy 29 violations or concerns.
- Mr. Longhi noted Fairfax County staff provided information on September 6th related to 9 of the 12 projects. NVTA staff is in the process of reviewing this information.
 - ✓ Chairman Bulova noted that she had been in contact with staff on the Policy 29 violations (timeliness of documentation and production of materials) and stated that the issues would be resolved.
 - ✓ Mr. Longhi noted that the issues appear to be administrative rather project based.
- During the preparation of the Policy 29 analysis, Mr. Longhi noted that two WMATA projects were reviewed, noting while not included in the Policy 29 violation analysis, the review raised separate significant questions. Mr. Longhi noted WMATA responded to these concerns the day before, which NVTA staff was in the process of reviewing.
 - ✓ With respect to the WMATA projects, Chairman Nohe stated state law and NVTA policy is clear that multi-jurisdictional projects cannot be funded outside of the region unless the other extra-regional bodies, in this case the District of Columbia and Maryland, have fully funded their share of the project, according to the written rules, to the same extent that NVTA has.
- Chairman Bulova added that the Policy 29 is an important initiative as it brings issues to the Board that it needs to be aware of, particularly as it's important that the money put to projects is being used and those projects are moving, not languishing, adding a greater level of care is always required with taxpayer dollars.

VIII. Investment Portfolio Report

Mr. Stavros, Investment & Debt Manager

- Mr. Stavros affirmed the portfolio was managed on the basis of Safety, Liquidity and then Yield (SLY).
- Mr. Stavros noted since the last meeting bond markets had been extremely volatile, but NVTA's portfolio continued to outperform its benchmarks.
 - ✓ Mr. Stavros attributed the continued performance to NVTA's significant expansion of U.S. Treasury holdings in early 2019 to enhance safety, just before rates started to fall.
 - ✓ Mr. Stavros noted that the portfolio's performance would be impacted over time by the Federal Reserve's September 18th rate cuts - the second this year - lowering rates by 25 basis points to a range of 1.75% to 2% in response to slowing U.S. economic growth.
 - ✓ NVTA's portfolio continued to be very liquid to meet project liabilities, with a small average duration of .56 or just a little more than 6 months.
 - ✓ Mr. Stavros highlighted the portfolio had expanded \$36 million since the last report. Mr. Longhi added that the portfolio had officially crossed the \$1 billion mark.
 - ✓ On the \$1 billion portfolio, Ms. Backmon stressed the money had already been assigned or committed to transportation projects.
 - ✓ Ms. Backmon also pointed out that the size of the portfolio was indicative and a consequence of the fact that some projects take time, particularly when public involvement can change the direction of transportation projects.
 - ✓ Vice Chair Rishell thanked and congratulated Mr. Stavros on his work.

IX. Monthly Revenue Report

Mr. Longhi, CFO

- Mr. Longhi reported that NVTA revenues, which were at the time unaudited, had closed the fiscal year above target, and he confirmed all jurisdictions received their 30% funds through the course of the year.

X. Operating Budget Report

Mr. Longhi, CFO

- Mr. Longhi reported the operating budget closed out the year with a small positive balance, noting unspent funds will carry over to fund the next budget cycle.
 - ✓ Vice Chair Rishell thanked the entire NVTA staff on its hard work and producing a substantial agenda, as well as thanking the finance team for finding \$400,000 in savings in the investment portfolio.

Meeting Adjourned: 2:23 PM
Next Meeting October 17, 2019

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

SUBJECT: Fiscal Year 2019 Financial Statement and Compliance Audit Reports

DATE: October 11, 2019

1. **Purpose.** To seek the Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation of Authority acceptance of the draft FY2019 Financial Statement and Compliance Audit Reports.
2. **Suggested motion.** *I move the Finance Committee recommend Authority acceptance of the draft Northern Virginia Transportation Authority Financial and Compliance Audit Reports for the fiscal year ended June 30, 2019 (Attached).*
3. **Current Situation.**
 - a. The Finance Committee is designated as the Authority's Audit Committee.
 - b. 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:
 - i. *Government Auditing Standards* issued by the Comptroller General of the United States.
 - ii. *Specifications for Audits of Authorities, Boards and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia.
 - c. The Authority contracted with PBMares, LLP to complete the required audit of the FY2019 financial statements.
 - d. Mr. Michael Garber, Partner, PBMares LLC is presenting the draft Financial and Compliance Audit Reports for the fiscal year ended June 30, 2019 (Attached).

Attachment: Northern Virginia Transportation Authority, Financial and Compliance Reports, Year Ended June 30, 2019 (Draft)

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: October 11, 2019

SUBJECT: Revisions to Policy 19 - Local Distribution (30% Funds)

1. **Purpose:** To seek Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation of changes to Policy 19 – Local Distribution (30% Funds) to implement Virginia Code changes effective July 1, 2019.
2. **Suggested Motion:** *I move Finance Committee recommendation of Authority approval of the attached changes to the Authority's Policy 19 – Local Distribution (30% Funds).*
3. **Background:**
 - a. Policy 19 – Local Distribution of Thirty Percent Funds was adopted by the Authority on December 5, 2014. This Policy has not been revised since adoption.
 - b. The 2019 General Assembly Session produced two Bills which impact the NVTA Local Distribution Fund:
 - (i) **SB1468:** This Bill, patroned by Senator Black, provides the Authority flexibility to pay operating and administrative expenses through assessments to member jurisdictions or via a transfer from the Regional Revenue Fund (70% revenues).
 - (ii) **SB1716:** This Bill is related to funding for the I-81 Corridor Improvements. The Bill provides for additional funding to the Authority, which the Commonwealth estimates as:
 1. FY2020 -\$9.4 million
 2. FY2021 - \$13.8 million
 3. FY2022 and beyond - \$19.5 million
4. **Proposed Policy Changes:**
 - a. Policy 19 must be changed to reflect the two Bills noted above. The changes directly related to implementing the above Bills are highlighted in yellow.
 - b. Additional changes are proposed to:
 - i. Reflect the loss of Grantor's Tax and Transient Occupancy Taxes in 2018.
 - ii. Improve clarity and consistency relative to the Annual Certification Process, required to receive Local Distribution revenue.
 - iii. Improve the clarity of the overall document.

Coordination: Council of Counsels

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

Policy Number 19 – Local Distribution of Thirty Percent(30% Funds)

I. **Purpose.** In accordance with and subject to the requirements of; the Code of Virginia Code §33.2-2510.B.1-4838.1, thirty percent (30%) of the revenues received by the Northern Virginia Transportation Authority (NVTA) shall be distributed on a pro rata basis, ~~with each member jurisdiction's share being the total of such fees and taxes (revenue) received by the NVTA that are attributable to the locality divided by the total revenue received by the NVTA~~ (the "30% Funds"). Each locality jurisdiction shall execute the Memorandum of Agreement (MOA) Regarding Distribution of 30% Funds. Annually, each jurisdiction will complete an Annual Jurisdiction Certification, certifying the use of previously disbursed 30% funds and eligibility to receive the upcoming fiscal years funds.

II. **General.**

A. The Authority will segregate funds received from the Commonwealth of Virginia between 30% Local Distribution Funds ("30% Funds") and 70% Regional Revenue Funds as soon as practical practicable, as specified in the legislation Virginia Code.

B. The Authority will segregate the SB1716 (2019) portion of funds the 30% Funds received from the Commonwealth of Virginia each fiscal month. The SB1716 funds portion will be segregated and distributed to jurisdictions based on the percentage ratio of each jurisdiction's sales tax to the total amount of sales tax received for that month.

B.C. The Authority will distribute 30% Funds to localities-jurisdictions as soon as practical practicable - contingent on an active Memorandum of Agreement and requirements set out in the Code of Virginia Code.

C.D. Each locality jurisdiction shall deposit its 30% Fund revenues received from the NVTA into a separate, special fund (the "NVTA Special Fund").

D.E. 30% Funds are to be expended for additional urban or secondary road construction, or other capital improvements that reduce congestion, for other transportation capital improvements which have been approved by the most recent long range transportation plan adopted by the NVTA, or for public transportation purposes.

E.F. Each locality jurisdiction is required to provide the NVTA annual certification by August 1 each year in the format required by the NVTA confirming the 30% Funds it received were used in compliance with the Code of Virginia Code. If the certification is not received by August 1, transfers of the current fiscal year 30% Funds will cease until the certification is submitted in good form.

F.G. Administrative expenses of the NVTA, as set forth in the NVTA's annual budget (not otherwise funded through other sources), shall be allocated among the member jurisdictions based on population (as specified in HB2313), alternatively the Authority

may determine through the annual budget process that such expenses will be charged to the 70% Regional Revenue Fund in accordance with SB1468 (2019).

G.H. The member jurisdictions are required to adopt the commercial and industrial (C&I) property tax for transportation at a rate of \$0.125 per \$100 valuation and deposit the revenues into its NVTA Special Fund or deposit an equivalent amount into its NVTA ~~separate special fund~~ Special Fund for transportation improvements by March 1 of each year for the current fiscal year. The amount required to be deposited will be referred to below as the “C&I Equivalency Transfer”

H.I. If a jurisdiction fails to deposit the full amount of the C&I tax or equivalent transfer into its ~~special fund for transportation~~ NVTA Special Fund, the NVTA shall reduce its disbursement of 30% funding by the difference between the amounts deposited compared to the amount required to be deposited.

1. If the full amount of the C&I Equivalency Transfer is not deposited by August 1st, and the annual certification not completed in a compliant form by August 1st, then the NVTA will halt 30% ~~Distributions~~ Funds distributions for that fiscal year.
2. 30% Funds held by the NVTA due to an incomplete or missing C&I equivalency transfer or a noncompliant annual certification shall be held in escrow by the NVTA until March 1st of that fiscal year.
3. On March 1st of that fiscal year any 30% Funds matched by an equivalency transfer will be remitted to the jurisdiction, conditioned upon the annual certification being complete and accepted by the NVTA.
4. Any 30% Funds held after March 1 due to a missing or incomplete C&I Equivalency Transfer or noncompliant annual certification will be irrevocably transferred for that fiscal year to the 70% Regional Revenue Fund for use as determined by the Authority.

H.J. Each jurisdiction is required to maintain its Maintenance of Effort ~~for transportation~~ based on the average transportation expenditures for FY2011, 2012 and 2013, or lose its share of the 30% Funds for the fiscal year succeeding the year in which it did not maintain its transportation expenditures as set forth in Enactment Clause 14 of Chapter 766.

J.K. The NVTA has a continuing responsibility to ensure that the 30 % Funds are properly spent.

K.L. The NVTA and the member counties are required to work cooperatively to ensure that the towns with populations greater than 3,500 receive their respective shares of the 30% Funds.

L.M. Information regarding the receipt of all revenues, all 30% transfers to ~~localities~~ jurisdictions and the payment of the Authority administrative expenses will be open and

transparent to all member jurisdictions and reported to the Finance Committee and the Authority at their regular meetings.

III. Responsibilities.

A. Chief Financial Officer (CFO) Reporting to Executive Director.

1. The CFO will be responsible for accepting the funds from the Commonwealth, investing and safekeeping the funds, distributing the funds to the member jurisdictions, and providing periodic reports on deposits and disbursements to member jurisdictions, the Finance Committee and the Authority.
2. The initial disbursement to the jurisdictions will be made no later than one (1) month following the execution of the MOA by the jurisdictions. Subsequent distributions shall occur monthly or as soon as practical practicable.
3. The CFO will monitor member jurisdictions compliance with their respective MOA's and advise the Executive Director of any non-compliance.

B. Member Jurisdictions.

1. Must comply with the terms of the MOA and the Code of Virginia Code in regard to the use of 30% ~~funds~~ Funds.
2. Each jurisdiction is responsible for paying its share of the Authority's administrative expenses by July 15 of each year for those fiscal years that the Authority has determined to charge member jurisdictions rather than the 70% Regional Revenue Fund, for administrative expenses reflected in the NVTAs Annual Operating Budget.
3. If the Authority determines to charge administrative expenses to member jurisdictions, each member jurisdiction can choose to provide its share of the administrative expenses by asking the Authority to reduce the amount it will receive from its 30% Funds or by paying the invoice from other sources by July 15.
4. By August 1 of each year, the Chief Administrative Officer (CAO) of each member jurisdiction will certify that the jurisdiction has adopted the C&I tax at \$0.125 per \$100 valuation or set aside an equivalent amount of local revenues for transportation purposes in their special fund. The CAO will certify that the jurisdiction met the maintenance of effort requirement for the previous fiscal year.
5. Counties must ensure that towns with a population of 3,500 or more comply with the requirements of HB 2313. Counties are required to enter into a formal MOA with their towns (over 3,500 population).

6. All city, county and town records must be maintained for five years from the date the record was created. All parties must comply with the Public Records Act, and all applicable state and federal laws regarding records retention.

Approved by the Finance Committee: December 5, 2014

Approved by Northern Virginia Transportation Authority: December 11, 2014

Revision 1:

Approved by the Finance Committee:

Approved by the Northern Virginia Transportation Authority:

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: October 11, 2019

SUBJECT: Revisions to Policy 20 – Regional Revenue (70% Funds)

1. **Purpose:** To seek Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation of changes to Policy 20 – Regional Revenue (70% Funds) to implement Virginia Code changes effective July 1, 2019.
2. **Suggested Motion:** *I move Finance Committee recommendation of Authority approval of the attached changes to the Authority's Policy 20 – Regional Revenue (70% Funds).*
3. **Background:**
 - a. Policy 20 – Regional Revenue (70% Funds) was adopted by the Authority on December 5, 2014. This Policy has not been revised since adoption.
 - b. The 2019 General Assembly Session produced two Bills which impact the NVTA Regional Revenue Fund:
 - (i) **SB1468:** This Bill, patroned by Senator Black, provides the Authority:
 1. Flexibility to pay operating and administrative expenses through assessments to member jurisdictions or via a transfer from the Regional Revenue Fund (70% revenues).
 2. Transfer the responsibility for the HB599 ratings from VDOT to the NVTA.
 - (ii) **SB1716:** This Bill is related to funding for the I-81 Corridor Improvements. The Bill provides for additional funding to the Authority, which the Commonwealth estimates as:
 1. FY2020 -\$9.4 million
 2. FY2021 - \$13.8 million
 3. FY2022 and beyond - \$19.5 million
 4. The additional funds are not bondable.
4. **Proposed Policy Changes:** Policy 20 must be changed to reflect the two Bills noted above. The proposed changes reflect:
 - a. The Authority's flexibility in the use of Regional Revenues for operational and administrative expenses. (SB1468)

- b. The transfer of responsibility of conducting the HB599 evaluation to the Authority.
- c. The recognition that Regional Revenue Funds generated pursuant to SB1716 are subject to different legal requirements than Regional Revenue Funds generated under HB2313.
- d. Preserves the 'flow of funds' required in the Virginia Code and NVTA's Master Indenture of Trust.
- e. Updates the policy for the evolution of NVTA staff titles and roles.
- f. Improves the clarity and consistency of the overall document.

Coordination: Council of Counsels
Bond Counsel (McGuireWoods LLC)
Financial Advisor (PFM)

Attachment: Draft Policy 20 – Regional Revenue (70% Funds)

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

Policy Number 20 – Regional Revenue Funds (70% Funds)

I. Purpose. Virginia Code of Virginia §33.2-2509-2510 directs the Northern Virginia Transportation Authority (“NVTA” or the “Authority”) to use 70 percent of the revenue collected (the “Regional Revenue Funds”) ~~and fees, interest earnings, plus the~~ and NVTA bond proceeds for (i) transportation projects selected by the Authority that are contained in Transaction 2040 and its updates or (ii) mass transit capital projects that increase capacity benefitting those counties and cities embraced by the NVTA. The Standard Project Agreement for Funding (SPA) is the mechanism NVTA shall use to govern the distribution and use of Regional Revenue Funds and for the NVTA to ensure that such funds are spent in accordance with the Virginia Code and Authority policies. NVTA recognizes that Regional Revenue Funds generated pursuant to SB1716 (2019) are subject to different legal requirements than Regional Revenue Funds generated under HB2313 (2013).

I.

II. General.

A. Regional Revenue Funds ~~generated by HB2313 (2013), as amended, will be distributed, subject to any outstanding Bond Indentures will be distributed, in accordance with the Virginia Code and NVTA’s Master Indenture of Trust dated as of December 1, 2014 as Supplemented (the “NVTA Indenture”)~~ as follows:

1. Revenues generated by HB2313 (2013) are first pledged for debt service, and will be included in debt capacity calculations. NVTA will segregate the Regional Revenue Funds generated under SB1716 (2019) (the “SB1716 Regional Revenue Funds”) from the Regional Revenue Funds generated under HB2313 (the “HB2313 Regional Revenue Funds”).
2. The SB1716 Regional Revenue Funds cannot be used to support bonds or other debt of NVTA. As such, once the segregation described in II.A.1. above has occurred, the SB1716 Regional Revenue Funds will immediately be credited to the General Fund established under the NVTA Indenture (the “General Fund”).
3. Revenues generated by SB1716 (2019) cannot be used for The HB2313 Regional Revenue Funds are pledged to pay debt service and will be included in NVTA’s debt capacity calculations or debt service payments.
4. The HB2313 revenues Regional Revenue Funds will be used, applied in priority following order on a monthly basis:
 1. To pay debt service on bonds issued by the Authority and secured by a pledge of such monies.
 - a) To fund refill a Working Capital Reserve and/or Debt Service Reserve equal to at least six (6) months of the budgeted at an amount determined by the Authority of

~~no less than \$120 million and a shortfalls, if any in any fund each Bond Debt Service Reserve Funds Fund for NVTA's senior bonds Debt Service Reserve as required by any outstanding applicable Bond Indentures, annual Regional NVTA Funds under the NVTA Indenture;-~~

- b) To restore the balance in any Debt Service Reserve Fund that may be established under the NVTA Indenture to its Reserve Requirement in accordance with the NVTA Indenture;
- c) To fund any Subordinate Debt Service Fund for any subordinate bonds that NVTA may issue in accordance with the NVTA Indenture;
- d) To fund any Rebate Fund established for any series of NVTA bonds as provided in the NVTA Indenture to provide for the payment of any rebate amounts for such series determined under Section 148 of the Internal Revenue Code; and
- e) Any balance remaining after the foregoing deposits have been made shall be transferred to the General Fund.

5. Amounts in the General Fund, which will consist of both SB1716 Regional Revenue Funds and HB2313 Regional Revenue Funds, will be applied as follows as more particularly described in NVTA's annual operating budgets:

~~2.a) To fund or refill maintain a Working Capital Reserve at a total in an amount determined by the Authority NVTA of no not less than \$120 million-;~~

~~3.b) To fund cost of issuance and other debt-related fees and services-;~~

~~c) For To fund "pay-as-you-go" (PayGo Pay-Go) projects approved by the Authority NVTA-;~~ and

~~4. d) To fund make transfers to the Operating Fund established under the NVTA Indenture to pay NVTA's annual administrative and operating expenses as determined annually by Authority adoption of its Annual Operating Budget, in accord with SB1468 (2019), to the extent not provided for from other sources as authorized under SB1468 (2019).~~

~~5.6. Each project financed by Regional Funds must meet the following criteria as well as be approved by NVTA and subject to all applicable laws:~~

- a. ~~Project must be in the current regional long range transportation plan, the (TransAction) 2040 plan and its updates, and be rated in accordance with HB599 599; Code of Virginia § 33.2-257 ("VDOT Rating") if required, or a mass transit capital project that increases capacity.~~
- b. ~~Must reflect the Authority's priority for selecting projects that are expected to provide the greatest congestion reduction relative to the cost of the project-;~~

- c. Must be located only in ~~jurisdictions~~ ~~localities~~ embraced by the Authority or in adjacent ~~localities~~ ~~jurisdictions~~ but only to the extent that such extension is an insubstantial part of the project and is essential to the viability of the project within the ~~localities~~ ~~jurisdictions~~ embraced by the Authority; ~~and~~;
- d. Must result in each ~~locality's~~ ~~jurisdiction's~~ total long-term benefit being approximately equal to the proportion of the total of the fees and taxes received by the Authority that are generated by or attributable to the ~~locality~~ ~~jurisdiction~~ ~~jurisdiction~~.

~~B. The HB2313 derived Regional Funds must be distributed in the following order of priority in accordance with the bond Master Indenture of Trust dated as of December 1, 2014, as supplemented :~~

- ~~1. To fund all senior debt service requirements.~~
- ~~2. To fund all debt service reserve requirements (if due).~~
- ~~3. To fund subordinate debt service requirements (if due).~~
- ~~4. To fund all rebate fund requirements (if due).~~

~~C.B. The SPA— Standard Project Agreement is the guiding document regarding the responsibilities of each party in reference to project funding using Regional Revenue Funds.~~

III.IV. Responsibilities.

A. Executive Director.

- 1. Is responsible to assign a ~~project coordinator~~ Transportation Planner to monitor each project to ensure compliance with the ~~SPA~~ Standard Project Agreement.
- 2. The Executive Director will make guidelines available to the recipient as necessary to assist with compliance of the ~~SPA~~ Standard Project Agreement.
- 3. Written requests for supplemental project funding shall be submitted to the Executive Director for review. The Executive Director will present a recommendation to the Finance Committee for consideration. The Finance Committee may make a recommendation on any such request to the Authority for final determination.
- 4. The Executive Director will review written requests from recipients to advance a project to a future phase. The requests will be shared with the Finance Committee for consideration. The Finance Committee may make a recommendation on any such request to the Authority for final determination. The ~~SPA~~ Standard Project Agreement doesn't prevent a recipient from self-funding a future phase of an approved project and seeking reimbursement from the Authority based on the original or modified cash flow projections.

5. The Executive Director will advise the recipient in writing of questionable uses of any funding which comes to the Authority's attention. The Executive Director will provide a report of the incident and make recommendations for resolution to the Finance Committee. The Finance Committee will forward the issue and possible resolution to the Authority. Additional funding will be withheld until final resolution of the matter.

B. Chief Financial Officer (CFO) Reporting to Executive Director.

1. The CFO has primary responsibility to ensure Regional ~~funds-~~ Revenue Funds are properly safeguarded and disbursed.
2. The CFO will be responsible for ensuring recipient project cash flow requirements are periodically updated to properly manage the project needs of the recipient.
3. The CFO will manage the requisition process, as outlined in the SPA Standard Project Agreement, for cash flow purposes to facilitate reimbursement to the recipient within 20 days of receiving a completed and approved requisition request.
4. The CFO will manage the Authority's cash position to ensure availability of funds to meet programmed reimbursement requests.

C. ~~Program Coordinator~~ Principal, Transportation Planning and Programming.

1. The ~~Principal, Transportation Planning and Programming's team~~ NVTA's program coordinator will be responsible for assigning a Transportation Planner for monitoring projects on behalf of the NVTA so as to ensure compliance with this Agreement and all statutes required under the Code of the applicable Standard Project Agreement, NVTA's policies and the Virginia Code.
2. The assigned ~~program coordinator~~ Transportation Planner is charged with overseeing, managing, reviewing and processing, in consultation with the NVTA's Executive Director and its CFO, all payment requisitions submitted by recipients for projects. He/she will also notify the recipient of the reasons why a payment requisition has been declined.
3. The assigned Transportation Planner ~~program coordinator~~ will have no independent authority to direct changes or make additions, modifications, or revisions to the Project Scope of Work as set forth in Appendix A to the applicable Standard Project Agreement or to the Project Budget and Cash Flow as set forth in Appendix B to the applicable Standard Project Agreement.
4. In consultation with the Executive Director, Principal, Transportation Planning and Programming's team and assigned Transportation Planner ~~program coordinators~~ will conduct periodic reviews to ensure that the project remains in compliance with the agreed upon project scope.

5. The Transportation Planner ~~program coordinator~~ will ensure that written certification is received for matching project funds and for compliance with VDOT requirements, if the project is to be accepted into the VDOT system for maintenance.

D. Recipients.

1. Each recipient is responsible to ensure work is performed in accordance with all applicable federal, state and local laws and regulations, and the SPA.
2. Each recipient must perform or have performed all environmental work, right-of-way acquisition, construction, contract administration, testing services, inspection services, or capital asset acquisition necessary to complete the project.
3. A recipient must acknowledge the requirements of the NVTA's Resolution 14-08 NORTHERN VIRGINIA TRANSPORTATION AUTHORITY ('NVTA') POLICY FOR USE OF 70% FUNDS UNDER 2013 VA. ACTS CH. 766 REGARDING FUNDING OF PROJECTS UNDERTAKEN BY NVTA OR ON ITS BEHALF WITH THE DISTRICT OF COLUMBIA, VIRGINIA, ANY OTHER STATE OR A POLITICAL SUBDIVISION THEREOF, OR THE UNITED STATES OF AMERICA, if applicable.
4. A recipient must name the Authority and its bond trustee as additional insureds on insurance policies associated with the project.
5. A recipient must certify that it will use the project for its intended purpose for the duration of its useful life.
6. A recipient must acknowledge that the Authority will not be responsible for operating or maintaining the project upon completion.
7. A recipient must comply with will federal and state requirements for other funding sources which may be used to fund the project and certify that it has adhered to all applicable laws and regulations, as well as the requirements of the agreement.

Approved by the Finance Committee: December 5, 2014

Approved by Northern Virginia Transportation Authority: December 11, 2014

Revision 1:

Approved by the Finance Committee:

Approved by the Northern Virginia Transportation Authority:

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: October 11, 2019

SUBJECT: Project Reimbursement Parameters Study

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on issues related to Regional Revenue Fund project reimbursements.
2. **Background:**
 - a. The Authority reimburses project expenses for appropriated projects from the Regional Revenue Fund.
 - b. Many reimbursements are very definitive and require little judgement.
 - c. The definitive expenses include such project activities as contractor payments, direct materials/supplies or right of way payments.
 - d. Expenses related to public employee/agency direct and indirect costs are less transparent and definitive:
 - i. Employer tax liability related to \$1.00 of salary or wages is typically 7-8%.
 - ii. Pension contributions vary. Virginia Retirement System assessments related to \$1.00 of salary or wages is typically 13%. Other retirement plans average between 16-18%.
 - iii. Health Insurance related to \$1.00 of salary or wages is typically between 11-29%.
 - iv. Some requests include salaries at an overtime rate with additional charges of up to 40% of \$1 of salary for non-productive times such as sick, vacation and holiday.
 - v. Reimbursements are being submitted which include salary and wage additional costs of 15%, 27%, 40%, 90%, 100% and 127%.
3. **Comments:** A study is proposed to provide clarity and transparency on the use of Regional Revenue Funds for project reimbursements related to direct and indirect costs.
 - a. Over the last two years, as time demands permitted, NVTA finance staff have researched the reimbursement parameters of various other State and Federal transportation funding organizations. No consistent, definitive guidance has been found to date.
 - b. Parameters the study will seek to establish will expand as the study transpires, but will include as a baseline:

- i. Vacation and sick pay (non-project productive time)
 - ii. Vacation and sick leave accruals (non-project productive time)
 - iii. Retirement costs, current and catch up payments (non-project productive liabilities)
 - iv. Holiday pay (non-project productive time)
 - v. Overtime, when all time charged is charged at an overtime rate
 - vi. Retirement voluntary matches
 - vii. General internal jurisdiction charges such as for IT seat licenses
 - viii. Vehicle charges (direct v. mileage)
 - ix. Non-project specific incidental expenses. (General office supplies, cell phones/cases)
 - x. Non-project specific personal use items (work boots/allowances)
 - xi. Time limit to submit invoices (have received invoices older than two years)
 - xii. Use of 'billing rates' disclosure and parameters
 - xiii. Meal expenses for internal/external meetings
 - xiv. Travel and mileage expenses
- c.** The study will research other organizations with programs as large or larger than the Authority, and will include input from NVTAs external auditor as well as the Regional Jurisdiction and Agency Coordinating Committee (RJACC).
- d.** Timeframe for the study is expected to be six months.
- e.** Results of the study will be presented to the Finance Committee.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: October 11, 2019

SUBJECT: Policy 29 - Project Activation, Monitoring and De-Appropriation, October 2019 Status Report

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on the status of project compliance with Policy 29 - Project Activation, Monitoring and De-Appropriation for October 2019.
2. **Background:** At the September 2019 Finance Committee Meeting, staff was requested to provide additional updates on the projects in the September report. No new projects have been identified for Policy 29 violations.
3. **Report Analysis:** Three project sponsors; Arlington County, the Town of Herndon and Fairfax County have reportable project(s) in the attached analysis. To recap the analysis:
 - A. Arlington County has one project in violation of Policy 29 (Ballston Metrorail West Entrance). This project, funded in the FY2015/16 Program and appropriated April 2015, had shown little activity until very recently. County staff presented several responses to questions raised by NVTA staff. NVTA staff are reviewing the new project application submitted in response to the FY2020/25 SYP Call For Projects. The application contains a request for \$33.51M in additional funding from NVTA, reflects a \$40M increase in project costs and leaves a funding gap of \$33.5M for the project to be fully funded. An additional factor in the path forward under the County project delivery method continues to be a documented statement from the WMATA General Manager that WMATA can commit the resources needed to achieve the County updated project schedule, which targets construction completion in April 2025.
 - B. Town of Herndon reports continued progress on the projects listed earlier. Significant current progress is reported on clearing legal requirements to proceed with property acquisitions.
 - C. Fairfax County has 12 projects with Policy 29 violations or concerns. On September 6th, County staff provided numerous documents to address the

violations and concerns. Additional/revised documents were received on October 1st. That material is under review.

- D. A de-appropriation request to a future fiscal year for the Rock Hill Road Bridge Project was presented to the Authority on October 10, 2019.

4. WMATA Projects: During the preparation of the Policy 29 analysis, two WMATA projects were reviewed. These projects are Orange Line Traction Power Upgrades and Blue Line Traction Power Upgrades. While not included in the Policy 29 violation analysis, the reviewed raised separate questions related to:

- A. Compliance with NVTA Resolution 14-8.
- B. Compliance with project scope.
- C. Internal cost allocations.

WMATA presented a letter on September 18, 2019. NVTA staff is preparing a request for additional information related to the questions noted above.

Attachment: Policy 29 Compliance Report Dated October 11, 2019

Policy 29 – Compliance Report

Dated: October 11, 2019

Jurisdiction: Arlington County

Funding Program	Project	Status	Action	October Update
<p>FY2015/16 Appropriated – April 2015</p>	<p>Ballston Metrorail W. Entrance</p>	<p>\$12M appropriated, \$37,643 reimbursed.</p>	<p>September 2019 Project is in violation of Policy 29. While the County is taking over project management, the project cannot be completed without WMATA’s active involvement. The now County led project has a construction completion target of April 2025, with additional time for WMATA Acceptance and Testing through June 2025.</p> <p>A key factor in the path forward under County project delivery will be a documented statement from the WMATA General Manager that WMATA can commit the resources needed to achieve the County updated project schedule, which targets construction completion in April 2025.</p> <p>Recent conversations with County staff note the County’s regain of project delivery control from a private developer and forward progress on design/PE, as well as a commitment to proceeding with the project on a design build basis to accelerate project delivery. Project costs to complete, status of other funding sources and significantly increased local funding commitments are all under discussion.</p> <p>October 2019 Update- This project has largely been dormant since it was approved as part of the FY2015/16 Funding Program.</p>	<p>Project Cost and Funding: The project funding application for the FY2015/16 Program noted a project cost of \$90 million. With the \$12M of NVTA funds awarded for design, the project had a \$78M funding gap. NVTA funds for design were expected to be fully utilized by June 2017. To date \$35,643 has been reimbursed.</p> <p>The County submitted an application for funding in NVTA’s FY2020/25 SYP. Based on this application, the total project cost is now \$130M with \$12M in previously identified funding from NVTA, \$10M from SmartScale and a \$15.43M contingent developer contribution the project now has a \$92.56M funding gap.</p> <p>The County has applied for \$33.51M in funding in the NVTA 2020/25 SYP and has identified a local sum of \$25.5M. With the request of the \$33.51M from NVTA and the \$25.5M identified as local, there is a funding gap of \$33.5M on the project.</p> <p>Per the application, the County’s funding plan includes the retention of NVTA and Smart Scale (\$22M) funding with an additional request to DRPT Transit Capital Program and the NVTC I-66 Commuter Choice Program. The County does not provide a dollar amount for these requests.</p>

			<p>Policy 29 was adopted by the Authority in April 2019. Since that time NVTA has sought assurances on the project in the following two areas:</p> <p>1. WMATA Support- A significant factor in the path forward under County project delivery is the promise of a documented statement from the WMATA General Manager that WMATA can commit the resources needed to achieve the County updated project schedule, which targets construction completion in April 2025.</p> <p>The County was requested to provide documentation of a clear path forward with WMATA emphasizing WMATA’s ability to commit resources to the project. The first letter (May 2018) did not provide any assurance. The second letter from WMATA referenced the May 2018 letter. A third letter from WMATA was noted as being inadequate. This letter was subsequently, reformatted with the only changes being the date, addressee and signatory.</p> <p>Detailed notes on these letters are in the October Update column.</p> <p>2. Project Funding- The County was requested to provide a clear funding path forward which did not rely on additional NVTA funding.</p> <p>The County submitted a FY2020/25 SYP project application containing a NVTA funding request of \$33.51m and with ‘Local’ funding of \$25.5M. No specific source of local funds was noted in the application.</p>	<p>At this time, it appears the path forward for the project is reliant upon competitive funding processes which include NVTA, DRPT and NVTC. Funding uncertainty creates an on-going project risk.</p> <p>Documented Path Forward With WMATA Information was requested to document WMATA capacity to support project completion. The issue was raised as it had been reported that WMATA will spend the next several years focusing on State of Good Repair and safety work, as well as Silverline Phase 2, Back to Good and other in-progress capital projects such as the new Potomac Yards Station and Crystal City Station Improvements. In the approved FY2015/16 Program project application, the County projected a construction start date of January 2018.</p> <p>A letter (dated May 8, 2018) from the WMATA GM to the Arlington County Manager was provided. However, this letter contained many specific caveats to WMATA being able to advance the Ballston as well as other Arlington County projects.</p> <p>A follow-up letter (dated June 26, 2019) from the Arlington Director of Transportation to the WMATA Executive Vice President, Capital Planning and Program Management was submitted. This letter requested WMATA add the Ballston project (among 5 others) to the WMATA FY20-25 CIP. The County letter noted funding was at risk.</p> <p>WMATA responded to the above letter, noting the caveats in the May 8, 2018 letter and describing steps the six Arlington projects must go through to be added to the WMATA CIP.</p> <p>NVTA staff noted the above correspondence did not provide the clear, definitive assurance that WMATA could support the Ballston</p>
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			<p>With the request of the \$33.51M from NVTA and the \$25.5M listed as local, there is still a funding deficit/gap of \$33.5M on the project.</p> <p>The County SYP application request notes future competitive funding requests to the DRPT Transit Capital Program and the NVTC I-66 Commuter Choice Program, to fill the funding gap. The I-66 Commuter Choice Program funded \$9.8M in projects in FY2017, \$12M in projects in FY2018 and \$19.6M in FY2020.</p> <p>The path forward for the project is reliant upon competitive funding processes which include NVTA, DRPT and NVTC. Staff is uncertain on the ability of the project to progress if all three entities do not award funding.</p> <p>Per the County's application request to the Authority, an overall project cost increase of \$40M, or 44% was presented. (Cost was \$90M when the SPA was executed for the \$12M in Design.)</p> <p>The County's application also shows a shortfall in Design funding, as Design costs are now projected at \$18M, a \$6M increase over the current NVTA funding of \$12M.</p> <p>NVTA staff are prepared to receive information from the County which addresses the issues previous discussed. While the project is on a trajectory toward a project cancellation recommendation, such action by itself would not prevent a future application for the same project purpose in a future call for projects.</p>	<p>project, in the near term. A letter to this effect from the WMATA GM was specifically requested.</p> <p>The County subsequently provided a copy of a letter dated August 23, 2019 signed by the WMATA Executive Vice President, Capital Planning and Program Management, addressed to the County Director, Department of Environmental Services. This letter effectively noted WMATA's willingness to work through the steps detailed in WMATA's May 8, 2018 and July 23, 2019 letters.</p> <p>NVTA staff advised the County that the August 23rd letter still did not provide the specific commitment on the part of WMATA to being able to support the project through completion within a timeframe.</p> <p>In response, the County provided a new letter from WMATA. However, with the exception of the date (September 9, 2019), signatory (WMATA GM) and addressee (Arlington County Manager) the most recent letter is exactly the same as the August 23, 2019 letter.</p>
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Jurisdiction: Town of Herndon

Funding Program	Project	Status	Action
<p>FY2014 Appropriated – July 2013</p>	<p>Herndon Metrorail Intermodal Access Improvements</p>	<p>\$1.1m appropriated, \$0 reimbursements.</p>	<p>Project is in violation of Policy 29. Prior to start of Policy 29 analysis the Town provided updated Appendix A & B's. NVTA funded project phase (ROW) is expected to have significant progress in FY2020. Town has documented capacity to manage/absorb current and potential cost escalations. Project will be monitored closely for progress.</p>
	<p>Intersection Improvements (Herndon Pkwy/Van Buren)</p>	<p>\$500K appropriated 5.2% drawn down</p>	<p>Project is in violation of Policy 29. Prior to start of Policy 29 analysis the Town provided updated Appendix A & B's. NVTA funded project phase (PE/ROW) is expected to conclude in FY2020. Town has documented capacity to manage/absorb current and potential cost escalations. Project will be monitored closely for progress.</p>
<p>FY2015/16 Appropriated – April 2015</p>	<p>East Elden Widening and Improvements</p>	<p>\$10.4m appropriated, \$0 reimbursements</p>	<p>Project is in violation of Policy 29. Extensive discussions have occurred with Town staff, supported by VDOT staff, resulting in revised Appendix A & B's, (Schedule) and documented capacity of the Town to manage/absorb current and potential cost escalations. Project will be monitored closely for progress. Expecting significant activity in FY2020.</p>

Jurisdiction: Fairfax County

Funding Program	Project	Status	Action	October Update
FY2014 Appropriated – July 2013	Innovation Metrorail	\$41m appropriated / \$37.7m reimbursed – Last Reimbursement Over 18 months Ago (December 2017), Out of Date Appendix A & B	Request County present reimbursement requests, update Appendix A & B or close out project.	Information received October 1 st , currently under review.
FY2015/16 Appropriated – April 2015	Rt 28 Widening (PWC Line to Rt 29)	\$5m appropriated, \$1.96m reimbursed. Last reimbursement was 18 months ago. June 2019 reimbursement has invoices from 2 years ago requiring extensive NVTa staff review. Out of Date Appendix A & B	Request County present reimbursements as they occur not delay two years. Update Appendix A & B	Information received September 6 th and October 1 st , currently under review.
	Innovation Metrorail	\$28m appropriated / \$27.8m expended – Last Reimbursement 14 Months Ago (June 2018), Out of Date Appendix A & B	Request County present reimbursement requests, update Appendix A & B or close out project.	Information received October 1 st , currently under review.
FY2017 Appropriated – July 2016	Rt 286 Fairfax County Pkwy	\$10m appropriation, \$0 reimbursements, Out of Date Appendix A & B	Project is in violation of Policy 29. County needs to correct by providing status update and updated Appendix A & B	Information received October 1 st , currently under review.
	Rt 28 Widening (PWC Line to Rt 29)	\$5m appropriation, \$0 reimbursements, Out of Date Appendix A & B	Project is in violation of Policy 29. County needs to correct by providing status update and updated Appendix A & B	Information received September 6 th and October 1 st , currently under review.
	Rt 7 Widening (Colvin Forest to Jarrett Valley)	\$10m appropriation, \$0 reimbursements, Out of Date Appendix A & B	Project is in violation of Policy 29. County needs to correct by providing status update and updated Appendix A & B	Information received September 6 th and October 1 st , currently under review.
FY2018/2023 SYP Appropriated – June 2018	Richmond Hwy BRT	\$250m appropriation, No FY2019 Reimbursement Requested, Out of Date Appendix A & B	County needs to request appropriation in first year of expected expenditure and update Appendix A & B	Information received September 6 th and October 1 st , currently under review.

Appropriated – April 2019	Rock Hill Road Bridge	\$15.7m appropriation, no SPA presented as required for FY2020 appropriation	Project is in violation of Policy 29. County needs to correct by presenting an SPA or requesting de-appropriation to a future fiscal year	De-appropriation request presented to Authority on October 10, 2019
Appropriated – April 2019	Rolling Road Widening	\$11.1m appropriated, required SPA corrections discussed on August 1 st not completed.	Project is in violation of Policy 29. County needs to correct by making needed edits to draft SPA.	Information received September 6 th and October 1 st , currently under review.
Appropriated – April 2019	FC Pkwy W/Popes Head Interchange	\$67m appropriated, required SPA corrections discussed on August 1 st not completed.	Project is in violation of Policy 29. County needs to correct by making needed edits to draft SPA.	Information received September 6 th and October 1 st , currently under review.
Appropriated – April 2019	Rt 1, Mt Vernon to Napper	\$127m appropriated, required SPA corrections, and analysis of potential scope change discussed on August 1 st not completed.	Project is in violation of Policy 29. County needs to correct by responding to scope change questions.	Information received September 6 th and October 1 st , currently under review.
Appropriated – April 2019	Frontier Dr. Ext	\$25m appropriated, required SPA corrections discussed on August 1 st not completed.	Project is in violation of Policy 29. County needs to correct by making needed edits to draft SPA.	Information received September 6 th and October 1 st , currently under review.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members, NVTA Finance Committee

FROM: Richard Stavros, Investment & Debt Manager

DATE: October 11, 2019

SUBJECT: Investment Portfolio Report

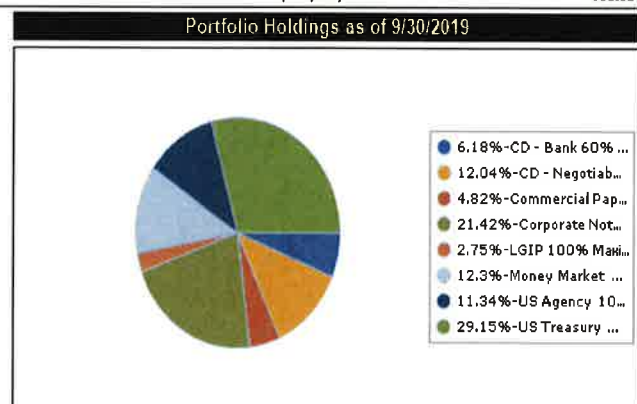
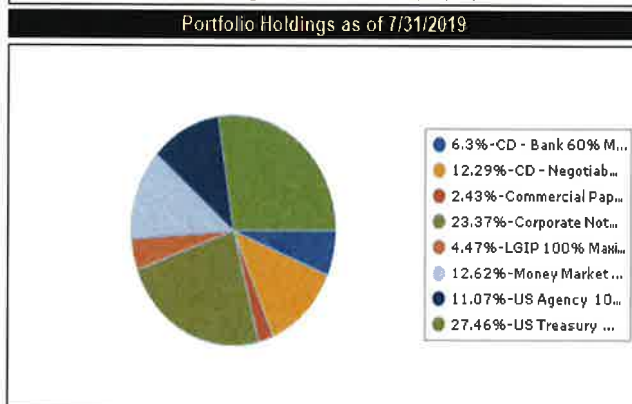
- 1) **Purpose:** To provide the Northern Virginia Transportation Authority (NVTA) with required reports on investment activities and portfolio performance through September 30, 2019.
- 2) **Background:** This report is on investment activity through September 2019 and affirms the portfolio investments were acquired on the basis of safety, liquidity and then yield. This report summarizes the portfolio structure, and adherence to the NVTA Investment Policy.



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

Begin Date: 7/31/2019, End Date: 9/30/2019

Asset Category Allocation				
Asset Category	Book Value 7/31/2019	% of Portfolio 7/31/2019	Book Value 9/30/2019	% of Portfolio 9/30/2019
CD - Bank 60% Maximum	65,137,423.53	6.30	65,134,723.53	6.18
CD - Negotiable 25% Maximum	127,001,933.29	12.29	127,001,441.91	12.04
Commercial Paper 30% / 5% Maximum	25,111,050.62	2.43	50,867,657.78	4.82
Corporate Notes 50% Maximum	241,631,947.08	23.37	225,868,474.86	21.42
LGIP 100% Maximum	46,184,874.95	4.47	28,953,428.03	2.75
Money Market 60% Maximum	130,425,030.50	12.62	129,706,369.94	12.30
US Agency 100% Maximum	114,415,397.08	11.07	119,575,304.27	11.34
US Treasury 100% Maximum	283,687,973.90	27.46	307,310,010.38	29.15
Total / Average	1,033,795,630.95	100.00	1,054,417,410.70	100.00



3) Current Period Reports:

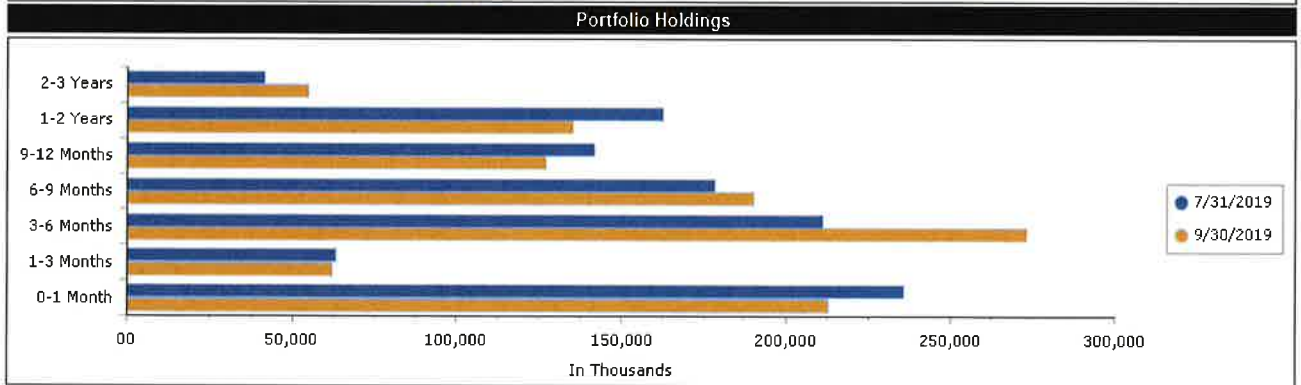
- a. The safety of the portfolio is reflected in the actual composition of the portfolio as shown above:



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

Begin Date: 7/31/2019, End Date: 9/30/2019

Maturity Range Allocation				
Maturity Range	Book Value 7/31/2019	% of Portfolio 7/31/2019	Book Value 9/30/2019	% of Portfolio 9/30/2019
0-1 Month	235,795,909.23	22.81	212,622,237.56	20.16
1-3 Months	62,954,597.78	6.09	61,895,962.76	5.87
3-6 Months	211,315,239.01	20.44	273,313,158.39	25.92
6-9 Months	178,478,694.01	17.26	190,125,373.00	18.03
9-12 Months	141,687,765.46	13.71	126,985,257.50	12.04
1-2 Years	162,327,874.07	15.70	135,211,072.72	12.82
2-3 Years	41,235,551.39	3.99	54,264,348.77	5.15
Total / Average	1,033,795,630.95	100.00	1,054,417,410.70	100.00



- b. The liquidity of the portfolio is reflected in the portfolio's duration of .51 (1.0 = 1 year) and the maturity schedule shown above:

NVTA Investment Benchmarks	Sep-19 Month End
Fed Funds Rate	2.06%
Treasury 90 Day T Bill	1.92%
Local Government Investment Pool	2.21%
Virginia Non-Arbitrage Program	2.26%
NVTA Performance	2.46%

Source: Bloomberg, Statements

- c. The yield on the portfolio at the end of September 2019 was 2.46%. 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;

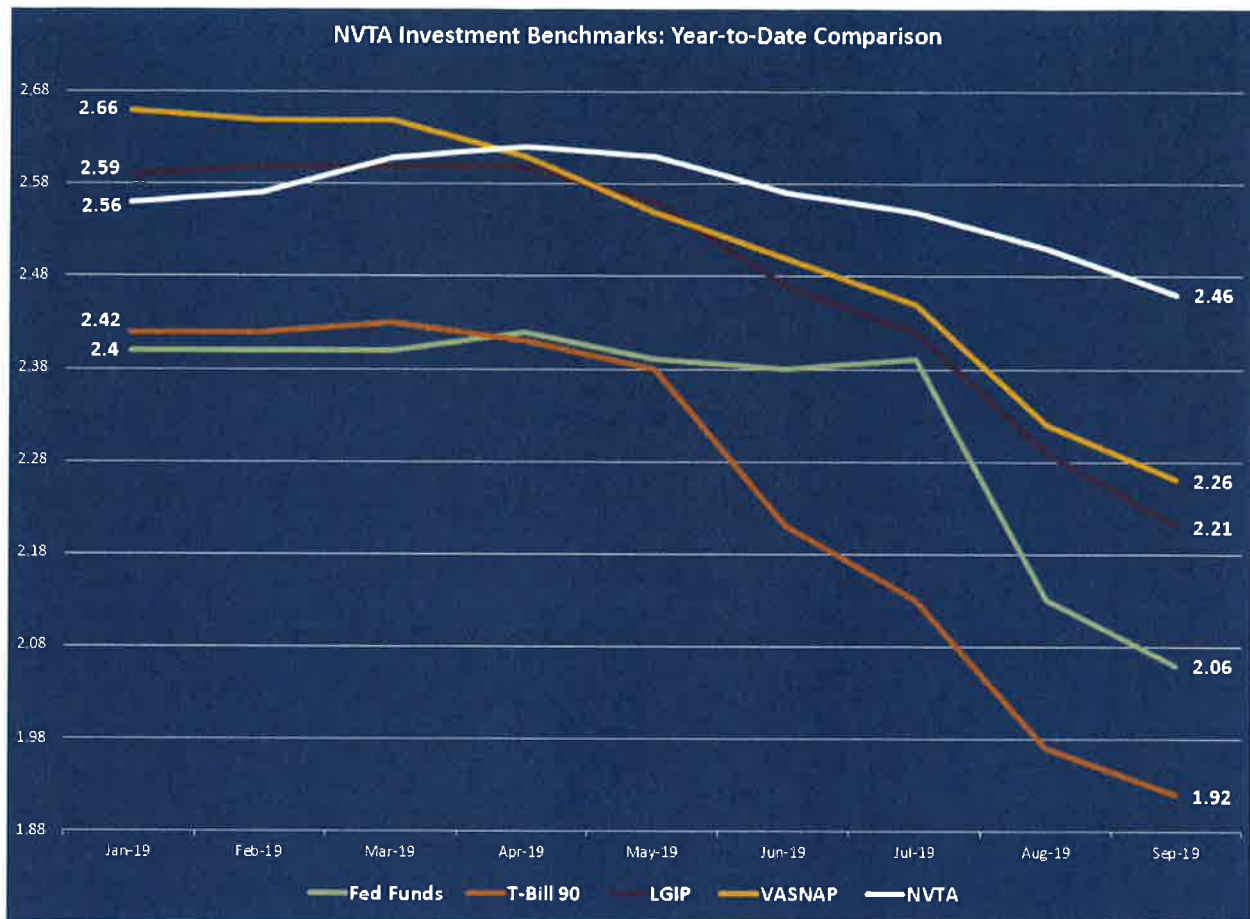
- i) AAA/AA rated U.S. Treasury and Agency Bonds
- ii) AAA/AA rated investment grade corporate bonds
- iii) Collateralized bank money market accounts.

b) Liquidity:

- i) Since our last report on September 13, the NVTA Portfolio average duration has fallen to .51 from .56 or closer to 6 months – reflecting U.S. Treasury purchases.
- ii) As noted previously, 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 (5.1% of the portfolio presently).

c) Yield:

- i) **More Fed Rate Cuts:** On September 18th the Federal Reserve cut rates for the second time this year, lowering rates by 25 basis points to a range of 1.75% to 2% in response to slowing U.S. economic growth. Previously on July 31, 2019, the Fed lowered its benchmark Fed Funds rate by a quarter point, dropping the target range to 2% to 2.25%, in response to a global growth slowdown, tariff war and muted inflation.
- ii) **Year-to-Date Performance:** In response to the change in rates and economic sentiment, NVTA conducted a review of the portfolio's performance since the beginning of the year as compared to its policy benchmarks as a way to review our rate strategy, see chart below.
 - **Value Preservation:** NVTA's Regional Portfolio did outperform its benchmarks over the last 6 months. This performance is attributed to steps taken earlier in the year to increase safety by purchasing US Treasuries.
 - **Rate Strategy Implications:** While there are still many safe, liquid and fair yielding investments, staff acknowledges that over time NVTA's portfolio performance will move (decline) with the market. The 2-year Treasury, a benchmark for many of our investments, continues to suffer unprecedented declines in response to investor concerns of slowing global growth, falling as low as 1.40% on October 4.



- 5) Custodian Certification:** 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.

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 9/30/2019

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
Certificate Of Deposit									
John Marshall Bank2.32 10/10/2019	17,500,000.00	17,500,000.00	17,500,000.00	NR	NR	1.66	10/10/2019	2.320	0.03
John Marshall Bank2.347 10/24/2019	10,000,000.00	10,000,000.00	10,000,000.00	NR	NR	0.95	10/24/2019	2.347	0.07
United Bank2.6 4/30/2020	15,000,000.00	15,000,000.00	15,000,000.00	NR	NR	1.42	04/30/2020	2.600	0.58
United Bank2.75 1/17/2020	10,000,000.00	10,000,000.00	10,000,000.00	NR	NR	0.95	01/17/2020	2.750	0.30
United Bank 2.7 3/5/2020	12,634,723.53	12,634,723.53	12,634,723.53	NR	NR	1.20	03/05/2020	2.700	0.43
Sub Total / Average Certificate Of Deposit	65,134,723.53	65,134,723.53	65,134,723.53			6.17		2.528	0.28
Commercial Paper									
CSFB NY 0 10/4/2019	5,476,000.00	5,474,351.12	5,370,883.62	S&P-A1	Moody's-P1	0.52	10/04/2019	2.763	0.01
JP Morgan Securities 0 5/29/2020	20,000,000.00	19,758,000.00	19,713,066.66	S&P-A1	Moody's-P1	1.89	05/29/2020	1.824	0.66
JP Morgan Securities 0 6/19/2020	12,000,000.00	11,831,680.00	11,828,920.00	S&P-A1	Moody's-P1	1.14	06/19/2020	1.948	0.72
JP Morgan Securities 0 6/19/2020	14,000,000.00	13,803,626.66	13,800,406.66	S&P-A1	Moody's-P1	1.33	06/19/2020	1.948	0.72
Sub Total / Average Commercial Paper	51,476,000.00	50,867,657.78	50,713,276.94			4.87		1.987	0.62
Corporate Bond									
ADP 2.25 9/15/2020	5,000,000.00	4,987,724.95	5,013,800.00	S&P-AA	Moody's-Aa3	0.47	09/15/2020	2.512	0.95
Apple Corp 1.8 11/13/2019	15,000,000.00	14,988,221.03	14,995,800.00	S&P-AA+	Moody's-Aa1	1.42	11/13/2019	2.470	0.12
Apple Corp 1.8 11/13/2019	4,995,000.00	4,990,976.22	4,993,601.40	S&P-AA+	Moody's-Aa1	0.47	11/13/2019	2.488	0.12
Apple Corp 1.8 11/13/2019	10,000,000.00	9,992,950.91	9,997,200.00	S&P-AA+	Moody's-Aa1	0.95	11/13/2019	2.400	0.12
Apple Corp.1.9 2/7/2020	5,403,000.00	5,385,356.81	5,402,189.55	S&P-AA+	Moody's-Aa1	0.51	02/07/2020	2.840	0.35
Apple Corp.Var. Corp 8/9/2022	5,011,000.00	5,049,207.47	5,052,791.74	S&P-AA+	Moody's-Aa1	0.47	08/09/2022	2.685	0.00
Apple Corp. 2 11/13/2020	5,000,000.00	4,961,168.51	5,010,500.00	S&P-AA+	Moody's-Aa1	0.47	11/13/2020	2.718	1.10
Berkshire Hathaway2.2 3/15/2021	7,386,000.00	7,320,722.74	7,424,333.34	S&P-AA	Moody's-Aa2	0.70	03/15/2021	2.833	1.44
Berkshire Hathaway2.2 3/15/2021	10,000,000.00	10,019,698.95	10,051,900.00	S&P-AA	Moody's-Aa2	0.95	03/15/2021	2.061	1.44
BlackRock 5 12/10/2019	1,097,000.00	1,101,570.83	1,102,967.68	S&P-AA-	Moody's-Aa3	0.10	12/10/2019	2.804	0.19
Chevron Corp.1.961 3/3/2020	5,000,000.00	4,978,516.43	5,000,900.00	S&P-AA	Moody's-Aa2	0.47	03/03/2020	2.998	0.43
Chevron Corp. 1.991 3/3/2020	7,500,000.00	7,482,545.05	7,500,450.00	S&P-AA	Moody's-Aa2	0.71	03/03/2020	2.549	0.43

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
Chevron Corp. 2.1 5/16/2021	5,560,000.00	5,488,871.35	5,581,461.60	S&P-AA	Moody's-Aa2	0.53	05/16/2021	2.923	1.60
Chevron Corp. 2.193 11/15/2019	8,950,000.00	8,946,191.60	8,950,537.00	S&P-AA	Moody's-Aa2	0.85	11/15/2019	2.540	0.13
Exxon Mobil Corp 1.912 3/6/2020	8,663,000.00	8,639,221.79	8,658,928.39	S&P-AA+	Moody's-Aaa	0.82	03/06/2020	2.566	0.43
Exxon Mobil Corp 1.912 3/6/2020	5,000,000.00	4,977,592.13	4,997,650.00	S&P-AA+	Moody's-Aaa	0.47	03/06/2020	2.973	0.43
Exxon Mobil Corp Var. Corp 3/6/2022	1,000,000.00	1,006,040.20	1,004,330.00	S&P-AA+	Moody's-Aaa	0.09	03/06/2022	2.482	0.00
Exxon Mobil Corp Var. Corp 3/6/2022	7,500,000.00	7,543,007.92	7,532,475.00	S&P-AA+	Moody's-Aaa	0.71	03/06/2022	2.482	0.00
Exxon Mobil Corp Var. Corp 8/16/2022	10,000,000.00	10,045,533.52	10,037,600.00	S&P-AA+	Moody's-Aaa	0.95	08/16/2022	2.304	0.00
Johnson and Johnson 2.95 9/1/2020	5,000,000.00	5,021,312.97	5,047,250.00	S&P-AAA	Moody's-Aaa	0.47	09/01/2020	2.472	0.91
Microsoft Corp 1.55 8/8/2021	5,000,000.00	4,885,062.26	4,979,050.00	S&P-AAA	Moody's-Aaa	0.47	08/08/2021	2.850	1.83
Microsoft Corp 1.85 2/12/2020	5,000,000.00	4,981,071.62	4,995,800.00	S&P-AAA	Moody's-Aaa	0.47	02/12/2020	2.900	0.37
Microsoft Corp 1.85 2/6/2020	1,196,000.00	1,193,201.97	1,195,425.92	S&P-AAA	Moody's-Aaa	0.11	02/06/2020	2.530	0.35
Microsoft Corp 1.85 2/6/2020	5,000,000.00	4,982,280.22	4,997,600.00	S&P-AAA	Moody's-Aaa	0.47	02/06/2020	2.878	0.35
Microsoft Corp 1.85 2/6/2020	3,000,000.00	2,989,650.21	2,998,560.00	S&P-AAA	Moody's-Aaa	0.28	02/06/2020	2.851	0.35
National Australia Bank 2.25 1/10/2020	5,000,000.00	4,990,265.62	5,002,950.00	S&P-AA-	Moody's-Aa3	0.47	01/10/2020	2.970	0.28
Proctor and Gamble Co 1.9 11/1/2019	2,386,000.00	2,383,959.01	2,385,427.36	S&P-AA-	Moody's-Aa3	0.23	11/01/2019	2.897	0.09
Proctor and Gamble Co. 1.9 10/23/2020	5,000,000.00	4,956,575.60	5,004,650.00	S&P-AA-	Moody's-Aa3	0.47	10/23/2020	2.746	1.05
Toyota 2.15 3/12/2020	5,057,000.00	5,048,850.34	5,062,309.85	S&P-AA-	Moody's-Aa3	0.48	03/12/2020	2.515	0.45
Toyota 2.15 3/12/2020	5,000,000.00	4,991,444.16	5,005,250.00	S&P-AA-	Moody's-Aa3	0.47	03/12/2020	2.537	0.45
Toyota Motor Credit corp Var. Corp 5/17/2022	10,000,000.00	10,037,889.94	10,007,800.00	S&P-AA-	Moody's-Aa3	0.95	05/17/2022	2.524	0.00
Toyota Motor Credit corp 1.55 10/18/2019	16,000,000.00	15,993,670.75	15,996,000.00	S&P-AA-	Moody's-Aa3	1.51	10/18/2019	2.370	0.05
Toyota Motor Credit corp Var. Corp 1/11/2022	900,000.00	908,498.26	908,478.00	S&P-AA-	Moody's-Aa3	0.09	01/11/2022	3.031	0.00
Toyota Motor Credit corp Var. Corp 1/11/2022	4,607,000.00	4,650,501.67	4,650,397.94	S&P-AA-	Moody's-Aa3	0.44	01/11/2022	3.031	0.00
Toyota Motor Credit corp. 2.2 1/10/2020	5,000,000.00	4,992,916.67	5,003,000.00	S&P-AA-	Moody's-Aa3	0.47	01/10/2020	2.720	0.28
Toyota Motor Credit corp. 2.2 1/10/2020	5,000,000.00	4,990,327.59	5,003,000.00	S&P-AA-	Moody's-Aa3	0.47	01/10/2020	2.910	0.28
Walmart Var. Corp 6/23/2021	5,000,000.00	5,013,739.13	5,015,050.00	S&P-AA	Moody's-Aa2	0.47	06/23/2021	2.389	0.00
Walmart Corp 1.9 12/15/2020	5,000,000.00	4,952,138.46	5,011,100.00	S&P-AA	Moody's-Aa2	0.47	12/15/2020	2.722	1.19
Sub Total / Average Corporate Bond	226,211,000.00	225,868,474.86	226,578,514.77			21.41		2.603	0.45
FFCB Bond									
FFCB Var. FFCB 9/13/2021	5,000,000.00	5,000,000.00	4,995,900.00	S&P-AA+	Moody's-Aaa	0.47	09/13/2021	2.137	0.00
FFCB 1.85 3/3/2022	5,000,000.00	4,998,784.34	4,993,100.00	S&P-AA+	Moody's-Aaa	0.47	03/03/2022	1.860	2.38
FFCB 2.7 11/5/2019	5,000,000.00	5,000,000.00	5,004,000.00	S&P-AA+	Moody's-Aaa	0.47	11/05/2019	2.700	0.10
FFCB 2.85 4/15/2020	5,000,000.00	5,000,000.00	5,027,300.00	S&P-AA+	Moody's-Aaa	0.47	04/15/2020	2.850	0.53
Sub Total / Average FFCB Bond	20,000,000.00	19,998,784.34	20,020,300.00			1.89		2.387	0.75
FHLB Bond									
FHLB 0 12/10/2019	5,000,000.00	4,973,670.83	4,981,800.00	S&P-AA+	Moody's-Aaa	0.47	12/10/2019	2.744	0.19
FHLB 2.125 2/11/2020	10,000,000.00	9,985,070.87	10,007,200.00	S&P-AA+	Moody's-Aaa	0.95	02/11/2020	2.541	0.36

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
FHLB 2.375 3/3/2020	5,000,000.00	4,991,621.62	5,012,600.00	S&P-AA+	Moody's-Aaa	0.47	03/03/2020	2.781	0.50
FHLB 2.4 2/15/2022-20	10,000,000.00	10,024,885.45	10,023,500.00	S&P-AA+	Moody's-Aaa	0.95	02/15/2022	2.291	2.30
FHLB 2.55 1/11/2021-19	15,000,000.00	15,005,852.34	15,001,800.00	S&P-AA+	Moody's-Aaa	1.42	01/11/2021	2.519	1.26
FHLB 2.875 9/11/2020	5,000,000.00	4,998,025.60	5,047,350.00	S&P-AA+	Moody's-Aaa	0.47	09/11/2020	2.917	0.94
Sub Total / Average FHLB Bond	50,000,000.00	49,979,126.71	50,074,250.00			4.73		2.566	1.08
FHLMC Bond									
FHLMC 1.5 1/17/2020	5,000,000.00	4,981,794.68	4,993,900.00	S&P-AA+	Moody's-Aaa	0.47	01/17/2020	2.750	0.30
FHLMC 1.875 11/17/2020	5,000,000.00	4,943,545.45	5,005,150.00	S&P-AA+	Moody's-Aaa	0.47	11/17/2020	2.910	1.12
FHLMC Step 6/30/2021-18	5,000,000.00	4,938,471.69	4,998,000.00	S&P-AA+	Moody's-Aaa	0.47	06/30/2021	3.501	1.72
FHLMC Step 9/30/2021-17	4,903,000.00	4,807,907.78	4,892,066.31	S&P-AA+	Moody's-Aaa	0.46	09/30/2021	3.582	1.97
Sub Total / Average FHLMC Bond	19,903,000.00	19,671,719.60	19,889,116.31			1.88		3.184	1.27
FNMA Bond									
FNMA 1 10/24/2019	5,000,000.00	4,994,417.72	4,997,000.00	S&P-AA+	Moody's-Aaa	0.47	10/24/2019	2.727	0.07
FNMA 1.25 3/27/2020	10,435,000.00	10,356,280.08	10,398,477.50	S&P-AA+	Moody's-Aaa	0.99	03/27/2020	2.825	0.49
Sub Total / Average FNMA Bond	15,435,000.00	15,350,697.80	15,395,477.50			1.46		2.794	0.35
Local Government Investment Pool									
Commonwealth of Virginia LGIP	242,323.12	242,323.12	242,323.12	S&P-AAA	NR	0.02	N/A	2.214	0.00
Commonwealth of Virginia LGIP	6,125,661.65	6,125,661.65	6,125,661.65	S&P-AAA	NR	0.58	N/A	2.214	0.00
VIP Stable NAV LGIP	22,585,443.26	22,585,443.26	22,585,443.26	S&P-AAA	NR	2.14	N/A	2.200	0.00
Sub Total / Average LGIP	28,953,428.03	28,953,428.03	28,953,428.03			2.74		2.203	0.00
Money Market									
Access National Bank MM	57,025,787.84	57,025,787.84	57,025,787.84	NR	NR	5.40	N/A	2.240	0.00
BB&T MM	1,677,331.53	1,677,331.53	1,677,331.53	NR	NR	0.16	N/A	1.940	0.00
John Marshall Bank ICS MM	19,443,152.60	19,443,152.60	19,443,152.60	NR	NR	1.84	N/A	2.370	0.00
United Bank MM	51,560,097.97	51,560,097.97	51,560,097.97	NR	NR	4.88	N/A	2.170	0.00
Sub Total / Average Money Market	129,706,369.94	129,706,369.94	129,706,369.94			12.28		2.228	0.00
Negotiable Certificate Of Deposit									
CIBC NY Office 2.53 3/27/2020	15,000,000.00	15,001,441.91	15,035,100.00	S&P-A1	Moody's-P1	1.42	03/27/2020	2.510	0.49
CIBC NY Office 2.64 4/15/2020	30,000,000.00	30,000,000.00	30,096,600.00	S&P-A1	Moody's-P1	2.84	04/15/2020	2.640	0.54
Rabobank NY 2.05 7/17/2020	17,000,000.00	17,000,000.00	17,009,520.00	S&P-A1	Moody's-P1	1.61	07/17/2020	2.050	0.80
TD Bank NY 2.05 6/26/2020	10,000,000.00	10,000,000.00	10,007,400.00	S&P-A1+	Moody's-P1	0.95	06/26/2020	2.050	0.74
TD Bank NY 2.08 7/15/2020	10,000,000.00	10,000,000.00	10,011,400.00	S&P-A1+	Moody's-P1	0.95	07/15/2020	2.080	0.79
TD Bank NY 2.68 3/12/2020	15,000,000.00	15,000,000.00	15,042,300.00	S&P-A1+	Moody's-P1	1.42	03/12/2020	2.680	0.46
TD Bank NY 2.81 1/22/2020	30,000,000.00	30,000,000.00	30,070,800.00	S&P-A1+	Moody's-P1	2.84	01/22/2020	2.810	0.32
Sub Total / Average Negotiable CD	127,000,000.00	127,001,441.91	127,273,120.00			12.02		2.500	0.54
Treasury Note									

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
T-Note 1.375 1/15/2020	20,000,000.00	19,929,942.74	19,969,600.00	S&P-AA+	Moody's-Aaa	1.89	01/15/2020	2.593	0.29
T-Note 1.375 1/15/2020	20,000,000.00	19,929,705.26	19,969,600.00	S&P-AA+	Moody's-Aaa	1.89	01/15/2020	2.597	0.29
T-Note 1.375 1/15/2020	20,000,000.00	19,929,942.74	19,969,600.00	S&P-AA+	Moody's-Aaa	1.89	01/15/2020	2.593	0.29
T-Note 1.375 10/31/2020	10,000,000.00	9,880,809.89	9,953,900.00	S&P-AA+	Moody's-Aaa	0.95	10/31/2020	2.504	1.07
T-Note 1.375 4/30/2020	10,000,000.00	9,934,902.20	9,970,700.00	S&P-AA+	Moody's-Aaa	0.95	04/30/2020	2.514	0.58
T-Note 1.5 5/15/2020	10,000,000.00	9,936,609.63	9,977,300.00	S&P-AA+	Moody's-Aaa	0.95	05/15/2020	2.537	0.62
T-Note 1.5 5/15/2020	15,000,000.00	14,907,823.43	14,965,950.00	S&P-AA+	Moody's-Aaa	1.42	05/15/2020	2.505	0.62
T-Note 1.5 6/15/2020	10,000,000.00	9,927,794.35	9,974,200.00	S&P-AA+	Moody's-Aaa	0.95	06/15/2020	2.542	0.70
T-Note 1.5 8/15/2020	10,000,000.00	9,913,834.96	9,970,300.00	S&P-AA+	Moody's-Aaa	0.95	08/15/2020	2.506	0.87
T-Note 1.5 8/15/2020	10,000,000.00	9,956,919.06	9,970,300.00	S&P-AA+	Moody's-Aaa	0.95	08/15/2020	2.000	0.87
T-Note 1.5 8/15/2020	5,000,000.00	4,978,893.98	4,985,150.00	S&P-AA+	Moody's-Aaa	0.47	08/15/2020	1.990	0.87
T-Note 1.625 10/15/2020	10,000,000.00	9,963,463.37	9,979,700.00	S&P-AA+	Moody's-Aaa	0.95	10/15/2020	1.981	1.03
T-Note 1.625 12/31/2019	10,000,000.00	9,980,421.15	9,991,400.00	S&P-AA+	Moody's-Aaa	0.95	12/31/2019	2.414	0.25
T-Note 1.625 7/31/2020	5,000,000.00	4,985,302.87	4,990,450.00	S&P-AA+	Moody's-Aaa	0.47	07/31/2020	1.983	0.83
T-Note 1.875 12/31/2019	10,000,000.00	9,985,846.15	9,998,800.00	S&P-AA+	Moody's-Aaa	0.95	12/31/2019	2.450	0.25
T-Note 1.875 12/31/2019	10,000,000.00	9,983,127.05	9,998,800.00	S&P-AA+	Moody's-Aaa	0.95	12/31/2019	2.561	0.25
T-Note 2 11/30/2020	5,000,000.00	5,004,145.05	5,010,950.00	S&P-AA+	Moody's-Aaa	0.47	11/30/2020	1.927	1.15
T-Note 2 11/30/2020	6,000,000.00	6,010,819.26	6,013,140.00	S&P-AA+	Moody's-Aaa	0.57	11/30/2020	1.842	1.15
T-Note 2.25 3/31/2020	10,000,000.00	9,986,817.17	10,017,600.00	S&P-AA+	Moody's-Aaa	0.95	03/31/2020	2.518	0.50
T-Note 2.25 3/31/2020	10,000,000.00	9,986,445.82	10,017,600.00	S&P-AA+	Moody's-Aaa	0.95	03/31/2020	2.526	0.50
T-Note 2.375 12/31/2020	7,000,000.00	7,046,402.63	7,049,490.00	S&P-AA+	Moody's-Aaa	0.66	12/31/2020	1.835	1.23
T-Note 2.375 4/30/2020	10,000,000.00	9,991,178.46	10,028,500.00	S&P-AA+	Moody's-Aaa	0.95	04/30/2020	2.528	0.58
T-Note 2.5 6/30/2020	10,000,000.00	9,998,875.72	10,046,500.00	S&P-AA+	Moody's-Aaa	0.95	06/30/2020	2.514	0.74
T-Note 2.625 7/31/2020	10,000,000.00	10,009,653.69	10,062,100.00	S&P-AA+	Moody's-Aaa	0.95	07/31/2020	2.506	0.83
T-Note 2.625 8/31/2020	5,000,000.00	5,029,467.53	5,034,950.00	S&P-AA+	Moody's-Aaa	0.47	08/31/2020	1.971	0.91
T-Note 2.75 9/15/2021	10,000,000.00	9,955,124.77	10,213,700.00	S&P-AA+	Moody's-Aaa	0.95	09/15/2021	2.990	1.92
T-Note 2.75 9/30/2020	10,000,000.00	9,992,133.77	10,090,600.00	S&P-AA+	Moody's-Aaa	0.95	09/30/2020	2.831	0.99
T-Note 2.75 9/30/2020	10,000,000.00	10,023,660.32	10,090,600.00	S&P-AA+	Moody's-Aaa	0.95	09/30/2020	2.507	0.99
T-Note 2.75 9/30/2020	5,000,000.00	5,044,822.64	5,045,300.00	S&P-AA+	Moody's-Aaa	0.47	09/30/2020	1.841	0.99
T-Note 2.75 9/30/2020	5,000,000.00	5,044,629.44	5,045,300.00	S&P-AA+	Moody's-Aaa	0.47	09/30/2020	1.845	0.99
T-Note 3.5 5/15/2020	10,000,000.00	10,060,495.28	10,100,400.00	S&P-AA+	Moody's-Aaa	0.95	05/15/2020	2.508	0.62
Sub Total / Average Treasury Note	308,000,000.00	307,310,010.38	308,502,480.00			29.16		2.433	0.69
TVA Bond									
TVA 3.875 2/15/2021	5,000,000.00	5,056,553.49	5,140,750.00	S&P-AA+	Moody's-Aaa	0.47	02/15/2021	3.017	1.35
Sub Total / Average TVA Bond	5,000,000.00	5,056,553.49	5,140,750.00			0.47		3.017	1.35
U.S. Agency for International Development									

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
OPIIC - Overseas Private Invest corp 0 11/13/2019	9,544,505.40	9,518,422.33	9,177,768.38	S&P-AA+	Moody's-Aaa	0.90	11/13/2019	2.329	0.12
Sub Total / Average U.S. AID	9,544,505.40	9,518,422.33	9,177,768.38			0.90		2.329	0.12
Total / Average	1,056,364,026.90	1,054,417,410.70	1,056,559,575.40			100		2.457	0.51

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: October 11, 2019

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 September 2019. September receipts represent the first month of receipts for FY2020.
3. **Comments:**
 - a. **FY2020 Revenues (Attachment A)**
 - i. The Authority has received approximately \$23.6 million through the September 2019 transfers from the Commonwealth.
 - ii. Actual revenue (one month of sales tax receipts) to estimate comparison of annual sales tax revenues through September 2019 show a 6.55% positive variance in receipts compared to the FY2020 adopted revenue estimates.
 - iii. It is too early in the revenue cycle to rely on the positive variance to be sustained through the remaining 11 months. Monthly receipts will be monitored closely to determine if the increase is attributable to the newly taxed internet sales.
 - iv. Revenue related to Heavy Truck Registration and Diesel Fuel (SB1716) has not materialized at the level expected to support Commonwealth estimates for FY2020. However, it is extremely early in the cycle for this first-time revenue source.
 - v. Tracking of current fiscal year revenue on an actual to projection basis has been substantially improved through the use of a statistical packet called Palisade's Stat Tools. The tool was previously back tested against FY2015 through FY2018 to confirm its utility and accuracy. Reports from the tool are included in Attachment D.
 - b. **FY2020 Distribution to localities (Attachment B)**
 - i. Seven jurisdictions have completed the required annual HB2313 certification to receive FY2020 Local Distribution Funds (30%). The two remaining jurisdictions have been contacted and are aware of the deadlines.

- c. **FY2015 to FY2020 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 through September 2019.

Attachments:

- A. Sales Tax Revenues Received Compared to NVTA Estimates, Through September 2019
- B. FY2020 30% Distribution by Jurisdiction, through September 2019
- C. Month to Month Comparison of Sales Tax Revenue and YTD Receipts for September 2015 to 2019
- D. Palisade's Stat Tool Analysis of FY2020 Revenue Actual to Projections

Attachment A

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
SALES TAX REVENUES RECEIVED BY JURISDICTION, COMPARED TO NVTA ESTIMATES
 Based on: Revenue Data Through September 2019
 FYE June 30, 2020

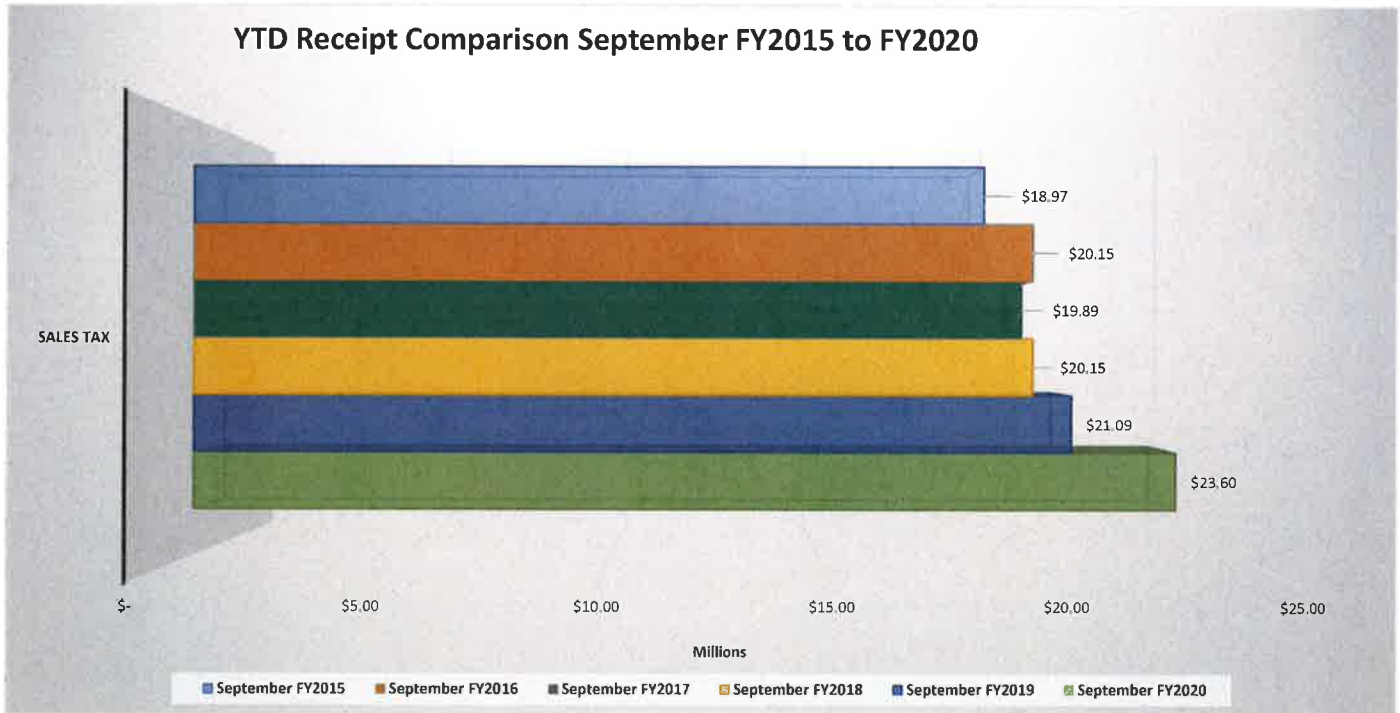
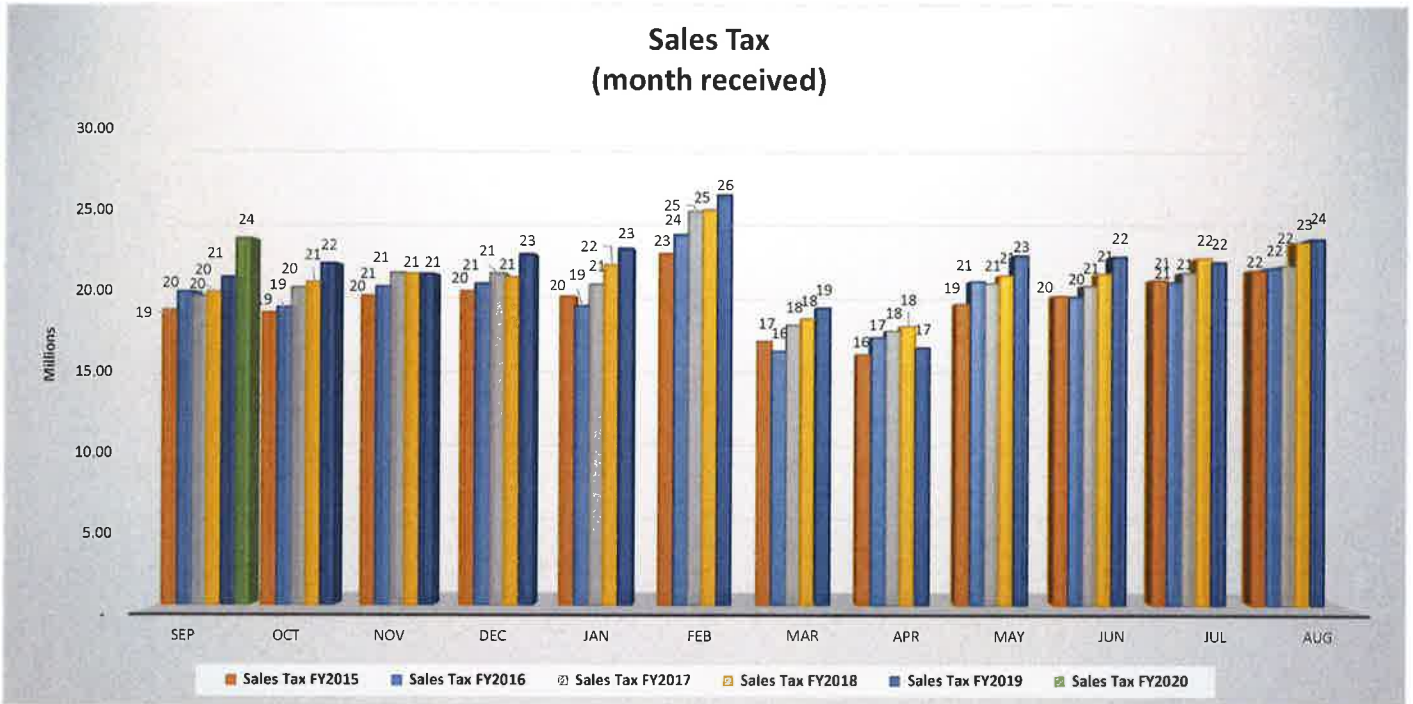
Regional Sales Tax*		Received	Annualized	FY2020	Annualized - Actual	
Transaction Months	1	To Date	Revenue based on YTD Receipts	Budget	To Budget	
City of Alexandria		\$1,518,578.70	\$ 18,222,944	\$ 16,379,177	\$ 1,843,767	
Arlington County		\$2,384,237.11	\$ 28,610,845	\$ 25,943,302	\$ 2,667,543	
City of Fairfax		\$693,108.74	\$ 8,317,305	\$ 7,506,931	\$ 810,374	
Fairfax County		\$9,945,643.96	\$ 119,347,728	\$ 114,583,396	\$ 4,764,332	
City of Falls Church		\$287,675.42	\$ 3,452,105	\$ 2,777,700	\$ 674,405	
Loudoun County		\$4,600,005.65	\$ 55,200,068	\$ 52,470,000	\$ 2,730,068	
City of Manassas		\$553,079.02	\$ 6,636,948	\$ 5,202,000	\$ 1,434,948	
City of Manassas Park		\$134,351.89	\$ 1,612,223	\$ 1,469,727	\$ 142,496	
Prince William County		\$3,487,237.18	\$ 41,846,846	\$ 39,514,160	\$ 2,332,686	
Total Sales Tax Revenue		\$ 23,603,917.67	\$ 283,247,012	\$ 265,846,393	\$ 17,400,619	6.55%

Attachment B

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY FY2020 30% DISTRIBUTION BY JURISDICTION

Based on: Revenue Data Through September 2019

Jurisdiction	Vehicle License- Registration Fee	Regional Sales Tax		NVTA Fund Interest	Cumulative Total	30% Funds	8/31/2019 Accrued Interest (1)	8/31/2019 Prior Distributions	Current Month Distribution	Total Funds Transferred
							(+)			
City of Alexandria	\$ -	\$ 1,518,578.70	\$ -	\$ -	\$ 1,518,578.70	\$ 455,573.61	\$ 90.74		\$ 455,664.35	\$ 455,664.35
Arlington County	\$ -	\$ 2,384,237.11	\$ -	\$ -	\$ 2,384,237.11	\$ 715,271.13	\$ 129.63		\$ 715,400.76	
City of Fairfax	\$ -	\$ 693,108.74	\$ -	\$ -	\$ 693,108.74	\$ 207,932.62	\$ 38.89		\$ 207,971.51	
Fairfax County	\$ -	\$ 9,945,643.96	\$ -	\$ -	\$ 9,945,643.96	\$2,983,693.19	\$ 544.43		\$ 2,984,237.62	\$ 2,984,237.62
City of Falls Church	\$ -	\$ 287,675.42	\$ -	\$ -	\$ 287,675.42	\$ 86,302.63	\$ 12.96		\$ 86,315.59	\$ 86,315.59
Loudoun County	\$ -	\$ 4,600,005.65	\$ -	\$ -	\$ 4,600,005.65	\$1,380,001.70	\$ 246.29		\$ 1,380,247.99	\$ 1,380,247.99
City of Manassas	\$ -	\$ 553,079.02	\$ -	\$ -	\$ 553,079.02	\$ 165,923.71	\$ 25.93		\$ 165,949.64	\$ 165,949.64
City of Manassas Park	\$ -	\$ 134,351.89	\$ -	\$ -	\$ 134,351.89	\$ 40,305.57	\$ 12.96		\$ 40,318.53	\$ 40,318.53
Prince William County	\$ -	\$ 3,487,237.18	\$ -	\$ -	\$ 3,487,237.18	\$1,046,171.15	\$ 194.44		\$ 1,046,365.59	\$ 1,046,365.59
Total Revenue	\$ -	\$23,603,917.67	\$ -	\$ -	\$23,603,917.67	\$7,081,175.31	\$ 1,296.27	\$ -	\$ 7,082,471.58	\$ 6,159,099.31
	Interest earned through 8/31/2019									



ATTACHMENT D

NVTA Sales Tax Revenue Forecast: Model vs Actual vs Projection										
FY	Forecasting Data	Monthly Actual	Model Factors			Monthly Model Forecast	Statistical Variance	End of Year		Actual YTD
			Level	Trend	Season			Model Forecast	NVTA Projected	
	Sep-2017	\$20,154,895	\$21,005,163	59,678	0.98	\$20,526,871	-371,976			\$21,005,163
	Oct-2017	\$20,786,302	\$21,064,639	59,476	0.99	\$20,808,222	-21,919			\$42,069,802
	Nov-2017	\$21,343,035	\$21,123,536	58,897	1.01	\$21,407,656	-64,620			\$63,193,339
	Dec-2017	\$21,115,955	\$21,177,215	53,679	1.02	\$21,704,805	-588,851			\$84,370,553
	Jan-2018	\$21,915,159	\$21,235,156	57,941	1.01	\$21,441,119	474,040			\$106,285,712
	Feb-2018	\$25,453,243	\$21,291,964	56,808	1.20	\$25,603,325	-150,082			\$127,577,676
	Mar-2018	\$18,454,178	\$21,351,540	59,575	0.85	\$18,194,416	259,762			\$148,929,216
	Apr-2018	\$17,961,788	\$21,410,814	59,275	0.84	\$17,989,635	-27,847			\$166,891,004
	May-2018	\$21,248,451	\$21,468,242	57,427	1.00	\$21,451,693	-203,241			\$188,139,455
	Jun-2018	\$21,365,954	\$21,525,999	57,757	0.99	\$21,329,980	35,973			\$209,665,454
	Jul-2018	\$22,367,630	\$21,584,079	58,080	1.03	\$22,330,807	36,823			\$231,249,533
FY18	Aug-2018	\$23,408,269	\$21,644,733	60,654	1.07	\$23,105,675	302,594	\$255,894,204	\$255,574,859	\$254,657,802
	Sep-2018	\$21,094,228	\$21,704,333	59,600	0.98	\$21,207,588	-113,360			\$21,094,228
	Oct-2018	\$21,988,381	\$21,768,435	64,101	0.99	\$21,498,794	489,587			\$43,082,609
	Nov-2018	\$21,319,899	\$21,825,316	56,882	1.01	\$22,125,572	-805,673			\$64,402,508
	Dec-2018	\$22,602,475	\$21,883,800	58,484	1.02	\$22,421,711	180,764			\$87,004,983
	Jan-2019	\$22,970,789	\$21,949,578	65,777	1.01	\$22,159,645	811,143			\$109,975,772
	Feb-2019	\$26,427,801	\$22,015,023	65,445	1.20	\$26,471,755	-43,954			\$132,946,561
	Mar-2019	\$19,145,454	\$22,083,957	68,933	0.85	\$18,818,052	327,402			\$152,092,015
	Apr-2019	\$16,587,775	\$22,131,001	47,047	0.84	\$18,612,870	-2,025,095			\$174,617,837
	May-2019	\$22,525,822	\$22,181,383	50,381	1.00	\$22,159,006	366,816			\$197,143,659
	Jun-2019	\$22,453,420	\$22,235,648	54,264	0.99	\$22,029,664	423,756			\$219,597,080
	Jul-2019	\$22,103,784	\$22,281,506	45,860	1.03	\$23,061,412	-957,628			\$241,700,864
FY19	Aug-2019	\$23,605,507	\$22,331,126	44,891	1.07	\$23,838,955	-233,448	\$264,405,024	\$258,926,224*	\$265,306,370
	Sep-2019	\$23,603,918	\$22,423,917	72,735	0.98	\$21,854,939	1,748,979			\$23,603,918
	Oct-2019					\$22,214,765				
	Nov-2019					\$22,863,878				
	Dec-2019					\$23,191,995				
	Jan-2020					\$22,931,750				
	Feb-2020					\$27,410,923				
	Mar-2020					\$19,553,126				
	Apr-2020					\$19,261,452				
	May-2020					\$22,977,791				
	Jun-2020					\$22,860,531				
	Jul-2020					\$23,943,983				
FY20	Aug-2020	*Current Fiscal Year Projection						\$273,850,762	\$265,846,393*	

NVTA Sales Tax Revenue Forecast 2014-2019: Model Observations

Winters' Exponential Smoothing Forecast

Forecasting Constants (Optimized)

Level (Alpha)	0.027
Trend (Beta)	0.581
Season (Gamma)	0.000

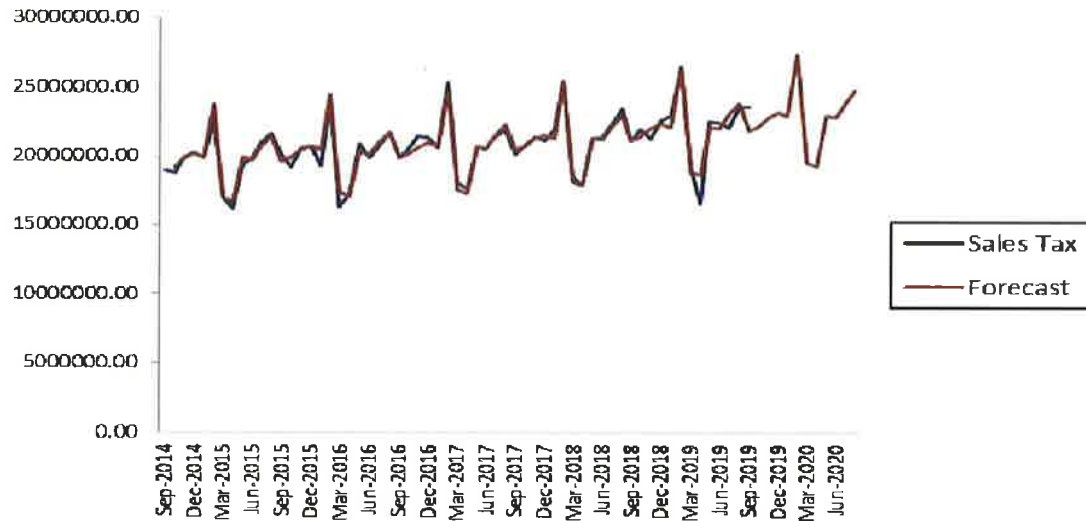
Winters' Exponential

Mean Abs Err	\$397,778.64
Root Mean Sq Err	\$571,768.65
Mean Abs Per% Err	1.96%

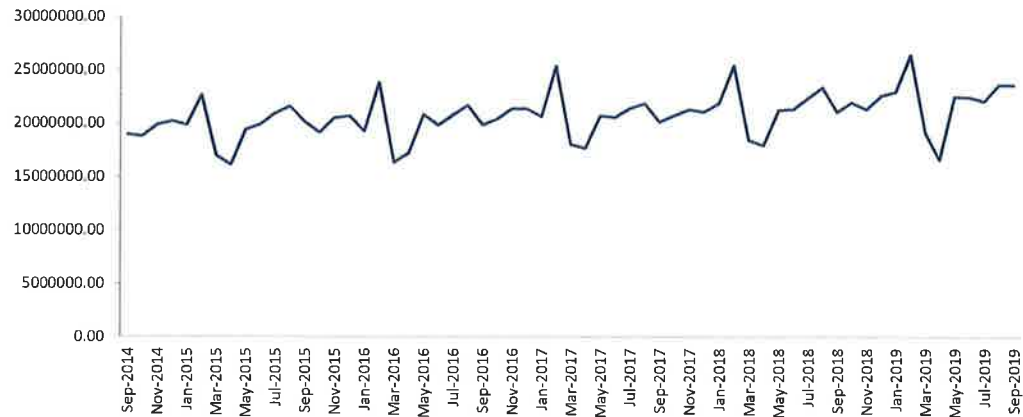
Description:

The Holt-Winters models three aspects of a time series: a typical value (average), a slope (trend) over time, and a cyclical repeating pattern (seasonality). Holt Winters uses exponential smoothing to encode values from the past and use them to predict "typical" values for the present and future.

Forecast and Original Observations



Original Observations



X.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: October 11, 2019

SUBJECT: NVTA Operating Budget

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on the Authority's Operating Budget for FY2020.
2. **Background:** SB1468 (2019) patroned by Senator Black, provides the Authority flexibility to pay operating and administrative expenses through assessments to member jurisdictions or via a transfer from the Regional Revenue Fund (70% revenues). The Authority elected for the FY2020 operating budget to be funded through transfers from the Regional Revenue Fund.
3. **Comments:** The September 30, 2019, the Operating Budget has produced the following results:
 - a. The operating revenue is being funded through quarterly transfers of \$740,948 from the Regional Revenue fund.
 - b. Total expenditures for the quarter ended 9/30/2019 do not include 2 months of NVRC office lease charges. Lease charges are expected to be invoiced by NVRC and paid in full later in October.
 - c. Through September 30, 2019 all expense account categories within the operating budget remained within budget.
 - d. The attached statement shows the total operating budget income and expenditure activity for FY2020 through September 30, 2019.

Attachment: FY2020 Operating Budget through September 30, 2019

1000 General Fund

Account Object	Description	Current Year				%
		Current Month	Current YTD	Budget	Variance	
Expenses						
410000	Personnel Expenses					
110	Salaries-Regular Pay	105,424.63	321,531.58	1,474,032.00	1,152,500.42	22
130	Health & Dental Benefits	10,778.60	54,954.20	243,109.00	188,154.80	23
131	Payroll Taxes	6,268.05	21,657.96	112,878.00	91,220.04	19
132	Retirement VRS	8,789.95	25,235.58	120,377.00	95,141.42	21
133	Life Insurance	1,430.10	4,001.12	19,223.00	15,221.88	21
134	Flex Spending/Dependent Care		82.66	874.00	791.34	9
135	Workers Comp		1,474.00	1,621.00	147.00	91
137	Disability Insurance	2,971.47	6,432.39	16,654.00	10,221.61	39
	Total Account	135,662.80	435,369.49	1,988,768.00	1,553,398.51	22
420000	Professional Services					
210	Audit & Accounting Services			29,500.00	29,500.00	
220	Bank Service			750.00	750.00	
230	Insurance		6,072.00	6,081.00	9.00	100
240	Payroll Services	58.39	686.48	2,606.00	1,919.52	26
260	Public Outreach & Regional Event Support		5,274.29	66,750.00	61,475.71	8
261	Legal/Bond Counsel Services			25,000.00	25,000.00	
262	Financial Advisory Services			35,000.00	35,000.00	
263	Bond Trustee Fees			2,700.00	2,700.00	
264	Legislative Services	2,000.00	6,100.00	62,000.00	55,900.00	10
265	Investment Custody Svc			25,000.00	25,000.00	
	Total Account	2,058.39	18,132.77	255,387.00	237,254.23	7
430000	Technology/Communication					
310	Acctg & Financial Report Systems	1,750.00	17,322.20	98,631.00	81,308.80	18
320	HW SW & Peripheral Purchase	599.96	8,883.08	5,600.00	-3,283.08	159
330	IT Support Svc Incl Hosting	1,489.21	6,110.97	23,374.00	17,263.03	26
335	GIS/Project Mgt/Modeling		-500.00	150,232.00	150,732.00	
340	Phone Service	9.83	1,461.31	10,716.00	9,254.69	14
350	Web Develop & Hosting		1,513.01	9,756.00	8,242.99	16
	Total Account	3,849.00	34,790.57	298,309.00	263,518.43	12
440000	Administrative Expenses					
410	Advertisement		195.00	1,500.00	1,305.00	13
411	Dues & Subscriptions	3,995.14	5,924.57	10,544.00	4,619.43	56
412	Duplication & Printing	176.00	1,992.59	16,640.00	14,647.41	12
413	Furniture & Fixture	6,995.98	7,145.98	8,100.00	954.02	88
414	Hosted Meeting Expenses	674.55	984.89	3,780.00	2,795.11	26
415	Mileage/Transportation	199.31	356.46	11,450.00	11,093.54	3
417	Office Lease		12,247.19	190,561.00	178,313.81	6
418	Office Supplies	403.27	1,351.21	8,065.00	6,713.79	17
419	Postage & Delivery		95.45	700.00	604.55	14
420	Professional Develop & Training	926.16	2,726.12	23,650.00	20,923.88	12
	Total Account	13,370.41	33,019.46	274,990.00	241,970.54	12

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
Income Statement
For the Accounting Period: 9 / 19

1000 General Fund

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
	Total Expenses	154,940.60	521,312.29	2,817,454.00	2,296,141.71	19
	Net Income from Operations	-154,940.60	-521,312.29			
Other Revenue						
383000	Transfer Operating Budget from Regional Revenue	740,948.25	740,948.25	2,963,793.00	-2,222,844.75	25
	Total Other Revenue	740,948.25	740,948.25	2,963,793.00	-2,222,844.75	25
Other Expenses						
521000	Transfers					
820	Transfer to Operating Reserve			563,491.00	563,491.00	
825	Transf to Equip Reserve			26,986.00	26,986.00	
	Total Account			590,477.00	590,477.00	
	Total Other Expenses	0.00	0.00	590,477.00	590,477.00	
	Net Income	586,007.65	219,635.96			