



Northern Virginia Transportation Authority

The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE

Thursday, March 18, 2021 – 1:00 PM

3040 Williams Drive, Suite 200

Fairfax, VA 22031

Meeting to be conducted on WebEx and Live Streamed via YouTube

AGENDA

1. **Call to Order/Welcome** Mayor Rishell, Chair
2. **Resolution Finding the Need to Conduct the March 18, 2021 Finance Committee Meeting Electronically** Mayor Rishell, Chair
Recommended Action: Adoption of Resolution
3. **Summary Minutes of the February 18, 2021 Meeting**
Recommended Action: Approval [with abstentions from those who were not present]

Action Item

4. **FY2022 Regional Revenue Fund Budget** Mr. Longhi, CFO
Recommended Action: Recommend Authority Approval
5. **FY2022 Local Distribution Fund Budget** Mr. Longhi, CFO
Recommended Action: Recommend Authority Approval
6. **FY2022 Operating Budget** Mr. Longhi, CFO
Recommended Action: Recommend Authority Approval

Information/Discussion Items

7. **Investment Portfolio Report** Mr. Longhi, CFO
8. **Monthly Revenue Report** Mr. Longhi, CFO
9. **Monthly Operating Budget Report** Mr. Longhi, CFO

Closed Session

(If Required)

Adjournment

10. **Adjournment**

Next Scheduled Meeting April 15, 2021 1:00PM (Room B)

3040 Williams Drive, Suite 200, Fairfax, Virginia

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
FINANCE COMMITTEE
RESOLUTION FINDING NEED TO CONDUCT
MARCH 18, 2021 MEETING ELECTRONICALLY

March 18, 2021

WHEREAS, on March 12, 2020, the Governor of Virginia declared a state of emergency in Virginia in response to the spread of novel coronavirus, or COVID-19, a communicable disease of public health threat as so declared by the State Health Commissioner on March 7, 2020 (“COVID-19”); and

WHEREAS, in subsequent Executive Orders, particularly Executive Order Nos. 53 and 55, as amended, the Governor of Virginia, among other measures designed to ensure safe physical distancing between individuals, prohibited public and private in person gatherings of 10 or more individuals and ordered all individuals in Virginia to remain at their place of residence, with limited exceptions, to mitigate the impacts of COVID-19 and prevent its spread; and

WHEREAS, the Northern Virginia Transportation Authority (Authority) - Finance Committee (Committee) finds that it has a responsibility to demonstrate to the public, through the Committee’s conduct, the importance of maintaining proper physical distance from others and to avoid gathering in public where the risks of infection are highest, and to take measures that promote physical distancing in order to protect the public health and mitigate the impacts and spread of COVID-19, including, among others, conducting meetings electronically whenever possible; and

WHEREAS, on April 22, 2020, the Virginia General Assembly adopted, and the Governor signed, budget bill amendments to HB 29 that expressly authorize “any public body, including any state, local, [or] regional body” to “meet by electronic communication means without a quorum of the public body . . . physically assembled at one location when the Governor has declared a state of emergency . . . , provided that (i) the nature of the declared emergency makes it impracticable or unsafe for the public body . . . to assemble in a single location; (ii) the purpose of the meeting is to discuss or transact the business statutorily required or necessary to continue operations of the public body . . . and the discharge of its lawful purposes, duties, and responsibilities” among other provisions; and

WHEREAS, member jurisdictions of the Northern Virginia Transportation Authority have adopted continuity of government ordinances pursuant to Va. Code Ann. § 15.2-1413 which ordinances, among other provisions, contemplate regional bodies of which the locality is a member meeting electronically to transact business to assure the continuity of government; and

NOW, THEREFORE, BE IT RESOLVED, that the Northern Virginia Transportation Authority Finance Committee hereby finds that meeting by electronic means is authorized because the nature of the declared emergency makes it both impracticable and unsafe for the Committee to assemble in a single location on March 18, 2021, to discuss and transact the business of the Committee listed on the March 18, 2021, Finance Committee Agenda; and

BE IT FURTHER RESOLVED, that the Committee hereby finds that meeting by electronic means is authorized because the items on the March 18, 2021, Committee Meeting Agenda are statutorily required or necessary to continue operations of the Authority and the discharge of the Authority's lawful purposes, duties, and responsibilities; and

BE IT FURTHER RESOLVED, that the items on the March 18, 2021, Authority Finance Committee Meeting Agenda are encompassed within the continuity of operations ordinances adopted by member localities of the Northern Virginia Transportation Authority to assure the continued operation of the government during the disaster posed by the public health emergency resulting from COVID-19.

Adopted on the 18th day of March, 2021.



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE

Thursday, February 18, 2021 – 1:00 PM

3040 Williams Drive, Suite 200

Fairfax, VA 22031

Meeting Held via WebEx and Live Streamed on YouTube

SUMMARY MINUTES

1. Call to Order/Welcome

Mayor Rishell, Chair

- Mayor Rishell called the meeting to order at 1:02 PM.
- Attendees:
 - ✓ Authority Members: Mayor Rishell; Chairman McKay (1:11 PM), Chair Randall, Board Member Cristol
 - ✓ Other Authority Members: Mayor Davis-Younger, Ms. Hynes
 - ✓ Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Peggy Teal (Assistant Finance Officer); Dev Priya Sen (Financial Analyst)
 - ✓ Council of Counsels: Rob Dickerson (Prince William County); Daniel Robinson (Fairfax County); Steve MacIsaac (Arlington County)
 - ✓ Other Attendees: Jurisdictional and agency staff and the public attended the meeting via the Authority's YouTube channel

2. Resolution Finding the Need to Conduct the February 18, 2021 Finance Committee Meeting Electronically

Mayor Rishell, Chair

Recommended Action: Adoption of Resolution

Board Member Cristol made the motion to adopt the Resolution Finding the Need to Conduct the Meeting by Electronic Communication Means during the Governor's declared State of Emergency during the COVID-19 Pandemic; seconded by Chair Randall. Motion carried unanimously.

3. Summary Minutes of the January 21, 2021 Meeting

Mayor Rishell, Chair

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

Chair Randall moved approval of the minutes of the January 21, 2021 meeting; seconded by Board Member Cristol. Motion carried unanimously.

Action Items

4. Revisions to Policy 19 – Local Distribution (30% Funds)

Ms. Sen, Financial Analyst

Recommended Action: Recommend Authority Approval of Policy Changes

- Ms. Sen provided the background to the regarding Policy 19 – Local Distribution (30% Funds), noting the policy was last revised in December 2020, to reflect the following new revenues received by the Authority:
 - Commonwealth Transportation Fund Transfer (HB1414, 2020)
 - Regional Congestion Relief Fee (HB1414, 2020).

- The current proposed policy revision is related to changes in the timing of the I-81 related revenue receipts.
- The NVTa CFO and Virginia Department of Transportation (VDOT) CFO recently discussed changes in the timing of receipts from the I-81 revenue (SB1716, 2019), now known as the Interstate Operations and Enhancement Program.
- The implementation of this revenue was changed by the Omnibus Transportation Bill (HB1414).
 - The estimated revenue was reduced from \$20 million to \$13.3 million annually.
 - Transfer of the revenue was also changed from monthly, to ideally annually in the first month of the fiscal year. However, the timing of distributions in future years is dependent on the Interstate Operations and Enhancement Program Fund cash flow.
- The Commonwealth moving the Interstate Operations and Enhancement Program away from monthly transfers will result in significant loss of parity between jurisdictions based on variances in Sales Tax receipts on a month-to-month basis, based on the current policy wording.
- Ms. Sen noted that the RJACC was briefed on the prior analyses and has consistently supported methods that provided parity.
- Ms. Sen used charts in the staff report to illustrate the potential variance between jurisdiction's Sales Tax from October 2019 until January 2021.
- The proposed draft moves the distribution to being based on the ratio of the prior 12 fiscal months of Sales Tax receipts.
- The proposed policy change is intended to address any future revenues which do not have jurisdiction data in an attempt to reduce future policy changes.
- Ms. Sen concluded by noting that with a Committee recommendation the revisions to Policy 19 – Local Distribution (30% Funds) could be presented to the Authority in March 2021.

Board Member Cristol moved the approval of the changes to the Authority's Policy 19 – Local Distribution (30% Funds) to implement Virginia Code changes; seconded by Chair Randall. Motion carried unanimously.

5. TransAction and Six Year Program Update Contract

Mr. Longhi, CFO

Recommended Action: Recommend Authority Approval of Contract Award

- Mr. Longhi presented the TransAction and Six Year Program Update Contract noting that a consultant Open House was conducted on December 4, 2019, to allow potential contractors and subcontractors to discuss the upcoming procurement in an open and transparent environment for all potential competitors.
- A Request for Proposals (RFP) was issued on November 12, 2020, with proposals due on December 11, 2020.
- Notice of this open procurement was placed on the NVTa website and with the Commonwealth's eVA procurement notice system.

- Four firms submitted responsive and responsible Technical and Price proposals eligible for consideration by the RFP Evaluation Team.
- The RFP Evaluation Team consisted of eight jurisdiction members and one NVTA staff member, for a total of nine voting members. VDOT shared a staff member with modelling experience for technical assistance on that topic. Jurisdiction Evaluation Team members involved their subject matter experts. Each participating jurisdiction and NVTA had one vote.
- Two of the four respondent proposals received close scores on their technical proposals and were interviewed on January 6, 2021. All cost proposals were then released for best value evaluation.
- When the cost proposals were evaluated, the same two highest ranking firms retained their relative positions. However, after additional rescoring rounds on best value, one of those two firms received eight of the available nine votes.
- As required by the Virginia Public Procurement Act, negotiations commenced with the two top ranked firms. The negotiations were conducted by NVTA's CFO with support from NVTA staff, using the comments and recommendations of the Evaluation Team.
- Negotiations included questions and requests, specific to each firm, recommended by the Evaluation Team and subject matter experts.
- After an initial round of negotiations, both firms were requested to submit Best and Final Offers.
- The Best and Final Offers were requested to include cost reductions to bring the proposed costs in line with the project budget approved by the Authority in FY2020.
- After an examination of the Best and Final Offers in terms of both technical responses and costs reductions, the negotiations resulted in further affirmation of the Evaluation Team's prior consensus.
- Negotiations achieved the Evaluation Team's suggested objectives and achieved significant cost reductions.
- Mr. Longhi noted that NVTA staff recommended award of the TransAction and Six Year Program Update Contract to Cambridge Systematics Inc., (CS). Factors supporting the recommendation are:
 - Constancy with the Evaluation Team vote 8/1 in favor of CS.
 - Successful negotiations of enhanced technical features as recommended by the Evaluation Team.
 - Successful cost negotiations.
 - The CS selection furthers the Authority's Strategic Plan goal to develop in-house modelling capacity.
 - The modelling system and approach for Trans Action and Six Year Program Update are consistent and compatible with what is in use by many member jurisdictions and MWCOG/TPB.
 - The modelling system approach is expected to be the most compatible in the future with expected industry evolution and evolution in MWCOG/TPB modelling and data.

- The modelling system(s) proposed are commercial products with vendor support as well as a local and national community of users.
- The proposed contract is within previously appropriated funding, so no budget action is required.
- CS had previously completed TransAction 2040.
- The recommendation recognizes, that there is some schedule risk for the adoption of the next Six Year Program Update (tentatively scheduled for summer of CY2022). This is due to the change in the modelling platforms. However, it is recognized that this is the appropriate time to make the long-term investment in a modelling platform that will have broad compatibility and further the NVTA Strategic Plan Goal of developing in-house modelling capacity.

Board Member Cristol moved the approval Finance Committee recommend Authority approval of the proposed TransAction and Six Year Program Update Contract award to Cambridge Systematics Inc.; seconded by Chair Randall. Motion carried unanimously.

Information/Discussion Items

6. Budget Guidance Discussion

Mr. Longhi, CFO

- Mr. Longhi reviewed material for the Committee to provide guidance on the development of NVTA’s three budgets for FY2022 – Regional Revenue Fund Budget (70%), Local Distribution Fund Budget (30%), and Operating Budget Fund.
- Regional Revenue Fund Budget (70%):
 - Mr. Longhi described the function of the Regional Revenue Fund Budget and how it is the source for transportation project funding by the Authority.
 - Mr. Longhi noted that the Regional Revenues (70% funds) are largely programmed through the Authority’s approval of specific projects in the Six Year Program (SYP) and subsequent updates, after all debt service and reserve funding obligations are met for a fiscal period.
 - He added that any unused funds or excess revenue from one fiscal year are accumulated as Restricted Fund Balance and will be available for the FY2026/27 update to the SYP.
 - Mr. Longhi further discussed the Revenues, Expenditures, Transfers and Carryforward, as well as Cumulative Regional Revenue Reserve Balances.
 - Mr. Longhi noted there were four requests from three jurisdictions for forward appropriations from the FY2024/25 two-year update to the Six Year Program. NVTA staff recommends the forwards appropriations.
- Local Distribution Fund Budget (30%):
 - Mr. Longhi noted that Local Distribution Fund (30%) revenues are distributed in their entirety to member jurisdictions in accord with HB 2313 (2013).
 - He noted that member jurisdictions receive the amount of Local Distribution Funds they are entitled to be based on the direct and imputed transactions within their jurisdiction.

- Beginning with FY2020, the Authority elected to charge the Operating Budget to the Regional Revenue Fund which in turn resulted in an increased 30% distribution to member jurisdictions, estimated at \$2.7 million in FY2022.
- Actual distributions to jurisdictions will be contingent on completion of the annual certification process.
- Operating Fund Budget:
 - Mr. Longhi described that due to the unusual nature of the COVID-19 Pandemic on the economy and the processes followed to conduct business, some of the Authority's expense categories were not fully utilized during FY2021. This resulted in a \$140,000 carry forward to FY2022 which will be used to reduce FY2022 expenses.
 - Many of the Public Outreach events for FY2022 have been canceled or transitioned to a virtual event.
 - Duplication & Printing, Staff Mileage/Travel and Office Supplies costs are reduced due to the transition of virtual meetings and events.
 - Mr. Longhi also reviewed how NVTAs account for its administrative expenses (e.g., Salary increases, Health & Dental Benefits, Retirement, Life & Disability Insurance) and also reviewed inflation and contract escalation costs and discussed how the overall budget process works.
 - Mr. Longhi described that the proposed FY2022 Operating Budget includes one initiative, Project Implementation Management and Monitoring System (PIMMS) Phase 4 which supports the Authority's strategic plan and enhancement to NOVA Gateway Dashboard.

7. Investment Portfolio Report Mr. Longhi, CFO

- Mr. Longhi presented the Investment Portfolio Report and responded to questions.

8. Monthly Revenue Report Mr. Longhi, CFO

- Mr. Longhi presented the Monthly Revenue Report and responded to questions.

9. Monthly Operating Budget Report Mr. Longhi, CFO

- Mr. Longhi presented the Monthly Operating Budget Report and responded to questions.

Adjournment: 2:17 PM

Next Scheduled Meeting March 18, 2021, 1:00 PM (Room B)

3040 Williams Drive, Suite 200, Fairfax, Virginia

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**MEMORANDUM**

TO: Chair Rishell and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: March 12, 2021

SUBJECT: Proposed FY2022 Regional Revenue Fund Budget

1. **Purpose:** To seek the Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation of Authority adoption of the Proposed FY2022 Regional Revenue Fund Budget.
2. **Suggested Motion:** *I move the Finance Committee recommend to the Authority, adoption of the Proposed FY2022 Regional Revenue Fund Budget, as presented in Attachment 1.*
3. **Background:**
 - a. Regional Revenues (70% funds) are largely programmed through the Authority's approval of specific projects in the Six Year Program (SYP) and subsequent updates, after all debt service and reserve funding obligations are met for a fiscal period.
 - b. Any unused funds or excess revenue from one fiscal year are accumulated as Restricted Fund Balance and will be available for the FY2026/27 update to the SYP.
 - c. Authority adoption/programming of the FY2026/27 update to the SYP is currently estimated for summer of calendar 2022.
 - d. Finance Committee guidance is to conservatively estimate revenues.
 - e. The details of the Proposed FY2022 Regional Revenue Fund Budget are presented in Attachment 1.

(ED. Note - The following report sections tie to the Notes Column on Attachment 1.)

4. **Revenues:**
 - a. **Revenues** were adjusted downward to capture the impact of the COVID-19 Pandemic and restrictions on the economy for FY2022. Sales Tax Revenues for FY2021 are lower than the previous year but revenues didn't decline as much as NVTA staff predicted in part due to the newly taxed internet sales tax which began in FY2020.
 - b. **Interstate Operations & Enhancement Program (IOEP) Transfer** – Formally referred to as I-81 revenues, this revenue source was changed as a result of the (HB1414/SB890, 2020) Omnibus Transportation Bill. The General Assembly moved this revenue from a monthly basis, based on revenues such as heavy truck registrations, highway use and diesel fuel taxes; to an annual allocation based on funds available for the Highway Construction Program under the Interstate Operations and Enhancement Program. The revenue projection for FY2022 is based on estimates developed by VDOT.

- c. **Regional Congestion Relief Fee (Grantor's Tax):** The 2020 Omnibus Transportation Bill as amended, reinstated the Authority's Grantor's Tax receipts at a reduced rate of \$0.10/100. The Governor's one-time reduction, reduced the rate to \$0.05/100 through most of FY2021. NVTAs initial projections for Grantor's starting in FY2022 are set at \$30 million with reduction of 15% for the COVID-19 continued impact on the economy and assumes the tax will be increased to the originally proposed level in May 2021.
 - d. **Commonwealth of Virginia Northern Virginia District Transfer:** This revenue line is a \$20 million transfer from the Commonwealth's Northern Virginia Transportation District Fund to the NVTAs.
 - e. **CoVa interest** is earned on funds while they are processed by the Commonwealth and before arriving at the Authority.
 - f. **Future Financing/Forward Appropriations (if required)**
 - i. This budget classification reflects the FY2022 Revenue Fund Appropriations for the inaugural SYP (Attachment 2). As part of that adoption, the Authority implemented a project funding strategy which relies on the strength of the Authority's Balance Sheet to advance the timing of project funding.
 - ii. This strategy is saving the Authority approximately \$194 million compared to traditional project funding approaches.
 - iii. The classification recognizes that if the majority of FY2019/23 SYP and potential FY2024/25 forward appropriated projects were to exceed their original cash flow projections, outside liquidity would need to be obtained. This is a worst-case scenario which does not include the potential use of the \$120 million Working Capital Reserve.
 - g. **Investment Portfolio Earnings** reflects the NVTAs portfolio interest earnings. Estimate is based on a month to month decline in portfolio earnings over the fiscal year as the portfolio return aligns with anticipated worse case market declines. With a sustained market decline in fixed income security, the portfolio return is expected to 'bottom out' at a 15 to 23 basis point level.
5. **Expenditures:** Prior to determining the funds available for projects, the annual debt service payment and reserve amounts must be budgeted. No additions to the reserves are required from the proposed FY2022 budget.
- a. **Debt service principal and interest.** Total debt service for FY2022 is \$5,547,500.
 - b. **Modeling License & Support:** With the finalization of the Transaction contract that included in-house modeling, the Authority staff will be investing in modeling software during fiscal year 2022. Originally projected at \$25,000, but a more refined cost that was obtained through the TransAction Update procurement is \$29,150.
 - c. **TransAction Update (SYP/CRRC/LTB Tech Support).** This expense provides technical support for SYP Congestion Reduction Relative to Cost, Long-Term Benefit analysis and in-house modeling development as adopted by the Authority in the FY2022 PayGo Analysis. The Call for Projects for the next update to the SYP FY2026/2027 will occur in summer 2021, potential adoption in summer of 2022.
 - d. **Six Year Program PayGo Project Funding.** This represents the appropriation of project funding for the Six Year Program, and staff recommended forward appropriations from the FY2024/25 Program to FY2022.

6. Transfers and Carryforward

- a. **Transfer Out to the Operating Fund.** Utilizing the authorization provided in SB1468 (2019), member jurisdictions are relieved from the obligation of funding the NVTAs Operating Budget from their own revenues (typically their 30% Local Distribution Funds). The Operating Budget is estimated to be 1.1% of the Regional Revenue Fund income for the fiscal year.
- b. **Restricted Fund Balance - Carryforward to FY2024.** This amount reflects net positive or negative variances in the Authority's revenue projections, interest earnings and released balances from completed or cancelled projects. Negative variances result from forward appropriating funding in the early years to the FY2018 to F2023 SYP. It is based on FY2020 audited actual balances.
- c. **Total Available for Project Assignments/FY2024 Forward Appropriation.** This amount reflects net positive or negative variance in the Regional Revenue Fund. When this amount is positive, it serves as an accumulator for funds to be available for projects as part of the FY2026/27 two-year update to the Six Year Program. When this amount is negative, it reflects the timing of recently adopted funding program updates net of immediately available (not future revenue). Future updates will adjust revenue estimates for any General Assembly action as part of the future PayGo recommendation. The next PayGo recommendations will be made in Spring 2022 as part of preparations for the FY2026/27 update to the SYP.

7. Cumulative Regional Revenue Reserve Balances

- a. **Working Capital Reserve (WCR).** The WCR is required by the Authority's Debt Policy. The Authority took action in June 2017, to cap the Working Capital Reserve at \$120 million.
- b. **Debt Service Reserve.** This reserve of \$5,551,000, was funded through bond proceeds and exists to protect NVTAs bondholders. It is required by the Authority's Debt Policy.

8. **Next Steps.** With any additional guidance from the Finance Committee, the proposed budget will be presented to the Authority for adoption.

Attachments:

1. Proposed FY2022 Regional Revenue Fund Budget
2. FY2018 to FY2025 Six Year Program Appropriation Schedule

Attachment 1

Northern Virginia Transportation Authority Proposed FY2022 Regional Revenue Fund Budget			
	Adopted FY2021 Budget	Proposed FY2022 Budget	Notes
Revenue 70% Regional Funds			
Sales Tax	\$ 191,857,379	\$ 197,039,152	3a
Interstate Operations & Enhancement Program (IOEP) Transfer	1,750,000	9,310,000	3b
Grantor's Tax	-	17,850,000	3c
Commonwealth NVTD Transfer	-	14,000,000	3d
CoVa Interest	257,900	101,430	3e
Bond Proceeds	-	-	
Future Financing/Future Appropriation Finance (if required)	(29,956,829)	(59,270,665)	3f
Investment Portfolio Earnings	5,000,000	5,200,000	3g
Total Revenue	\$ 168,908,450	\$ 184,229,918	
Expenditures			
Debt Service - Principal	\$ 2,865,000	\$ 2,950,000	4a
Debt Service - Interest	2,683,450	2,597,500	4a
Professional Services - Bond Issuance Costs	-	-	
Modeling License & Support	-	29,150	4b
TransAction Update (SYP/CRRC/LTB Tech Support)	160,000	400,000	4c
Six Year Program PayGo Project Funding	163,200,000	33,300,000	4d
Total Expenditures / Six Year Program Commitments	\$ 168,908,450	\$ 39,276,650	
Net Revenue	\$ -	\$ 144,953,268	
Transfers & Carryforward			
Transfer Out to Operating Fund	\$ (2,769,220)	\$ (2,744,809)	5a
Restricted Fund Balance - Carryforward to Six Year Program Update	38,438,712	(142,286,859)	5b
Total Available for Project Assignments/FY2024 Carryforward	\$ 35,669,492	\$ (145,031,668)	5c
Cumulative Regional Revenue Reserve Balances			
Working Capital Reserve	\$ 120,000,000	\$ 120,000,000	6a
Debt Service Reserve (Held by Trustee)	5,551,000	5,551,000	6b
Cumulative Reserve Balances	\$ 125,551,000	\$ 125,551,000	

Updated: 2/5/2021

NVTA FY2018 to FY2025 Six Year Program & Update Appropriation Schedule

Attachment 2

SPA Number	Project ID#	Jurisdiction / Agency	Project	FY2019 Appropriation	FY2020 Appropriation	FY2021 Appropriation	Proposed FY2022 Appropriation	FY2023	FY2024 to FY2025
2018-001-1	1	Arlington County	ART Operations and Maintenance Facilities	39,027,000					
2018-003-1	3	Arlington County	Crystal City Metrorail Station East Entrance & Intermodal connections		5,000,000				
2018-004-1	4	Arlington County	Pentagon City Multimodal Connections and Transitway Extension		28,850,000				
2018-005-1	5	Arlington County	Intelligent Transportation System Improvements	10,000,000					
2018-040-2	40	City of Alexandria	West End Transitway: Northern Segment (Phase 1)				2,200,000		
2018-041-1	41	City of Alexandria	Alexandria ITS Projects		1,195,491				
2018-042-1	42	City of Alexandria	Alexandria Bus Network ITS	150,000					
2018-043-1	43	City of Alexandria	DASH Transit Service Enhancements and Expansion		11,933,161				
2018-045-1	45	City of Alexandria	Alexandria Duke St Transitway		12,000,000				
2018-046-1	46	City of Fairfax	Jermantown Road Corridor Improvements Project	21,000,000					
2018-047-1	47	City of Fairfax	Intersection Improvements at Eaton Place/Chain Bridge Road					10,750,000	
2018-048-1	48	City of Fairfax	Old Lee Highway Multimodal Improvements Phase 1					5,000,000	
2018-049-1	49	City of Fairfax	Roadway Network Northfax West	2,500,000					
2018-051-1	51	City of Falls Church	West Falls Church & Joint Campus Revitalization District Multimodal Transportation Project		15,700,000				
2018-062-1	62	City of Falls Church/NVRPA	Falls Church Enhanced Regional Bike Routes (W&OD)	3,244,959					
2018-006-2	6	Fairfax County	Route 1 Widening (Mount Vernon Memorial Highway to Napper Road)		127,000,000				
2018-007-1	7	Fairfax County	Richmond Highway Bus Rapid Transit - Phases I & II	250,000,000					
2018-009-2	9	Fairfax County	Frontier Drive Extension and Intersection Improvements#		25,000,000				
2018-010-3	10	Fairfax County	Route 28 Widening: Route 29 to Prince William County Line			16,000,000			
2018-012-1	12	Fairfax County	Richmond Highway (Route 1)/CSX Underpass Widening					12,000,000	
2018-014-2	14	Fairfax County	Rolling Road Widening: Hunter Village Drive to Old Keene Mill Road		11,111,000				
2018-016-3	16	Fairfax County	Fairfax County Pkwy Widen from Ox Rd to Lee Hwy w/ separated interchange at Popes Head Rd			67,000,000			
2018-017-1	17	Fairfax County	Rock Hill Road Bridge					20,604,670	
2018-021-1	21	Loudoun County	Route 15 Bypass Widening: Battlefield Parkway to Montresor Road					54,000,000	
2018-022-1	22	Loudoun County	Northstar Boulevard - Shreveport Drive to Tall Cedars Parkway		64,805,000				
2018-023-1	23	Loudoun County	Extend Shellhorn Road: Loudoun County Parkway (Route 607) to Randolph Drive (Route 1072)		16,000,000				
2018-024-1	24	Loudoun County	Route 28 Northbound Widening –between the Dulles Toll Road and Sterling Boulevard	20,000,000					
2018-026-1	26	Loudoun County	Prentice Drive Extension: Lockridge Road (Route 789) to Shellhorn Road (Route 643)		76,230,000				
2018-027-1	27	Loudoun County	Route 9 Traffic Calming	12,112,000					
2018-028-1	28	Loudoun County	Dulles West Boulevard Widening: Loudoun County Parkway to Northstar Boulevard	47,800,000					
2018-029-1	29	Loudoun County	Evergreen Mills Road Intersection Realignments – Watson Road and Reservoir Road	14,000,000					
2018-030-4	30	Prince William County	RT28 corridor improvements (Fitzwater Dr to Pennsylvania Ave)	15,000,000					
2018-032-2	31	Prince William County	Route 28 Corridor Feasibility Study - EIS (City of Manassas to Fairfax County)		3,500,000				
2018-032-3	32	Prince William County	Construct Route 28 Corridor Roadway Improvements			89,000,000			
2018-034-1	34	Prince William County	Construct Interchange at Route 234 and Brentsville Road	54,900,000					
2018-035-1	35	Prince William County	Construct Interchange at Prince William Parkway and University Boulevard	24,200,000					
2018-036-1	36	Prince William County	Summit School Rd Extension and Telegraph Rd Widening	11,000,000					
2018-039-1	39	Prince William County	Construct Interchange at Prince William Parkway and Clover Hill Road					1,900,000	
2018-053-2	53	Town of Dumfries	Widen Route 1 (Fraleigh Blvd) to six lanes between Brady's Hill Rd and Dumfries Rd (RT234)					44,860,000	
2018-054-3	54	Town of Leesburg	Construct Interchange at Route 7 and Battlefield Parkway		25,000,000			25,000,000	
2018-055-3	55	Town of Leesburg	Interchange Improvements at Route 15 Leesburg Bypass and Edwards Ferry Road				5,400,000		
2018-056-1	56	Town of Leesburg	Construct Interchange at Route 15 Bypass and Battlefield Parkway			2,000,000			
2018-057-1	57	Town of Vienna	Mill St NE Parking Garage					2,300,000	
2018-058-2	58	VRE	VRE Crystal City Station Improvements			4,000,000			
2020-063-1	63	Arlington County	Rosslyn Multimodal Network Improvements						11,874,000
2020-064-1	64	Arlington County	CC2DCA Intermodal Connector: From Crystal City to Ronald Reagan Washington National Airport						18,000,000
2020-073-1	73	Arlington County/NVPRK	Arlington W&OD Trail Enhancements						650,000
2020-045-2	45	City of Alexandria	Alexandria Duke St Transitway						75,000,000
2020-048-2	48	City of Fairfax	Old Lee Highway Multimodal Improvements						8,000,000
2020-049-2	49	City of Fairfax	Roadway Network Northfax West				2,500,000		

NVTA FY2018 to FY2025 Six Year Program & Update Appropriation Schedule

Attachment 2

SPA Number	Project ID#	Jurisdiction / Agency	Project	FY2019 Appropriation	FY2020 Appropriation	FY2021 Appropriation	Proposed FY2022 Appropriation	FY2023	FY2024 to FY2025
2020-069-1	69	City of Fairfax	Jermantown Road/Route 29 Intersection Improvements						700,000
2020-070-1	70	City of Fairfax	Government Center Parkway Extension						3,540,000
2020-071-1	71	City of Falls Church	West Falls Church Access to Transit and Multimodal Connectivity				6,900,000		
2020-072-1	72	City of Falls Church	Downtown Falls Church Multimodal Improvements				8,300,000		
2020-006-3	6	Fairfax County	Richmond Highway Widening From Route 235 North to Route 235 South						120,387,962
2020-014-3	14	Fairfax County	Rolling Road Widening: Hunter Village Drive to Old Keene Mill Road						27,700,000
2020-016-4	16	Fairfax County	Fairfax County Parkway Widening: Lee Highway (Route 29) to Nomes Court						37,400,000
2020-065-1	65	Fairfax County	Soapstone Drive Extension: Sunset Hills Road to Sunrise Valley Drive						15,000,000
2020-066-1	66	Loudoun County	Construct Crosstrail Boulevard (Route 653): Sycolin Road to Dulles Greenway (Route 267)						36,700,000
2020-067-1	67	Loudoun County	Evergreen Mills Road Widening from Northstar Boulevard to Stone Springs Boulevard						18,000,000
2020-036-2	36	Prince William County	North Woodbridge Mobility Improvements				8,000,000		
2020-068-1	68	Prince William County	Summit School Rd Extension and Telegraph Rd Widening						24,000,000
2020-053-3	53	Town of Dumfries	Widen Route 1 (Fralely Blvd) to six lanes between Brady's Hill Rd and Dumfries Rd (RT234)						78,000,000
2020-058-3	58	VRE	VRE Crystal City Station Improvements						15,800,000
2020-074-1	74	DRPT	Franconia-Springfield Passenger Rail Bypass						22,958,821
Total By Fiscal Year				\$ 524,933,959	\$ 423,324,652	\$ 178,000,000	\$ 33,300,000	\$ 176,414,670	\$ 513,710,783
Cumulative Total by Fiscal Year				\$ 524,933,959	\$ 948,258,611	1,126,258,611	\$ 1,159,558,611	\$ 1,335,973,281	\$ 1,849,684,064

Note: Denotes FY2024/25 Forward Appropriation

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chair Rishell and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: March 12, 2021

SUBJECT: FY2022 Local Distribution Fund Budget (30%)

1. **Purpose:** To seek the Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation of Authority adoption of the proposed FY2022 Local Distribution Fund Budget.
2. **Suggested Motion:** *I move the Finance Committee recommend Authority adoption of the proposed FY2022 Local Distribution Fund Budget, as presented below.*
3. **Background:**
 - a. Local Distribution Fund (30%) revenues are distributed in their entirety to member jurisdictions in accord with HB 2313 (2013) with revenues received from the Commonwealth.
 - b. Member jurisdictions receive the amount of Local Distribution Funds they are entitled to based on the direct and imputed transactions within their jurisdiction.
 - c. Previous Finance Committee guidance is to conservatively estimate revenues.
 - d. Beginning with FY2020, the Authority elected to charge the operating budget to the Regional Revenue Fund which in turn resulted in increased 30% distributions to member jurisdictions, estimated at \$2.7 million in FY2022
4. **Proposed Budget:** The table below shows the proposed FY2022 Local Distribution Fund Budget. Distributions to jurisdictions are based on the actual transactions conducted within the jurisdiction.

Northern Virginia Transportation Authority Proposed FY2022 Local Distribution Budget (30%)		
	Adopted FY2021 Budget	Proposed FY2022 Budget
Carryforward	\$ -	\$ -
Revenue		
Sales Tax	\$ 82,224,591	\$ 84,445,351
Transfer Interstate Operations & Enhancement Program	750,000	3,990,000
Grantor's Tax	-	7,650,000
Commonwealth NVTD Transfer	-	6,000,000
CoVa Interest	110,530	43,470
Total Revenue	\$ 83,085,121	\$ 102,128,821
Expenditures		
Distribution to Member Jurisdictions	\$ 83,085,121	\$ 102,128,821
Total Expenditures	\$ 83,085,121	\$ 102,128,821
Budget Balance	\$ -	\$ -

5. Assumptions:

- a. The Authority will continue to follow the Code of Virginia in the management of the Local Distribution Fund.
- b. Actual distributions to jurisdictions will be contingent on completion of the annual certification process and will be determined by the actual revenues received based on direct and imputed transactions within the jurisdiction.
- c. All prior fiscal year accruals and Commonwealth revenue adjustments of Local Distribution Fund revenues will be distributed to the appropriate jurisdiction in FY2022 in accord with the Code of Virginia.

- 6. Next Steps.** With any additional guidance from the Finance Committee, the proposed budget will be presented to the Authority for adoption.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chair Rishell and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: March 12, 2021

SUBJECT: FY2022 Operating Budget

- 1. Purpose:** To seek the Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation of Authority adoption of the proposed FY2022 NVTA Operating Budget as outlined below.
- 2. Suggested Motion:** *I move the Finance Committee recommend Authority adoption of the proposed FY2022 Operating Budget as presented in Attachment 1.*

(ED. Note – The following-colored number report sections tie to the Notes Column on Attachment 1.)

- 3. Background:** Due to the unusual nature of the COVID-19 Pandemic on the economy and the processes followed to conduct business, some of the Authority's expense categories were not fully utilized during FY2021. This resulted in a \$140,000 carry forward to FY2022 which will be used to reduce FY2022 expenses.
 - The Investment and Debt Manager position has been vacant for the majority of the year.
 - Many of the Public Outreach events for FY2022 have been canceled or transitioned to a virtual event.
 - Duplication & Printing, Staff Mileage/Travel and Office Supplies costs are drastically reduced due to the transition of virtual meetings and events.
- 4. FY2020 Operations Base Budget Changes:**
 - A. Personnel Expenditures:**
 - 1. Salaries-Regular Pay:**
 - Staff compensation changes will be based on the annual increases adopted in NVTA member jurisdiction and agencies FY2022 budgets.
 - Member jurisdictions have not finalized their FY2022 budgets, therefore, a 3% increase is proposed to be programmed in the base budget for estimation purposes.

- Maximum COLA and average annual performance increases will be consistent with member jurisdictions. An analysis will be undertaken once jurisdictions have passed their FY2022 Operating Budgets.
- Due to the vacancy of the Investment & Debt Manager position for over half the fiscal year, a net of \$55,000 has been carried forward to offset the FY2022 budget.

2. Health & Dental Benefits:

- NVTA's benefit rate increases/decreases are based on the experience (claims) of the Commonwealth's, The Local Choice, participant pool of approximately 60,000 employees, retirees and family members.
- NVTA is not projected to receive an increase in benefit premiums for FY2022. Premiums increased 4.8% during FY2021.
- For FY2022, staff members may elect NVTA coverage changes during the open enrollment period. Any elections are unknown at this time and not budgeted.

3. Retirement – Virginia Retirement System (VRS):

- Based on NVTA's most recent VRS actuarial study, the FY2021 and FY2022 contribution rate remains at 7.50%.
- The VRS forward looking investment performance rate has been reduced. This reduction will lead to higher, but more predictable contribution rates.
- The Authority fully funds the annually required contribution for VRS each fiscal year.

4. Life & Disability Insurance:

- This insurance type is priced using salaries and age tiers.

B. Professional Service Changes:

5. Insurance:

- NVTA's general liability, causality, cyber, officers and director's insurance renewal for FY2021 was higher than projected due to the doubling of the Cyber Security Liability rates from VRSA. The FY2022 premium rates will not be available until after June 2021. The FY2022 base budget includes an estimated 5% increase above the FY2021 renewal.

6. Public Outreach & Regional Event Support:

- For FY2022, this line decreased approximately \$10,000 due to one-time costs included last year and increased slightly, due to inflationary increases. Resulting in a net decrease of \$9,168. Due to the transition to virtual events and cancellations, \$39,000 of FY2021 budget has been carried forward to offset the FY2022 budget.

7. Legal Services/Bond Counsel:

- Bond Counsel is the only legal service currently obtained under this budget line, \$5,000 is carried forward to offset the FY2022 budget.

- Based on prior experience, this budget line remains unchanged.

8. Financial Advisory Services:

- Contractually required escalation.

9. Legislative Services:

- The current legislative service contract was renewed in FY2021. The increase reflects a new contract base and contractually required escalation.

C. Technology/Communications:

10. General Ledger/Financial Reporting & Investment Monitoring/Management Systems:

- We have canceled several investment subscription services while the Investment and Debt Manager position has been vacant.
- An annual Bloomberg Anywhere subscription with a cost of \$24,822 has been added to FY2022 for the temporary investment consultant who will be advising on the Authority's investments and providing training/mentoring.
- The budget line also includes the annual costs for:
 - Black Mountain, the General Ledger/Financial Reporting System
 - Tracker, the Portfolio Management System.
- The net change is a budget decrease of \$16,662.

11. IT Support Service & Hosting: FY2022 includes a 3% increase for the third-party network hosting and management contract, these increases typically occur once every three years. However, expanded data storage and server processing capacity can increase expenses year to year. It also includes the SSL Certification renewal that occurs every 3 years.

12. GIS/Project Monitoring & Management/Modeling:

- The FY2021 Budget included onetime funding for Phase 3 of the Project Implementation, Monitoring and Management System (PIMMS).
- The FY2022 budget for this line item reflects a baseline increase of \$1,643 related to contractual and inflationary increases for website and PIMMS maintenance, hosting and data storage.

13. Phone Service:

- The FY2022 includes \$1,750 for the addition of the WebEx licenses that were an integral part of business operations during FY2021.
- The remaining \$274 reflects increases in NVTA's conference line and mobile phone service.

D. Administrative Expenses:

14. Duplication and Printing: Due to the move to virtual public meetings during FY2021, \$5,000 of the FY2021 budget was carried forward to FY2022.

- 15. Hosted Meetings:** Due to the move to virtual public meetings and virtual attendance during FY2021, \$3,000 of the FY2021 budget was carried forward to FY2022.
- 16. Mileage/Transportation:** Due to the move to virtual meetings, public hearings and other transportation related meetings, \$10,000 of FY2021 budget was carried over to FY2022.
- 17. Office Lease:** FY2022 reflects a contracted renewal increase of 2.5% or \$4,329.
- 18. Office Supplies:** Due to virtual public meetings and the reduction of printing meeting packets, \$5,000 of FY2021 budget was carried forward to FY2022.

E. Operating Reserve:

- 19.** The NVTA Debt Policy requires a 20% Operating Reserve. Any changes in the base budget result in year-to-year changes in this reserve.

D. Equipment Replacement Reserve:

- 20.** Based on the life cycle of newly acquired and recently replaced equipment, a \$4,500 contribution to the equipment reserve is necessary. The equipment reserve level is a management recommendation based predominately on the equipment depreciation schedule and practical experience.

- 5. FY2022 Proposed Budget Initiatives:** The proposed FY2022 Operating Budget includes one initiative, Project Implementation Management and Monitoring System (PIMMS) Phase 4.

E. GIS/Project Monitoring & Management/Modeling: The sole FY2022 initiative impacts this budget line. This initiative, presented below, supports the Authority's Strategic plan in the areas of:

- *Goal I – Regional Prosperity; compile objective independent research.*
- *Goal II – Mobility; performance dashboard, expanded analytical capabilities building to travel demand forecasting and model simulations.*
- *Goal III – Innovation; plan for emerging transportation technologies and related trends.*
- *Goal IV – Funding; ensure fulfillment of project scope, implementation of a project monitoring system, implementation of a cost-effective online project application system.*

21. Project Information Monitoring and Management System (PIMMS):

Enhancements to PIMMS are requested in response to Authority Members suggestions at the Dashboard rollout and NVTA staff as well as jurisdiction and agency staff. The cost of the enhancements is \$130,000 (with project contingency) and will provide the functional improvements listed below, as well as more technical improvements to allow reconciliation of the PIMMS financial information with the Authority's accounting system. Please see Attachment 6b for further information.

If Phase 4 is approved, several of the functional components that are public facing dashboard improvements will be moved to Phase 3, where technically feasible, in order to improve the public and jurisdiction staff user experience.

- Improve map layers and jurisdiction boundaries. (Authority requested dashboard improvement.)
- Allow tracking and display of non-NVTA funds such as Federal/State/Local etc., with subcategories. (Authority requested dashboard improvement.)
- Enable linkage to jurisdiction/agency project websites. (Authority requested dashboard improvement.)
- Add functionality to allow localities to make change requests. (Jurisdiction request)
- Develop five (5) additional action-based alerts for:
 - When a jurisdiction submits reimbursement request or appendix revision
 - When finance team completes its review and pass it on to planning team
 - When planning team completes its review and signs the form
 - When CFO approves the payment
 - When wire transfer is executed.
- Add the farthest NVTA-funded phase and completion dates to the project dashboard display
- Include addition filters for the project status, including “Funded/Appropriated Projects”
- Include the ability for Reimbursement Requests and updated Appendix A and B documentation to be digitally signed.
- Develop a report for outstanding Appendix A/B requests, including an interface to filter records based on date range, SPA number, and project sponsor.
- Develop a report to replace the Project Tracking Report. This report would list the date submitted, date paid, SPA number, request number, requested amount and questions and communications between NVTA and Sponsor as well as unpaid requests.
- Develop a report to replace the Excel Cash Flow report, which will include the
 - PIMMS number,
 - SPA and SPA-legacy number, agency,
 - SPA Description,
 - fiscal year approved funding,
 - amount paid to date,
 - percent complete, and
 - the quarterly breakdown by fiscal year

6. Next Steps. With any additional guidance from the Finance Committee, the proposed budget will be presented to the Authority for adoption.

Attachments: 6a. Base/Proposed FY2022 Operating Budget
6b. Expanded Explanation for Phase 4 of PIMMS

Attachment 6a.

Northern Virginia Transportation Authority Base/Proposed FY2022 Operating Budget						
INCOME:	Adopted Budget FY2021	Proposed Base Budget FY2022	Budget Note	Proposed Budget w/FY2022 Initiatives	Budget Note	Change \$
Budget Carryforward including Operating Reserve	\$ 665,477	\$ 734,938		\$ 734,938		\$ 69,461
330100 Contribution Member Jurisdiction						
330000 Other Income						
Total Income	\$ 665,477	\$ 734,938		\$ 734,938		\$ 69,461
EXPENDITURES:						
410000 Personnel Expenditures						
110 Salaries-Regular Pay	\$ 1,524,072	\$ 1,552,741	1	\$ 1,552,741		\$ 28,668
130 Health & Dental Benefits	247,968	232,013	2	232,013		(15,955)
131 Payroll Taxes	118,210	118,890	1	118,890		680
132 Retirement VRS	124,506	127,439	3	127,439		2,932
133 Life Insurance	20,331	20,807	4	20,807		476
134 Flex Spending/Dependent Care	881	881		881		-
135 Workers Comp	1,698	1,708	1	1,708		10
137 Disability Insurance	18,196	18,834	4	18,834		638
Personnel Subtotal	\$ 2,055,863	\$ 2,073,312		\$ 2,073,312		\$ 17,450
420000 Professional Service						
210 Audit & Accounting	\$ 29,500	\$ 29,500		\$ 29,500		\$ -
220 Bank Service	750	750		750		-
230 Insurance	6,385	7,835	5	7,835		1,450
240 Payroll Service	2,606	2,636		2,636		30
260 Public Outreach & Regional Event Support	59,093	49,925	6	49,925		(9,168)
261 Legal Services/Bond Counsel	10,000	10,000	7	10,000		-
262 Financial Advisor Services	35,875	36,951	8	36,951		1,076
263 Bond Trustee Fees	2,700	2,700		2,700		-
264 Legislative Services	70,000	78,690	9	78,690		8,690
265 Investment Custody Fees	25,000	25,000		25,000		-
Professional Subtotal	\$ 241,909	\$ 243,987		\$ 243,987		\$ 2,078
430000 Technology/Communication						
310 GL Financial Reporting & Invest Monitoring/Mgt Systems	\$ 111,347	\$ 94,685	10	\$ 94,685		\$ (16,662)
320 HW SW & Peripheral Purchase	-	-		-		-
330 IT Support Svc Incl Hosting	24,295	29,304	11	29,304		5,009
335 GIS/Project Monitoring & Management/Modeling	136,679	29,728	12	159,728	21	23,049
340 Phone Service	11,136	13,160	13	13,160		2,024
350 Web Development & Hosting	9,756	9,185		9,185		(571)
Subtotal Technology/Communication	\$ 293,213	\$ 176,062		\$ 306,062		\$ 12,849
440000 Administrative Expenses						
410 Advertisement	\$ 1,500	\$ 1,500		\$ 1,500		\$ -
411 Memberships & Subscriptions	10,544	10,544		10,544		-
412 Duplication & Printing	14,610	13,610	14	13,610		(1,000)
413 Furniture & Fixture	-	-		-		-
414 Hosted Meetings	5,000	4,500	15	4,500		(500)
415 Mileage/Transportation	11,450	11,000	16	11,000		(450)
416 Misc Expenses	-	-		-		-
417 Office Lease	173,256	177,586	17	177,586		4,329
418 Office Supplies	8,065	7,100	18	7,100		(965)
419 Postage & Delivery	700	700		700		-
420 Professional Develop, Training & Conferences	23,650	23,650		23,650		-
Subtotal Administrative Expenses	\$ 248,775	\$ 250,190		\$ 250,190		\$ 1,414
Expenditure Subtotal	2,839,760	2,743,551		2,873,551		33,792
Operating Reserve (20%)	\$ 567,952	\$ 548,710	19	\$ 574,710	19	\$ 6,758
Equipment Replacement Reserve	26,986	31,486	20	\$ 31,486	20	4,500
Reserve Subtotal	594,938	580,196		606,196		\$ 11,259
Total Expenditures	\$ 3,434,697	\$ 3,323,747		\$ 3,479,747		\$ 45,050
Net Expenditures						
Transfer From Regional Revenue Fund	\$ 2,769,220	\$ 2,588,809		\$ 2,744,809		\$ (24,411)
One Time Costs of Initiatives:						\$ 130,000
Net FY21 to FY22 Base Budget Growth:						\$ (154,411)

Updated: 2/5/2021

Attachment 6b.

Expanded Explanation for Phase 4 of PIMMS

Enhancement to NOVA Gateway Dashboard

PIMMS Phase 4 is required to enhance and support the public facing NOVA Gateway dashboard. The Phase 4 enhancements include an expansion of the data and functionality of the NOVA Gateway Dashboard and includes enhancements requested by the Authority during the NOVA Gateway presentation. Phase 4 will enable NVTA to administer and manage the layers displayed in the Dashboard mapping which will provide more detailed information for the public and allow NVTA to manage the display to meet the needs of the public. It will also add additional project details to the dashboard which will allow the public to access more details and the project's status all in one location rather than jumping between tabs and the project sponsor's website. The public will be able to see the project status, link to the project sponsor's local web page and have a direct link to NVTA's project description forms all in one place. It will add the farthest NVTA funded phase and completion dates to the dashboard. The dashboard will also include additional filters including "Funded/Appropriated Projects" to provide the public the ability sort the NVTA project data in multiple ways.

Project Implementation Management & Monitoring System (PIMMS)

The NOVA Gateway Dashboard is supported and populated from data supplied and managed in PIMMS. This system manages the life of Authority funded projects. Since its inception, staff has been utilizing Microsoft products to develop and manage the Authority's funding programs. This is a tedious manual process for the project sponsors and the small NVTA staff which is time consuming and subject to error. The scope for the initial phases of the PIMMS system attempted to duplicate the manual processes. Phase 1 started with the application process used in the development of each funding program. The application process added checks and balances to the application process to increase the accuracy of the application and reduce the difficulties on both sides. The scope of Phase 2 & 3 added the ability to enter the Standard Project Agreements (SPA) and paid reimbursement requests to the system which generates the data to feed the NOVA Gateway Dashboard.

Phase 4 - Additional Information

The scope of the first three phases was developed based on the manual processes and procedures utilized by staff. While Phase 2 was being implemented, staff realized PIMMS didn't include the proper internal controls to supply checks and balances required to reconcile the data in PIMMS to the Authority's financial system and audited reports. It also didn't include the proper alerts to ensure requests submitted by projects sponsors were processed timely. In order to confirm the accuracy of the data generated and displayed in the NOVA Gateway, reports are required to reconcile the PIMMS data with the financial systems and action-based alerts would be needed to ensure quick and timely response to project sponsors. Phase 4 will add the ability to generate several reports to aid in the monitoring of the Authority's funding programs and also reconcile the financial information with the Authority's financial system (the system of record) relied on for the annual external audit.

Phase 4 will also include the option for project sponsors to electronically sign reimbursement requests, which for many project sponsors will eliminate the manual process of printing Authority documents for approval and then scanning the documents back to the NVTA staff. This need became apparent with remote work during the COVID-19 pandemic.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chair Rishell and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: March 12, 2021

SUBJECT: Investment Portfolio Report

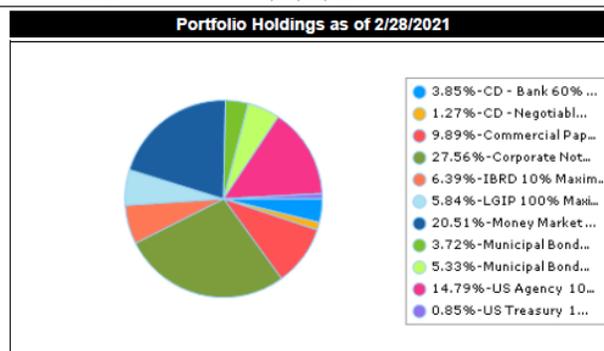
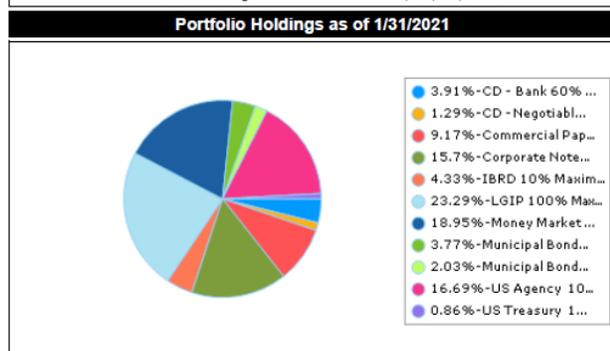
- 1) Purpose:** To provide the Northern Virginia Transportation Authority (NVTA) Finance Committee with required reports on investment activities and portfolio performance through February 28, 2020.
- 2) Background:** This report is on investment activity through February 2021 and affirms the portfolio 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

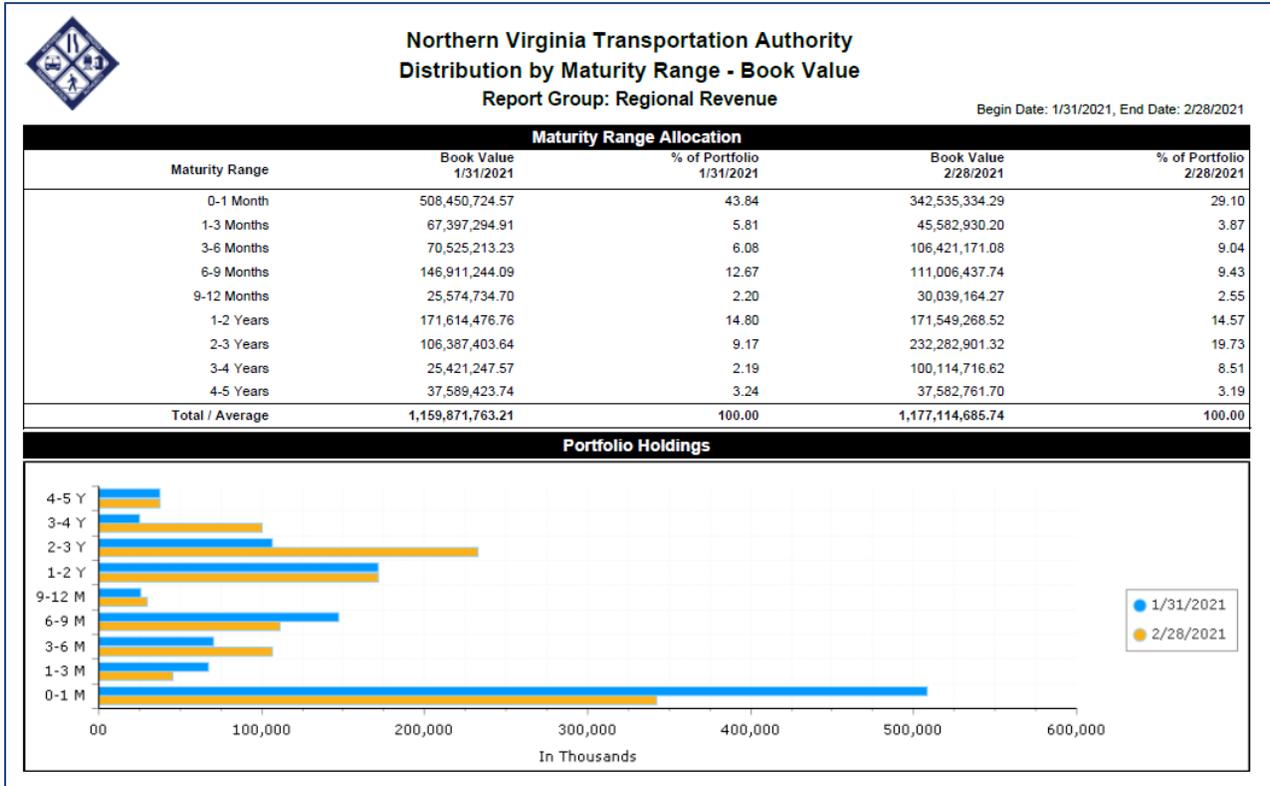
Begin Date: 1/31/2021, End Date: 2/28/2021

Asset Category Allocation				
Asset Category	Book Value 1/31/2021	% of Portfolio 1/31/2021	Book Value 2/28/2021	% of Portfolio 2/28/2021
CD - Bank 60% Maximum	45,315,273.30	3.91	45,315,273.30	3.85
CD - Negotiable 25% Maximum	15,000,000.00	1.29	15,000,000.00	1.27
Commercial Paper 30% / 5% Maximum	106,389,543.04	9.17	116,402,548.61	9.89
Corporate Notes 50% Maximum	182,050,769.33	15.70	324,377,727.55	27.56
IBRD 10% Maximum	50,202,896.94	4.33	75,207,290.89	6.39
LGIP 100% Maximum	270,132,127.83	23.29	68,748,039.25	5.84
Money Market 60% Maximum	219,803,925.48	18.95	241,402,580.14	20.51
Municipal Bonds - US 75% Maximum	43,783,088.12	3.77	43,767,650.49	3.72
Municipal Bonds - Virginia 75% Maximum	23,571,674.42	2.03	62,768,325.24	5.33
US Agency 100% Maximum	193,636,691.95	16.69	174,137,722.58	14.79
US Treasury 100% Maximum	9,985,772.80	0.86	9,987,527.69	0.85
Total / Average	1,159,871,763.21	100.00	1,177,114,685.74	100.00



3) Current Period Reports:

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



- b. The liquidity of the portfolio is reflected in the portfolio’s duration of 0.97 (1.0 = 1 year) and the maturity schedule is shown above.

NVTA Investment Benchmarks	Feb-21 Month End
Fed Funds Rate	0.07%
Treasury 90 Day T Bill	0.04%
Local Government Investment Pool	0.12%
Virginia Non-Arbitrage Program	0.14%
NVTA Performance	0.42%

Source: Bloomberg/NVTA Statements

- c. The yield on the portfolio at the end of February 2021 was 0.42%. The NVTA’s Investment Policy specifies the benchmarks shown above for yield performance comparison.

4) Portfolio Analysis & Statistics Overview

a) **Safety** The portfolio is invested primarily in;

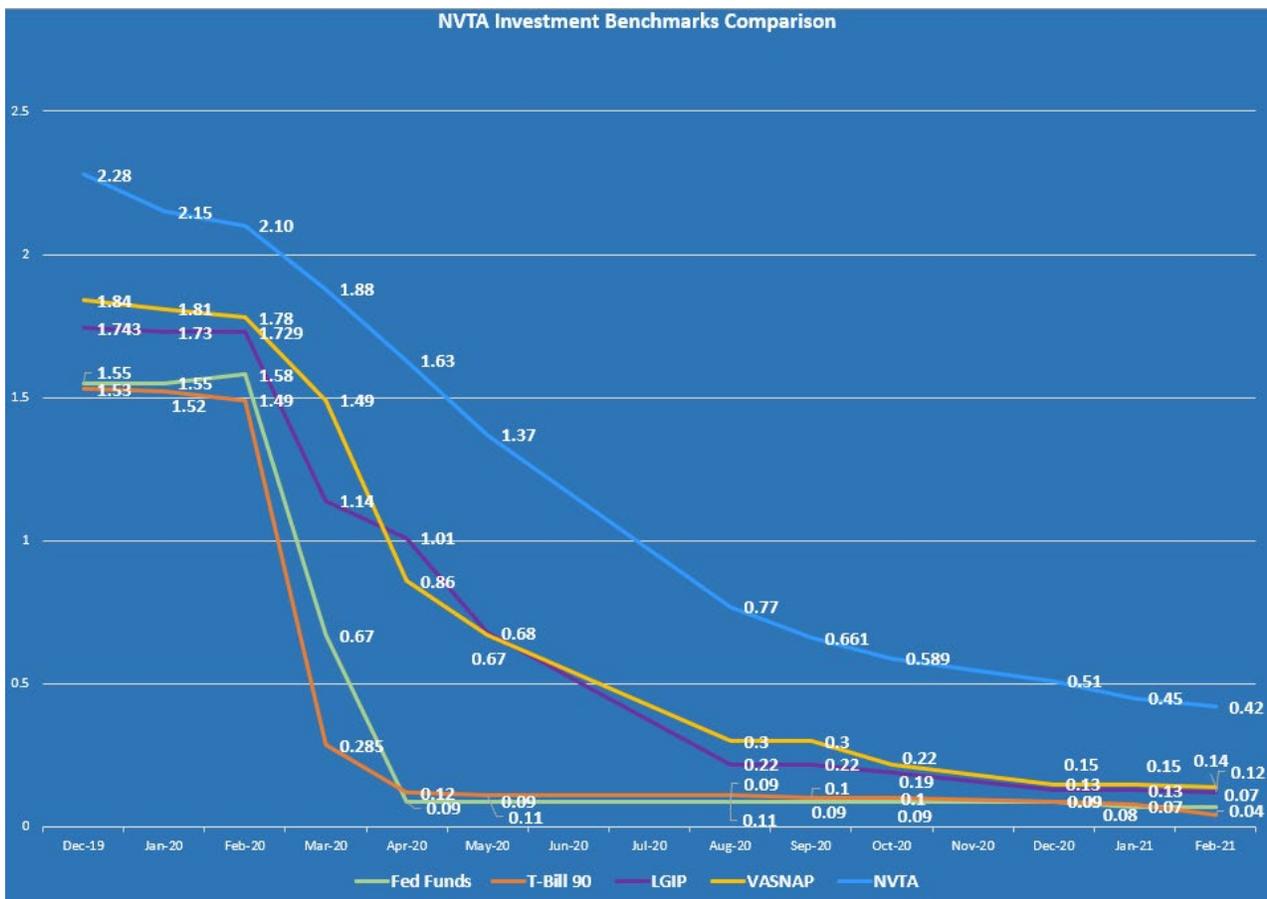
- i) Local Government Investment Pools (6% from 23%)
- ii) Collateralized bank money market accounts (20% from 19%)
- iii) AAA/AA rated investment grade corporate bonds (28% from 16%)
- iv) Treasuries and Agencies (16% from 18%)
- v) VA & US Municipals (9% from 6%)

b) **Liquidity:**

The NVTA Portfolio duration has increased to .97. As yields have fallen in the market for months and now also in the local government investment pools (LGIP), longer duration securities are being purchased which has moved the duration from 0.58 in January to 0.97 (1.0 = 1 year) in February. This has resulted in a higher concentration of maturities (Duration) in the 2 to 3 year range as shown above.

c) **Yield:**

- i) Given the change in market dynamics - the Federal Reserve has dropped rates near zero because of the pandemic. With local government investment pools' rates declining with the market, investment activity has centered around consolidating those funds and making relatively short duration purchases (2 to 3 years) of taxable municipal bonds, commercial paper, corporate notes and treasuries/agencies.
- ii) The NVTA portfolio is showing declines while still retaining value compared to the benchmarks. While the decline in the portfolio yield has slowed through extending maturities to the 2 to 3 year ranges, over time NVTA's portfolio performance will decline with the market. The portfolio is well positioned to take early advantage of rising rates as COVID-19 restrictions end and the economy begins to recover.



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**MEMORANDUM**

FOR: Chair Rishell and Members of the NVTa Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: March 12, 2021

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 February 2021.
3. **Comments:**
 - a. **FY2021 Revenues (Attachment A)**
 - i. The Authority has received approximately \$173.3 million through the February 2021 transfers from the Commonwealth. This amount includes a \$13.3 million transfer received in January from the Interstate Operations and Enhancement Program (IOEP) formerly referred to as I-81. The Authority has received \$15 million of the \$20 million Northern Virginia District Transfer; \$12.4 million in Regional Congestion Relief Fees and \$145.9 million in Sales Tax Receipts.
 - ii. Receipt of the IOEP revenue is not reflected in the attached charts pending Authority action on proposed policy changes regarding its 30% distribution.
 - iii. Attachment A shows a 33% positive variance when comparing the annualized sales tax receipts through February 2021 to the FY2021 budget, but the actual sales tax receipts of \$145.9 million as of February 2021 is 2.33% below the previous year's receipts of \$149.4 million.
 - iv. The annualized Regional Congestion Relief Fee (Grantor's Tax at the reduced rate of \$0.05/100) is exceeding the FY2021 budgeted amount but due to the uncertainty of the COVID-19 Pandemic impact on commercial real estate over the remaining 6 months of the fiscal year and the longer-term projection period, no budget adjustment is being recommended.
 - v. FY2021 projected revenue is expected to remain positive, with some volatility throughout the remainder of the fiscal year as a result of the unpredictable path of both the COVID-19 virus and the distribution of the vaccines on the economy.
 - b. **FY2021 Distribution to localities (Attachment B)**
 - i. All member jurisdictions have completed the required annual HB2313 certification to receive FY2021 Local Distribution Funds (30%).
 - ii. As of February 2021, \$50.7 million has been distributed in Local 30% Distribution funds for FY2021 to member jurisdictions.

c. FY2015 to FY2021 Year over Year Revenue Comparison (Attachment C).

- i. This chart reflects a month-to-month comparison of sales tax revenue and a year-to-year comparison of fiscal year to date revenues received through February 2021.

Attachments:

- A. Sales Tax Revenues Received Compared to NVTA Estimates, Through February 2021
- B. FY2021 30% Distribution by Jurisdiction, through February 2021
- C. Month to Month Comparison of Sales Tax Revenue and YTD Receipts for February 2015 to 2021

Attachment A

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
SALES TAX REVENUES RECEIVED BY JURISDICTION, COMPARED TO NVTA ESTIMATES
 Based on: Revenue Data Through February 2021
 FYE June 30, 2021

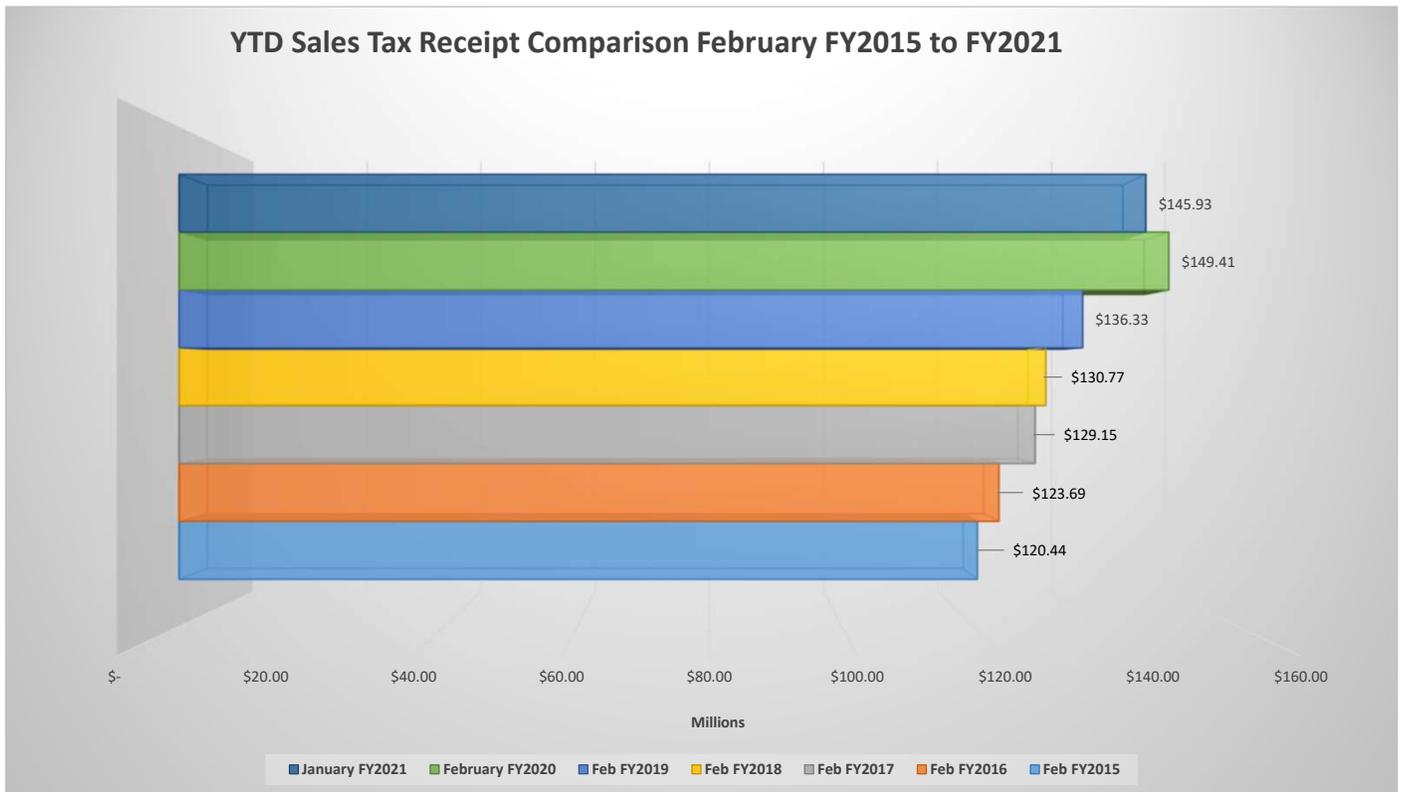
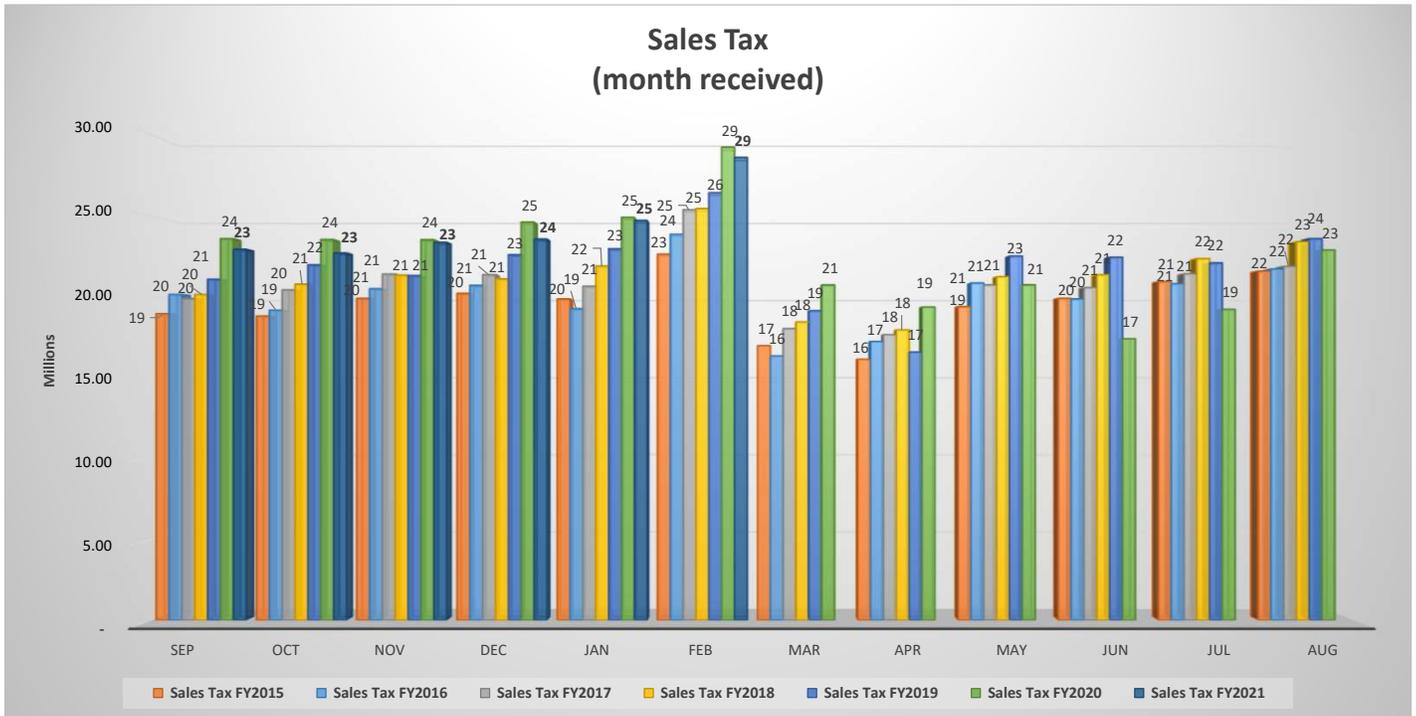
		Annualized				
Regional Sales Tax		Received	Revenue based	FY2021	Annualized - Actual	
Transaction Months	6	To Date	on YTD Receipts	Budget	To Budget	
City of Alexandria		\$ 9,416,351	\$ 18,832,701	\$ 14,188,675	\$ 4,644,026	
Arlington County		11,665,427	23,330,855	21,828,731	1,502,124	
City of Fairfax		4,028,749	8,057,499	5,893,757	2,163,742	
Fairfax County		60,430,107	120,860,214	92,335,532	28,524,682	
City of Falls Church		1,683,730	3,367,460	2,401,160	966,300	
Loudoun County		30,800,419	61,600,837	42,347,738	19,253,099	
City of Manassas		3,446,788	6,893,576	5,020,608	1,872,968	
City of Manassas Park		874,641	1,749,283	1,309,724	439,559	
Prince William County		23,583,260	47,166,520	32,961,384	14,205,136	
Total Sales Tax Revenue		\$ 145,929,472	\$ 291,858,945	\$ 218,287,309	\$ 73,571,636	33.7%
		Annualized				
Vehicle License-Registration Fees		Received	Revenue based	FY2021	Annualized - Actual	
Transaction Months	1	To Date	on YTD Receipts	Budget	To Budget	
City of Alexandria		\$ -	\$ -	\$ 138,367	\$ (138,367)	
Arlington County		-	-	212,872	(212,872)	
City of Fairfax		-	-	57,476	(57,476)	
Fairfax County		-	-	900,450	(900,450)	
City of Falls Church		-	-	23,416	(23,416)	
Loudoun County		-	-	412,972	(412,972)	
City of Manassas		-	-	48,961	(48,961)	
City of Manassas Park		-	-	12,772	(12,772)	
Prince William County		-	-	321,437	(321,437)	
Total Vehicle License-Registration Fees		\$ -	\$ -	\$ 2,128,723	\$ (2,128,723)	-100.0%
		Annualized				
Regional Congestion Relief Fee		Received	Revenue based	FY2021	Annualized - Actual	
Transaction Months	7	To Date	on YTD Receipts	Budget	To Budget	
City of Alexandria		\$ 1,298,213	\$ 2,225,508	\$ 721,500	\$ 1,504,008	
Arlington County		1,291,447	2,213,909	1,110,000	1,103,909	
City of Fairfax		87,159	149,415	299,700	(150,285)	
Fairfax County		4,882,829	8,370,564	4,695,300	3,675,264	
City of Falls Church		101,734	174,401	122,100	52,301	
Loudoun County		2,699,819	4,628,261	2,153,400	2,474,861	
City of Manassas		129,118	221,345	255,300	(33,955)	
City of Manassas Park		53,714	92,080	66,600	25,480	
Prince William County		1,875,925	3,215,871	1,676,100	1,539,771	
Total Regional Congestion Relief Fee		\$ 12,419,957	\$ 21,291,354	\$ 11,100,000	\$ 10,191,354	91.8%
		Annualized				
NVTD Transfer from COVA		Received	Revenue based	FY2021	Annualized - Actual	
Transaction Months	3	To Date	on YTD Receipts	Budget	To Budget	
City of Alexandria		\$ 975,036	\$ 1,300,048	\$ 1,300,000	\$ 48	
Arlington County		1,192,587	\$ 1,590,115	2,000,000	(409,885)	
City of Fairfax		418,026	\$ 557,368	540,000	17,368	
Fairfax County		6,157,420	\$ 8,209,893	8,460,000	(250,107)	
City of Falls Church		172,696	\$ 230,262	220,000	10,262	
Loudoun County		3,243,570	\$ 4,324,759	3,880,000	444,759	
City of Manassas		367,420	\$ 489,893	460,000	29,893	
City of Manassas Park		84,016	\$ 112,021	120,000	(7,979)	
Prince William County		2,389,230	\$ 3,185,640	3,020,000	165,640	
Total NVTD Transfer from COVA		\$ 15,000,000	\$ 20,000,000	\$ 20,000,000	\$ -	0.0%
Total Revenue Received		\$ 173,349,429	\$ 333,150,299	\$ 251,516,032	\$ 81,634,267	32.46%

Attachment B

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY FY2020 30% DISTRIBUTION BY JURISDICTION

Based on: Revenue Data Through February 2021

Jurisdiction	Vehicle License- Registration Fee	Regional Sales Tax	Regional Congestion Relief Fee	NVTD Transfer From COVA	CoVa NVTA Interest	Cumulative Total	30% Funds	1/31/2021 Accrued Interest (1)	1/31/2021 Prior Distributions	Current Month Distribution	Total Funds Transferred
								(+)			
City of Alexandria	\$ -	\$ 9,416,350.58	\$ 1,298,212.90	\$ 975,036	\$ 8,000.07	\$ 11,697,599.42	\$ 3,509,279.83	\$ 158.55	\$2,931,912.70	\$ 577,525.68	\$ 3,509,438.38
Arlington County	\$ -	\$ 11,665,427.43	\$ 1,291,446.75	\$ 1,192,587	\$ 9,440.50	\$ 14,158,901.28	\$ 4,247,670.38	\$ 181.20	\$3,485,327.51	\$ 762,524.07	\$ 4,247,851.58
City of Fairfax	\$ -	\$ 4,028,749.42	\$ 87,158.95	\$ 418,026	\$ 3,171.39	\$ 4,537,105.98	\$ 1,361,131.79	\$ 67.95		\$ 1,361,199.74	\$ -
Fairfax County	\$ -	\$ 60,430,106.89	\$ 4,882,828.95	\$ 6,157,420	\$ 47,744.90	\$ 71,518,100.62	\$ 21,455,430.19	\$ 928.67	\$17,592,257.68	\$ 3,864,101.18	\$ 21,456,358.86
City of Falls Church	\$ -	\$ 1,683,730.20	\$ 101,733.85	\$ 172,696	\$ 1,369.02	\$ 1,959,529.41	\$ 587,858.82	\$ 22.65	\$483,662.36	\$ 104,219.11	\$ 587,881.47
Loudoun County	\$ -	\$ 30,800,418.52	\$ 2,699,818.91	\$ 3,243,570	\$ 24,997.82	\$ 36,768,804.79	\$ 11,030,641.44	\$ 475.66	\$9,245,249.98	\$ 1,785,867.12	\$ 11,031,117.10
City of Manassas	\$ -	\$ 3,446,787.80	\$ 129,118.11	\$ 367,420	\$ 2,778.80	\$ 3,946,104.60	\$ 1,183,831.38	\$ 45.30	\$998,108.21	\$ 185,768.47	\$ 1,183,876.68
City of Manassas Park	\$ -	\$ 874,641.42	\$ 53,713.55	\$ 84,016	\$ 720.22	\$ 1,013,090.87	\$ 303,927.26	\$ 22.65	\$250,558.92	\$ 53,390.99	\$ 303,949.91
Prince William County	\$ -	\$ 23,583,260.08	\$ 1,875,924.74	\$ 2,389,230	\$ 19,245.13	\$ 27,867,659.93	\$ 8,360,297.98	\$ 362.40	\$6,893,240.40	\$ 1,467,419.98	\$ 8,360,660.38
Total Revenue	\$ -	\$ 145,929,472.34	\$ 12,419,956.71	\$ 15,000,000.00	\$ 117,467.85	\$ 173,466,896.90	\$ 52,040,069.07	\$ 2,265.03	\$ 41,880,317.76	\$ 10,162,016.34	\$ 50,681,134.36
											Interest 1/31/2021



NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**MEMORANDUM**

FOR: Chair Rishell and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: March 12, 2021

SUBJECT: Monthly Operating Budget Report

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on the Authority's Operating Budget for FY2021.
2. **Background:** The Authority elected to fund the Operating Budget for FY2021 through transfers from the Regional Revenue Fund.
3. **Comments:** Through February 28, 2021, the FY2021 Operating Budget has produced the following:
 - a. The Operating Budget is being funded through quarterly transfers of \$692,305 from the Regional Revenue Fund.
 - b. As of February 28, 2021, the Authority has utilized 52% of its FY2021 expenditure budget even though February represents 67% of the year.
 - c. The utilization rate for the budget at 67%, is not linear due to the timing of certain large expenses such as the next phase of the Project Implementation, Management and Monitoring System and the Investment and Debt Manager position that was vacant since mid-July 2020.
 - d. Through February 28, 2021, all expense account categories within the operating budget remain within budget.
 - e. The attached statement shows the total operating budget income and expenditure activity for FY2021 through February 28, 2021.

Attachment: FY2021 Monthly Operating Budget through February 28, 2021

03/08/21
17:43:57NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
Income Statement
For the Accounting Period: 2 / 21Page: 1 of 2
Report ID: LB170A

1000 General Fund

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
Expenses						
410000	Personnel Expenses					
110	Salaries-Regular Pay	102,369.39	881,959.17	1,524,073.00	642,113.83	58
130	Health & Dental Benefits	12,930.34	117,156.64	247,968.00	130,811.36	47
131	Payroll Taxes	7,584.31	54,342.01	118,210.00	63,867.99	46
132	Retirement VRS	15,548.88	73,902.98	124,506.00	50,603.02	59
133	Life Insurance	2,988.57	12,011.38	20,331.00	8,319.62	59
134	Flex Spending/Dependent Care	51.83	383.81	881.00	497.19	44
135	Workers Comp		1,326.00	1,698.00	372.00	78
137	Disability Insurance	3,158.42	11,831.58	18,196.00	6,364.42	65
	Total Account	144,631.74	1,152,913.57	2,055,863.00	902,949.43	56
420000	Professional Services					
210	Audit & Accounting Services		18,500.00	29,500.00	11,000.00	63
220	Bank Service		175.95	750.00	574.05	23
230	Insurance		7,458.00	6,385.00	-1,073.00	117
240	Payroll Services	119.18	1,497.00	2,606.00	1,109.00	57
260	Public Outreach & Regional Event Support	119.40	26,351.62	89,093.00	62,741.38	30
261	Legal/Bond Counsel Services			10,000.00	10,000.00	
262	Financial Advisory Services		17,500.00	35,875.00	18,375.00	49
263	Bond Trustee Fees		2,687.50	2,700.00	12.50	100
264	Legislative Services	10,000.00	54,169.24	70,000.00	15,830.76	77
265	Investment Custody Svc		10,220.00	25,000.00	14,780.00	41
	Total Account	10,238.58	138,559.31	271,909.00	133,349.69	51
430000	Technology/Communication					
310	Acctg & Financial Report Systems	12,646.80	55,366.65	111,347.00	55,980.35	50
330	IT Support Svc Incl Hosting	3,243.19	17,134.65	24,295.00	7,160.35	71
335	GIS/Project Mgt/Modeling	1,733.33	-2,310.35	136,679.00	138,989.35	-2
340	Phone Service & Web Ex Chgs	165.82	6,630.36	11,136.00	4,505.64	60
350	Web Develop & Hosting	803.25	5,620.66	9,756.00	4,135.34	58
	Total Account	18,592.39	82,441.97	293,213.00	210,771.03	28
440000	Administrative Expenses					
410	Advertisement			1,500.00	1,500.00	
411	Dues & Subscriptions	122.97	2,254.43	10,544.00	8,289.57	21
412	Duplication & Printing		3,692.55	14,610.00	10,917.45	25
414	Hosted Meeting Expenses	128.38	630.71	5,000.00	4,369.29	13
415	Mileage/Transportation	14.00	14.00	11,450.00	11,436.00	
417	Office Lease	14,396.34	114,059.91	173,256.00	59,196.09	66
418	Office Supplies	109.80	1,473.88	8,065.00	6,591.12	18
419	Postage & Delivery		31.55	700.00	668.45	5
420	Professional Develop & Training	3,559.00	8,808.55	23,650.00	14,841.45	37
	Total Account	18,330.49	130,965.58	248,775.00	117,809.42	53
	Total Expenses	191,793.20	1,504,880.43	2,869,760.00	1,364,879.57	52

1000 General Fund

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
	Net Income from Operations	-191,793.20	-1,504,880.43			
Other Revenue						
383000	Transfer Operating Budget from Regional Revenue		1,384,610.00	2,769,220.00	-1,384,610.00	50
						50
	Total Other Revenue	0.00	1,384,610.00	2,769,220.00	-1,384,610.00	50
Other Expenses						
521000	Transfers					
820	Transfer to Operating Reserve			567,952.00	567,952.00	
825	Transf to Equip Reserve			26,986.00	26,986.00	
	Total Account			594,938.00	594,938.00	
	Total Other Expenses	0.00	0.00	594,938.00	594,938.00	
	Net Income	-191,793.20	-120,270.43			