



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE
Thursday February 20, 2020 – 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 January 16, 2019 Meeting
Recommended Action: Approval [with abstentions from those who were not present]

Action Items

III. FY2021 Regional Revenue Fund Budget Mr. Longhi, CFO

IV. FY2021 Local Distribution Fund Budget Mr. Longhi, CFO

V. FY2021 Operating Budget Mr. Longhi, CFO

Information/Discussion Items

VI. Policy 29 Report Mr. Longhi, CFO

VII. Investment Portfolio Report Mr. Stavros, Investment & Debt Manager

VIII. Monthly Revenue Report Mr. Longhi, CFO

IX. Monthly Operating Budget Report Mr. Longhi, CFO

Closed Session

Adjournment

X. Adjournment

Next Scheduled Meeting March 19, 2020 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 January 16, 2020 – 1:00 PM
3040 Williams Drive, Suite 200
Fairfax, VA 22031

AGENDA

I. Call to Order/Welcome

Mayor Parrish, Chairman

- Chairman Parrish called the meeting to order at 1:13 PM.
- Attendees:
 - ✓ Authority Members: Chairman Parrish, Mayor Rishell; 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: Rob Dickerson (Prince William County); Steve MacIsaac (Arlington County)
 - ✓ Other Attendees: Rich Roisman (Arlington County); Jessica Futrell (Loudoun County); Ray Johnson (Fairfax County); Marcus Wadsworth (Fairfax County); Kristy Choi (PFM);

II. Summary Minutes of the November 21, 2019 Meeting

- Mayor Rishell moved approval of the minutes of the meeting; seconded by Chairman Parrish. Motion passed with Board Member Cristol abstaining.

Presentation

III. Bloomberg Direct/Annual Best Ex Review Mr. Stavros, Investment and Debt Manager

- Mr. Stavros presented an overview of the Bloomberg investment/analytical tools and subscription services recommended by the Finance Committee and approved by the Authority. The demonstration showed how the tools provide real-time market and best price information for the management of the Authority's \$1 billion portfolio.
- Mr. Stavros also reported the results of the Annual Best Ex Report, which is used by NVTa to refine broker interactions to achieve the best pricing in future transactions.
- The Report found NVTa outperformed its peers on bond pricing in FY2019, obtaining the investments at a lower cost than other market participants on average.
- Mr. Longhi noted this result was a significant performance milestone, when considering NVTa competes for bonds against trillion-dollar money market fund managers such as BlackRock and Fidelity.
- Mr. Stavros added that NVTa's biggest brokers, by combined transaction value, offered NVTa the best pricing. The report also identified opportunities to improve performance

by expanding two existing broker relationships offering above average competitive pricing, and discontinuing two other relationships that were below average.

Action Item

IV. Finance Committee Meeting Schedule for CY2020

Mayor Parrish, Chairman

- The Committee adopted a meeting schedule for CY2020; Meetings are planned for the third Thursday of every month.
- Board Member Cristol moved approval; seconded by Mayor Rishell. Motion carried unanimously

Information/Discussion Items

V. FY2021 Budget Guidance

Mr. Longhi, CFO

- Mr. Longhi provided material for the Committee to provide guidance on the development of NVTAs three budgets for FY2021; 1) the Local Distribution Fund; 2) Regional Revenue Fund; and 3) the Operating Fund.
 1. The Local Distribution Fund
 - Mr. Longhi described how the Local Distribution Fund Budget supports the monthly distribution of 30% funds to member jurisdictions.
 - Mr. Longhi noted NVTAs maintains budget authorization to distribute the full funds received from the Commonwealth on a monthly basis while in full compliance with the Code of Virginia and NVTAs policies. This eliminates the need for budget adjustments if actual receipts exceed estimates.
 - Mr. Longhi added that the NVTAs Regional Revenue Fund transfer for operating budget costs eliminates the need to reduce jurisdiction 30% disbursements.
 2. Regional Revenue Fund
 - 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 pointed out the Regional Revenue Fund budget directly funds the expenses related to TransAction and Six Year Program updates and directly related technical and consultative support services.
 3. Operating Fund
 - Mr. Longhi described the Operating Fund Budget, which is the central accounting point for all operating and administrative expenses of the Authority.
 - Mr. Longhi indicated, starting in FY2020, the Operating Budget has been funded from a transfer from the Regional Revenue Fund, rather than funding received from member jurisdictions, typically through a reduction in their 30% Local Distribution funds. This action in FY2020 (the first time it was possible) saved member jurisdictions \$2.9 million.
 - Mr. Longhi also reviewed how NVTAs accounts for its administrative expenses (e.g. salary increases/costs/inflation/onetime items) and also reviewed new costs and discussed how the overall budget process works.

- Mr. Longhi described new initiatives under consideration with respect to a Communications and Public Outreach initiative to expand social media resources, the potential outsourcing of legal services and enhancements to the Project Information and Management System (PIMMS), as well as the need for extended Software Licenses and Data Analytics to enhance NVTAs transportation planning capabilities.
- In proposing this year's budget review timeline, Mr. Longhi noted the NVTAs Policy 10 - Financial Management, contains a guideline that calls for the Authority adoption of budgets two months prior to the start of a fiscal year, which effectively results in budget adoption occurring by April.

VI. Policy 29 (Verbal Update)

Mr. Longhi, CFO

- Mr. Longhi gave a brief update on the status of previously reported projects with Policy 29 concerns.
 - ✓ Arlington County: Mr. Longhi reported that there was a draft document under review between NVTAs and Arlington on the Ballston Metrorail West project. Mr. Longhi noted he anticipates bringing a proposed solution before the Finance Committee next month based on Arlington County suspending reimbursement requests until WMATA can commit to a project agreement.
 - ✓ Town of Herndon: Mr. Longhi indicated the Town has made progress and is hitting many of its milestones early.
 - ✓ Fairfax County: NVTAs staff and Fairfax County continued to work through administrative issues related to the backlog of projects.
 - ✓ WMATA: Mr. Longhi noted that he had follow-up discussions with WMATA to clarify three previously reported issues;
 - Resolution 14-8: NVTAs is reviewing a new round of financial documentation.
 - Project Scope: In reference to the Traction Power Upgrades, WMATA has not committed to a timeframe to achieve its goal of 100 percent 8-car trains on the Orange Line project, or continuous and consistent 8-car trains on the Blue Line to reduce congestion as stated in the Project Description forms.
 - Internal Cost Allocations: NVTAs staff proposed to WMATA that assuming the other issues are resolved positively, a way forward could be that WMATA only charge Authority funding for items like steel and concrete, etc. leaving out the issue of internal staff time overhead. This proposal was presented to the WMATA General Manager by the NVTAs Executive Director and CFO. The General Manager commented that it seemed a very practical solution.
 - ✓ Mayor Parrish noted to Board Member Cristol that staff is continuing to work and report this and the Ballston project.
 - ✓ Board Member Cristol said she appreciated the effort undertaken to find a solution and thanked staff for coming up with the proposal.
 - ✓ Mayor Rishell asked for details on the potential Ballston Project solution.
 - ✓ Noting that the potential agreement is largely based on an idea Mayor Rishell put forward in November 2019, Mr. Longhi replied it effectively calls for Arlington to suspend reimbursement requests until the County and WMATA

execute a project agreement referred to as a PCA. Anticipating that agreement will be initiated within the approximate timeline discussed with the County, NVTa and DRPT in the summer (2019). This will mitigate the financial risk by making sure the project's path forward is clear. The County would then submit reimbursement requests once the PCA was signed. The draft agreement is expected to be presented to the Committee in February.

VII. Investment Portfolio Report

Mr. Stavros, Investment & Debt Manager

- The Committee received a report on the Authority's Investment Portfolio, which is beating investment benchmarks even though the fixed income market has experienced significant rate declines over the reporting period.

VIII. Monthly Revenue Report

Mr. Longhi, CFO

- Mr. Longhi pointed out a table at the back of the report that was not in the Read-Ahead Packet, which analyzes the revenue implications of various bills recently introduced in the Virginia Legislature, HB729, introduced by Delegate Vivian Watts, and Omnibus Bill 1414 introduced by Speaker Filler-Corn.
- Mr. Longhi walked the Finance Committee through the various approaches outlined in the bills that would increase NVTa's revenue, describing the HB729 & HB1414 Preliminary Analysis Table that offered a breakdown of how the proposed new revenues would increase each jurisdiction's revenues.
- Ms. Backmon reminded the Committee that Ms. Tracy Baynard, at the previous Authority meeting, communicated Delegate Watts' objective of developing legislation that would restore the full \$102 million of NVTa revenues diverted to WMATA.
- Board Member Cristol noted the Omnibus Bill HB1414 actually went further than HB729 in restoring NVTa at \$45 million.
- The presented revenue estimates do not include the \$20 million from I-81 that would be received by 2022. Ms. Backmon noted, current receipts are far below the Commonwealth's I-81 statements regarding Authority restoration.
- Mr. Longhi added that the revenue related to Heavy Truck Registration and Diesel Fuel, from the I-81 revenue, has not materialized at the level to support Commonwealth's projections for FY2020.
- Mr. Longhi noted as of now, the NVTa had received \$838,000 from the \$9.2 million that was expected in the first year from I-81, and at the current pace was not expected to finish the year with much more than \$2.5 million in revenues.
- Mr. Longhi reiterated the reported reasons for the delays – the Commonwealth needing to upgrade its systems to collect and distribute the I-81 tax revenues. But until the backlog is cleared, and even after, it may still be a few months more before NVTa can trust in a normalized view of the income distribution, or before a fair estimate could be made.
- For its part, the Commonwealth indicated that some transaction problems will be resolved and an unspecified amount of backlogged revenue will be reflected in the February receipts, Mr. Longhi noted.
- Mayor Rishell asked, once the Commonwealth fixes its distribution system, will the I-81 funding be generally certain; or will the lag add more time before NVTa can be certain.

- Mr. Longhi responded, once the I-81 discrepancy becomes an accounting lag or accrual only process issue, the funding would be clearer. However, even without the lag, the situation is too cloudy at present.
- Ms. Backmon provided a wrap up of the General Assembly, with a general discussion of the various bills and potential new filings.
- Mayor Parrish asked about the impact of the Way Fair Decision on sales tax.
- Mr. Longhi discussed the strong performance of sales tax at 7.5% above projections, with approximately 1% being conservative estimating, 2.5% related to organic growth leaving 4% potentially credited to the implementation of the 'Internet Sales Tax'.

IX. Monthly Operating Budget Report

Mr. Longhi, CFO

- The Committee received a report on the Authority's Operating Budget. The report received and discussed showed the Operating Budget was within expected parameters with no changes expected for the fiscal year.

Adjournment

X. Adjournment

Meeting Adjourned: 2:24 PM

Next Scheduled Meeting February 20, 2020 at 1:00PM (Room B)

3040 Williams Drive, Suite 200, Fairfax, Virginia

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**MEMORANDUM**

TO: Chairman Parrish and Members of the NVTa Finance Committee

FROM: Michael Longhi, Chief Financial Officer

SUBJECT: Proposed FY2021 Regional Revenue Fund Budget

DATE: February 13, 2019

1. **Purpose:** To seek the Northern Virginia Transportation Authority (NVTa) Finance Committee recommendation of Authority approval of the Proposed FY2021 Regional Revenue Fund Budget.
2. **Suggested Motion:** *I move the Finance Committee recommend to the Authority, adoption of the Proposed FY2021 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 from one fiscal year are accumulated as Restricted Fund Balance and will be available for the FY2024/25 update to the SYP.
 - c. Finance Committee guidance is to conservatively estimate revenues.
 - d. The PayGo amount for the SYP Update will need to be determined after the 2020 General Assembly (GA) concludes. The PayGo determination will require updated revenue estimates based on GA action.
 - e. The details of the Proposed FY2021 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 for the 2018 legislative action to eliminate the Transient Occupancy Tax and Grantor's Tax as available revenue streams. Future updates will adjust revenue estimates for any 2020 General Assembly action as part of the future PayGo recommendation.
 - b. **Truck Registration and Road Use – (I-81)** estimates are based on actual FY2020 receipt trends not projections made by the Commonwealth. Updates to the estimates will be included in the PayGo recommendation.
 - c. **CoVa interest** is earned on funds while they are processed by the Commonwealth and before arriving at the Authority.
 - d. **Future Financing (if required due to cash flow.)**

- i. This budget category reflects the FY2021 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 projects were to exceed their original cash flow projections, outside liquidity would need to be obtained.
 - e. **Investment Portfolio Earnings** reflects the NVTa portfolio interest earnings. Estimate is based on a month to month 10 basis point decline in portfolio earnings over the fiscal year as the portfolio return aligns with anticipated worse case market declines.
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 FY2021 budget.
- a. **Debt service principal and interest.** Total debt service for FY2021 is \$5,548,450.
 - b. **TransAction Update (SYP/CRRC/LTB Tech Support).** This expense of \$160,000 provides technical support for SYP Congestion Reduction Relative to Cost and Long-Term Benefit analysis.
 - c. **Six Year Program PayGo Project Funding.** This represents the appropriation of project funding for the Six Year Program, as detailed in Attachment 2.
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 NVTa Operating Budget from their own revenues (typically their 30% Local Distribution Funds).
 - b. **Restricted Fund Balance - Carryforward to FY2024.** This amount reflects net positive variances in the Authority's revenue projections, interest earnings and released balances from completed or cancelled projects. It is based on FY2019 audited actual balances.
 - c. **Total Available for Project Assignments/FY2024 Carryforward.** This amount reflects net positive variance in the Regional Revenue Fund. It is an accumulator for funds to be available for projects as part of the FY2024/25 two-year update to the Six Year Program. Future updates will adjust revenue estimates for any 2020 General Assembly action as part of the future PayGo recommendation.
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 NVTa's 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 FY2021 Regional Revenue Fund Budget
2. FY2018 to FY2023 Six Year Program Appropriation Schedule

Attachment 1

Northern Virginia Transportation Authority				
Proposed FY2021 Regional Revenue Fund Budget				
	Adopted FY2020 Budget		Proposed FY2021 Budget	Notes
<u>Revenue 70% Regional Funds</u>				
Sales Tax	\$ 186,092,475		\$ 191,857,379	4a
Truck Registration & Road Use	-		1,750,000	4b
Grantor's Tax	-		-	
CoVa Interest	243,956		257,900	4c
Bond Proceeds	-		-	
Future Financing (if required due to cash flow.)	383,052,841		(35,462,132)	4d
Investment Portfolio Earnings	10,000,000		10,500,000	4e
Total Revenue	\$ 579,389,272		\$ 168,903,147	
<u>Expenditures</u>				
Debt Service - Principal	\$ 2,730,000		\$ 2,859,697	5a
Debt Service - Interest	2,819,950		2,683,450	5a
Professional Services - Bond Issuance Costs				
TransAction Update (SYP/CRRC/LTB Tech Support)	3,650,000		160,000	5b
Six Year Program PayGo Project Funding	570,189,322		163,200,000	5c
Total Expenditures / Six Year Program Commitments	\$ 579,389,272		\$ 168,903,147	
<u>Transfers & Carryforward</u>				
Transfer Out to Operating Fund	\$ (2,963,793)		\$ (2,859,220)	6a
Restricted Fund Balance - Carryforward to Six Year Program Update	12,857,991		38,438,712	6b
Total Available for Project Assignments/FY2024 Carryforward	\$ 9,894,198		\$ 35,579,492	6c
<u>Cumulative Regional Revenue Reserve Balances</u>				
Working Capital Reserve	\$ 120,000,000		\$ 120,000,000	7a
Debt Service Reserve (Held by Trustee)	5,551,000		5,551,000	7b
Cumulative Reserve Balances	\$ 125,551,000		\$ 125,551,000	

Attachment 2

NVTA FY2018 to FY2023 Six Year Program Appropriation Schedule (Update: 2/13/2020)						
Project ID#	Jurisdiction / Agency	Project	Appropriated FY2019	Appropriated FY2020	Scheduled FY2021	Scheduled FY2022
2018-005-0	Arlington County	Intelligent Transportation System Improvements	10,000,000			
2018-004-0	Arlington County	Pentagon City Multimodal Connections and Transitway Extension		28,850,000		
2018-001-0	Arlington County	ART Operations and Maintenance Facilities	39,027,000			
2018-003-0	Arlington County	Crystal City Metrorail Station East Entrance & Intermodal connections		5,000,000		
2018-041-0	City of Alexandria	Alexandria ITS Projects		1,195,491		
2018-042-1	City of Alexandria	Alexandria Bus Network ITS	150,000			
2018-043-0	City of Alexandria	DASH Transit Service Enhancements and Expansion		11,933,161		
2018-040-1	City of Alexandria	West End Transitway: Northern Segment (Phase 1)			2,200,000	
2018-045-2	City of Alexandria	Alexandria Duke St Transitway		12,000,000		
2018-046-0	City of Fairfax	Jermantown Road Corridor Improvements Project	21,000,000			
2018-049-0	City of Fairfax	Roadway Network Northfax West	2,500,000			
2018-047-0	City of Fairfax	Intersection Improvements at Eaton Place/Chain Bridge Road				10,750,000
2018-47-0	City of Fairfax	Old Lee Highway Multimodal Improvements Phase 1				5,000,000
2018-051-0	City of Falls Church	West Falls Church & Joint Campus Revitalization District Multimodal Transportation Project		15,700,000		
2018-017-0	Fairfax County	Rock Hill Road Bridge				20,604,670
2018-014-1	Fairfax County	Rolling Road Widening: Hunter Village Drive to Old Keene Mill Road		11,111,000		
2018-010-2	Fairfax County	Route 28 Widening: Route 29 to Prince William County Line			16,000,000	
2018-016-2	Fairfax County	Fairfax County Parkway Widening from Ox Road to Lee Highway w/separated interchange at Popes Head Rd				67,000,000
2018-007-0	Fairfax County	Richmond Highway Bus Rapid Transit - Phases I & II	250,000,000			
2018-006-1	Fairfax County	Route 1 Widening (Mount Vernon Memorial Highway to Napper Road)		127,000,000		
2018-012-0	Fairfax County	Richmond Highway (Route 1)/CSX Underpass Widening				12,000,000
2018-009-1	Fairfax County	Frontier Drive Extension and Intersection Improvements#		25,000,000		
2018-024-0	Loudoun County	Route 28 Northbound Widening –between the Dulles Toll Road and Sterling Boulevard	20,000,000			
2018-021-0	Loudoun County	Route 15 Bypass Widening: Battlefield Parkway to Montresor Road			54,000,000	
2018-023-0	Loudoun County	Extend Shellhorn Road: Loudoun County Parkway (Route 607) to Randolph Drive (Route 1072)		16,000,000		
2018-022-0	Loudoun County	Northstar Boulevard - Shreveport Drive to Tall Cedars Parkway		64,805,000		
2018-026-0	Loudoun County	Prentice Drive Extension: Lockridge Road (Route 789) to Shellhorn Road (Route 643)		76,230,000		
2018-028-0	Loudoun County	Dulles West Boulevard Widening: Loudoun County Parkway to Northstar Boulevard	47,800,000			
2018-027-0	Loudoun County	Route 9 Traffic Calming	12,112,000			
2018-029-0	Loudoun County	Evergreen Mills Road Intersection Realignments – Watson Road and Reservoir Road	14,000,000			
2018-062-0	NOVA Parks	Falls Church Enhanced Regional Bike Routes (W&OD)	3,244,959			
2018-030-3	Prince William County	RT28 corridor improvements (Fitzwater Dr to Pennsylvania Ave)	15,000,000			
2018-039-0	Prince William County	Construct Interchange at Prince William Parkway and Clover Hill Road				1,900,000
2018-035-0	Prince William County	Construct Interchange at Prince William Parkway and University Boulevard	24,200,000			
2018-031-1	Prince William County	Route 28 Corridor Feasibility Study - Environmental Impact Statement (City of Manassas to Fairfax County)		3,500,000		
2018-032-1	Prince William County	Construct Route 28 Corridor Roadway Improvements			89,000,000	
2018-034-0	Prince William County	Construct Interchange at Route 234 and Brentsville Road	54,900,000			
2018-036-0	Prince William County	Summit School Rd Extension and Telegraph Rd Widening	11,000,000			
2018-053-1	Town of Dumfries	Widen Route 1 (Fraleigh Blvd) to six lanes between Brady's Hill Rd and Dumfries Rd (RT234)				44,860,000
2018-054-2	Town of Leesburg	Construct Interchange at Route 7 and Battlefield Parkway		25,000,000		
2018-056-0	Town of Leesburg	Construct Interchange at Route 15 Bypass and Battlefield Parkway			2,000,000	
2018-055-2	Town of Leesburg	Interchange Improvements at Route 15 Leesburg Bypass and Edwards Ferry Road#				5,400,000
2018-057-0	Town of Vienna	Mill St NE Parking Garage				2,300,000
2018-058-1	VRE	VRE Crystal City Station Improvements				4,000,000
Total by Fiscal Year			\$ 524,933,959	\$ 423,324,652	\$ 163,200,000	\$ 22,750,000
Cumulative by Fiscal Year			\$ 524,933,959	\$ 948,258,611	\$ 1,111,458,611	\$ 1,134,208,611
						\$ 151,064,670
						\$ 1,285,273,281

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members of the NVTa Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 13, 2020

SUBJECT: FY2021 Local Distribution Fund Budget (30%)

- 1. Purpose:** To seek the Northern Virginia Transportation Authority (NVTa) Finance Committee recommendation of Authority adoption of the proposed FY2021 Local Distribution Fund Budget.
- 2. Suggested Motion:** *I move the Finance Committee recommend Authority adoption of the proposed FY2021 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 revenues received from the Commonwealth.
 - b. Previous Finance Committee guidance is to conservatively estimate revenues.
 - c. Member jurisdictions will receive the amount of Local Distribution Funds they are entitled to based on the transactions within their jurisdiction.
 - d. Prior to the passage of SB1468 (2019), many member jurisdictions either netted their jurisdictional share of the NVTa Operating Budget from their 30% Local Distribution Funds received, or paid the obligations from those funds once received.
 - e. Beginning with FY2020, the Authority elected to charge the operating budget contribution to the Regional Revenue Fund which in turn resulted in an increased 30% distribution to member jurisdictions.
- 4. Proposed Budget:** The table below shows the proposed FY2021 Local Distribution Fund Budget. Distributions to jurisdictions are based on the actual transactions conducted within the jurisdiction.

Northern Virginia Transportation Authority Proposed FY2021 Local Distribution Budget (30%)		
	Adopted FY2020 Budget	Proposed FY2021 Budget
Carryforward	\$ -	\$ -
<u>Revenue</u>		
Sales Tax	\$ 79,753,918	\$ 82,224,591
Truck Registration & Road Use	-	750,000
CoVa Interest	104,552	110,530
Total Revenue	\$ 79,858,470	\$ 83,085,121
<u>Expenditures</u>		
Distribution to Member Jurisdictions	\$ 79,858,470	\$ 83,085,121
Total Expenditures	\$ 79,858,470	\$ 83,085,121
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 transactions within the jurisdiction (as reported by the Commonwealth).
- c. All prior fiscal year accruals and Commonwealth revenue adjustments of Local Distribution Fund revenues will be distributed to the appropriate jurisdiction in FY2021 in accord with the Code of Virginia.

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

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members of the NVTa Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 13, 2020

SUBJECT: FY2021 Operating Budget

1. **Purpose:** To seek the Northern Virginia Transportation Authority (NVTa) Finance Committee recommendation of Authority adoption of the proposed FY2021 NVTa Operating Budget and proposed budget initiatives as outlined below.
2. **Suggested Motion:** *I move the Finance Committee recommend Authority adoption of the proposed FY2021 Operating Budget as presented in Attachment 1.*

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

3. **FY2020 Operations Base Budget Changes:**

A. **Personnel Expenditures:**

1. **Salaries-Regular Pay:**

- Staff compensation changes will be based on the average annual increases adopted in NVTa member jurisdiction and agencies FY2021 budgets.
- Member jurisdictions have not finalized their FY2021 budgets, therefore, a 4% increase is proposed to be programmed in the base budget for estimation purposes.
- Maximum average annual performance increases will be consistent with member jurisdictions. An analysis will be undertaken once jurisdictions have passed their FY2021 Operating Budgets.

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 projected to receive a 4.8% increase in benefit premiums for FY2020. Premiums did not increase during FY2020.

- For FY2021, 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 is 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, NVTa employees are moving into higher age tiers.

B. Professional Service Changes:

5. Insurance:

- NVTa's general liability, causality, cyber, officers and director's insurance renewal rates will not be available until after June 2020. The FY2021 base budget includes an estimated 5% increase above the FY2020 renewal.

6. Public Outreach & Regional Event Support:

- For FY2021, this line decreases by \$20,000 due to the one-time cost of the regional economic analysis being procured in FY2020. Contract escalations and projected inflationary increases of \$255 reduce the turnback on this line to \$19,745.

7. Legal Services/Bond Counsel:

- Bond Counsel is the only legal service currently obtained under this budget line.
- Based on prior experience, staff recommends a \$15,000 reduction in the portion of this budget allocated to Bond Counsel. This reduction will be used to help offset the new initiative cost of outsourcing legal services.

8. Financial Advisory Services:

- Contract escalation of \$875.

9. Legislative Services:

- The current legislative service contract expires in FY2021. The current contract had no multi-year escalations, \$8,000 is added to the base budget in anticipation of a new multi-year contract.

C. Technology/Communications:

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

- On September 13, 2019, the Finance Committee recommended and the Authority approved a budget adjustment to transfer \$21,262 from the Operating Reserve to enable the implementation of portfolio management and monitoring services needed to pursue Direct (electronic) Purchases by adding a second Bloomberg Anywhere subscription and expanding the Inter-Continental Exchange (ICE) Best Ex Reporting Service Subscription.
- The FY2021 budget includes \$21,262 to replenish the FY2020 Operating Reserve.
- The annual ongoing costs of \$75,385 for the Bloomberg and ICE investment monitoring and management services has been included in the FY2021 budget.
- The \$12,716 is the net difference between the one time and on-going portfolio management expenses.
- The budget line also includes the annual costs for:
 - Black Mountain, the General Ledger/Financial Reporting System
 - Tracker, the Portfolio Management System.

11. Hardware, Software & Peripheral Purchases: Reduced \$5,600 for one-time purchases related to new staff in FY2020.

12. IT Support Service & Hosting: Contractual increase of \$921.

13. GIS/Project Monitoring & Management/Modeling:

- The FY2020 Budget included onetime funds of \$140,000 for Phase 2 of the Project Implementation, Monitoring and Management System (PIMMS).
- The FY2021 budget reduction of \$122,613 for this line item reflects a baseline increase of \$10,232 related to contractual and inflationary increases for website and PIMMS maintenance, hosting and data storage.

14. Phone Service: Inflationary increase of \$420.

D. Administrative Expenses:

15. Duplication and Printing: Reduction of \$2,030 due to renegotiation of copier lease.

16. Furniture and Fixtures: Elimination of one-time expenses (\$8,100) due to FY2020 staff increase.

17. Hosted Meetings: Increase of \$1,220 due to increased size and frequency of Authority and committee meetings.

18. Office Lease: Decrease in lease cost of \$17,305, even with an increase of three offices, due to lease renegotiation. Without the lease renegotiation, FY2021 Lease costs would have increased \$38,500.

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, no change to the equipment reserve is necessary. The equipment reserve level is a management recommendation based predominately on the equipment depreciation schedule and practical experience.

4. FY2021 Proposed Budget Initiatives: The proposed FY2021 Operating Budget includes four initiatives: Public Outreach/Communications, Contract Legal Services, PIMMS and Technology Licenses.

E. Initiatives:

21. Public Outreach & Regional Event Support: Staff is proposing increasing the budget from the proposed base by \$12,088 this will support the Authority's *Strategic Plan Goal I - Regional Prosperity; Advocacy/Education through increasing awareness and understanding of NVTa's multimodal transportation investments. This is to be accomplished by developing appropriate messaging to specific target audiences.* Increased technical tools for social and traditional media and the automation of currently manual monitoring and tracking processes will facilitate accomplishing these goals. The proposed tools will allow:

- Social media archive services to support transparency and FOIA compliance (\$2,868).
- Increased monitoring of references to NVTa in the press (including broadcast) and social media, responding to media and industry influencers' comments while protecting NVTa's image and increasing the accuracy and response time of NVTa's messaging. (\$6,000)
- Contract video capture and editing capacity (\$2,000).
- Increased social media presence tools (\$600).
- Software to allow NVTa to prepare script-writing and voiceovers to animation added to messaging (\$500).
- Software license to create social media content, simple animation, flyers and invitations (\$120).
- All costs noted above are on-going and will add to the base budget.

22. Legal Services/Bond Counsel: This initiative will procure contracted legal services. Contract services will include issues related to governance, policies, bylaws,

procurement, employment, risk management, ethics, and FOIA. Consultative services of the current Council of Counsels are expected to remain as an on-call resource, especially during the transition period and to the extent no conflicts of interest exist with individual issues under discussion. NVTAs proposed budget amount is \$70,000. This is partially offset by a reduction in the bond counsel component of the current legal service budget of \$15,000, making the budget increase to support the initiative \$55,000. PRTC contracted for legal services in FY2020 with a budget amount of \$150,000. PRTC's proposed second year (FY2021) budget amount is \$100,000. This will be an on-going expense.

- F. GIS/Project Monitoring & Management/Modeling:** Two initiatives impact this budget line. Both initiatives presented below support the Authority's Strategic plan in 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.*

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

Enhancements to PIMMS are requested from NVTAs staff as well as jurisdiction and agency staff. The cost of \$95,000 (with project contingency) is broken down as follows:

- Online Project Applications – Enhance the ability for jurisdictions to add maps to their applications, develop additional reports and application print options (optimized for PDF exports). \$31,000 Cost.
- Project/SPA Monitoring Tools – Modify the database and system for status versioning, add additional change request capacity for localities, develop additional reporting capacity (PDF capable), install a browser-based SPA Appendix update capability. \$41,000 Cost.
- Project Dashboard – Add additional data elements to project detail, improve user ability to toggle between project counts and dollar amounts with graphic pie chart presentation, create ability for custom icons, filter jurisdictional polygon on jurisdiction maps, increase capability for jurisdictions to complete the expected project completion date beyond NVTAs funded phases, facilitate printing from the dashboard. \$23,000 Cost.
- All costs related to the PIMMS enhancements are one-time and will not add to the base budget.

24. IT/GIS License Expansion: - With the FY2020 addition of two Transportation Planners, NVTAs was able to recruit new staff with GIS, analysis and Big Data skills.

Currently, NVTa uses a shared license approach for several licensed software packages, the licenses need to be expanded to increase staff productivity. The \$14,060 total cost includes \$11,500 of one-time costs and \$2,560 in costs that will increase the base budget

Attachments: Base/Proposed FY2021 Operating Budget

Attachment

Northern Virginia Transportation Authority Base/Proposed FY2021 Operating Budget						
INCOME:	Adopted Budget FY2020	Proposed Base Budget FY2021	Budget Note	Proposed Budget w/FY2021 Initiatives	Budget Note	Change \$
Budget Carryforward including Operating Reserve	\$ 444,138	\$ 665,477		\$ 665,477		\$ 221,339
330100 Contribution Member Jurisdiction						
330000 Other Income						
Total Income	\$ 444,138	\$ 665,477		\$ 665,477		\$ 221,339
EXPENDITURES:						
410000 Personnel Expenditures						
110 Salaries-Regular Pay	\$ 1,474,032	\$ 1,524,072	1	\$ 1,524,072		\$ 50,040
130 Health & Dental Benefits	243,109	247,968	2	247,968		4,859
131 Payroll Taxes	112,878	118,210	1	118,210		5,332
132 Retirement VRS	120,377	124,506	3	124,506		4,129
133 Life Insurance	19,223	20,331	4	20,331		1,107
134 Flex Spending/Dependent Care	874	881		881		7
135 Workers Comp	1,621	1,698	1	1,698		77
137 Disability Insurance	16,654	18,196	4	18,196		1,542
Personnel Subtotal	\$ 1,988,769	\$ 2,055,863		\$ 2,055,863		\$ 67,094
420000 Professional Service						
210 Audit & Accounting	\$ 29,500	\$ 29,500		\$ 29,500		\$ -
220 Bank Service	750	750		750		-
230 Insurance	6,081	6,385	5	6,385		305
240 Payroll Service	2,606	2,606		2,606		-
260 Public Outreach & Regional Event Support	66,750	47,005	6	59,093	21	(7,657)
261 Legal Services/Bond Counsel	25,000	10,000	7	85,000	22	60,000
262 Financial Advisor Services	35,000	35,875	8	35,875		875
263 Bond Trustee Fees	2,700	2,700		2,700		-
264 Legislative Services	62,000	70,000	9	70,000		8,000
265 Investment Custody Fees	25,000	25,000		25,000		-
Professional Subtotal	\$ 255,387	\$ 229,821		\$ 316,909		\$ 61,523
430000 Technology/Communication						
310 GL Financial Reporting & Invest Monitoring/Mgt Systems	\$ 98,631	\$ 111,347	10	\$ 111,347		\$ 12,716
320 HW SW & Peripheral Purchase	5,600	-	11	-		(5,600)
330 IT Support Svc Incl Hosting	23,374	24,295	12	24,295		921
335 GIS/Project Monitoring & Management/Modeling	150,232	27,619	13	136,679	23/24	(13,553)
340 Phone Service	10,716	11,136	14	11,136		420
350 Web Development & Hosting	9,756	9,756		9,756		-
Subtotal Technology/Communication	\$ 298,309	\$ 184,153		\$ 293,213		\$ (5,096)
440000 Administrative Expenses						
410 Advertisement	\$ 1,500	\$ 1,500		\$ 1,500		\$ -
411 Memberships & Subscriptions	10,544	10,544		10,544		-
412 Duplication & Printing	16,640	14,610	15	14,610		(2,030)
413 Furniture & Fixture	8,100	-	16	-		(8,100)
414 Hosted Meetings	3,780	5,000	17	5,000		1,220
415 Mileage/Transportation	11,450	11,450		11,450		-
416 Misc Expenses	-	-		-		-
417 Office Lease	190,561	173,256	18	173,256		(17,305)
418 Office Supplies	8,065	8,065		8,065		-
419 Postage & Delivery	700	700		700		-
420 Professional Develop, Training & Conferences	23,650	23,650		23,650		-
Subtotal Administrative Expenses	\$ 274,990	\$ 248,775		\$ 248,775		\$ (26,215)
Expenditure Subtotal	2,817,454	2,718,612		2,914,760		97,305
Operating Reserve (20%)	\$ 563,491	\$ 543,722	19	\$ 582,952	19	\$ 19,461
Equipment Replacement Reserve	26,986	26,986	20	\$ 26,986	20	-
Reserve Subtotal	590,477	570,708		609,938		\$ 19,461
Total Expenditures	\$ 3,407,931	\$ 3,289,320		\$ 3,524,697		\$ 116,766
Transfer From Regional Revenue Fund	\$ 2,963,793	\$ 2,623,843		\$ 2,859,220		\$ (104,573)
One Time Costs of Initiatives:						\$ 106,500
Net FY2020 to FY2021 Budget Growth:						\$ (211,073)

Updated: 2/13/2020

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Parrish and Members of the NVTa Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 13, 2020

SUBJECT: Policy 29 - Project Activation, Monitoring and De-Appropriation, February 2020 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.
2. **Background:** No new projects have been identified for Policy 29 discrepancies at this time. Staff analysis indicates the potential for six projects to become out of compliance with Policy 29 at the end of April 2020. Discussions with the four jurisdictions sponsoring these projects is being initiated.
3. **Report Analysis:** In the first Policy 29 report, presented in September 2019, three project sponsors; Arlington County, the Town of Herndon and Fairfax County had projects out of policy compliance. The following recaps the current status by jurisdiction:
 - A. Arlington County - Ballston Metrorail West Entrance: The County and NVTa staff are in conceptual agreement based on the following four points:
 - a. To suspend Project reimbursement requests until a Project Coordination Agreement (PCA) for the project has been executed between the County and the Washington Metropolitan Area Transit Authority (WMATA).
 - b. To continue to advance the Project with the goal of executing the PCA with WMATA consistent with the Project schedule included as an attachment. *(NOTE: Arlington reports county staff and attorneys are working with WMATA counterparts to determine a schedule. The expectation is the resulting schedule will be consistent with the schedule discussed at a September 5, 2019 meeting.)*
 - c. To continue to advance the project and document project progress through the regular monthly project progress reports to NVTa. Progress reports shall include any major project milestones achieved or missed during the previous month and expected milestones during the upcoming month. Such progress reports may include monthly project expenditures and cumulative project expenditures beginning with the last reimbursement provided by the NVTa.

- d. Upon the execution of the PCA with WMATA, the County will submit the PCA to Authority staff at such time reimbursements for Design, per the SPA, will be reviewed for reimbursement.
 - B. Town of Herndon reports and is demonstrating continued progress on the projects listed in September. Significant current progress is reported and expenditures support progress on clearing legal requirements to proceed with and conclude various property acquisitions.
 - C. Fairfax County had 12 projects reported as out of compliance with Policy 29 in September 2019. The County submitted the required documentation to bring the projects into compliance, or alternatively requested the de-appropriation of funds to a future fiscal year.
 - 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 NVT Resolution 14-8.
 - B. Compliance with project scope.
 - C. Internal cost allocations.

Discussions are on-going with WMATA staff.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members, NVTa Finance Committee

FROM: Richard Stavros, Investment & Debt Manager

DATE: February 13, 2020

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 January 31, 2020.
- 2) **Background:** This report is on investment activity through January 2020 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.

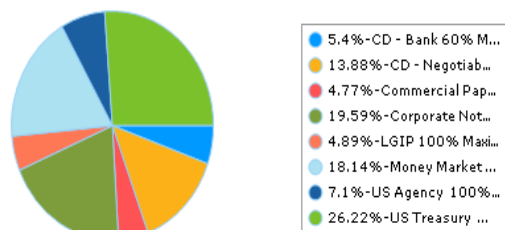


Northern Virginia Transportation Authority
Distribution by Asset Category - Book Value
Report Group: Regional Revenue

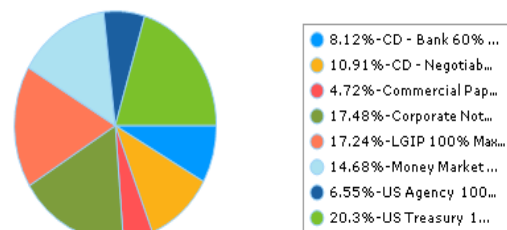
Begin Date: 12/31/2019, End Date: 1/31/2020

Asset Category Allocation				
Asset Category	Book Value 12/31/2019	% of Portfolio 12/31/2019	Book Value 1/31/2020	% of Portfolio 1/31/2020
CD - Bank 60% Maximum	57,134,723.53	5.40	87,134,723.53	8.12
CD - Negotiable 25% Maximum	147,000,700.82	13.88	117,000,451.10	10.91
Commercial Paper 30% / 5% Maximum	50,555,184.17	4.77	50,637,049.99	4.72
Corporate Notes 50% Maximum	207,464,656.95	19.59	187,512,695.58	17.48
LGIP 100% Maximum	51,792,739.96	4.89	184,994,771.31	17.24
Money Market 60% Maximum	192,031,619.97	18.14	157,472,265.68	14.68
US Agency 100% Maximum	75,227,722.83	7.10	70,253,437.33	6.55
US Treasury 100% Maximum	277,691,173.83	26.22	217,771,094.39	20.30
Total / Average	1,058,898,522.06	100.00	1,072,776,488.91	100.00

Portfolio Holdings as of 12/31/2019



Portfolio Holdings as of 1/31/2020



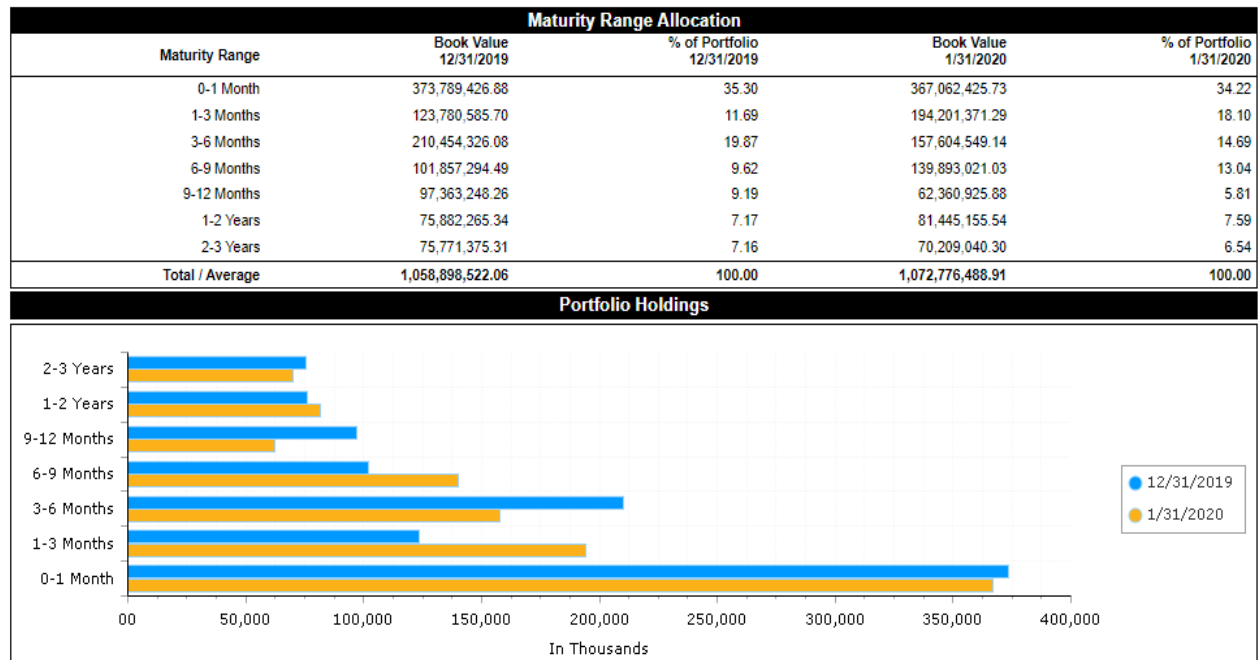
3) Current Period Reports:

- 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: 12/31/2019, End Date: 1/31/2020



- b. The liquidity of the portfolio is reflected in the portfolio's duration of .35 (1.0 = 1 year) and the maturity schedule shown above.

NVTA Investment Benchmarks	Jan-20 Month End
Fed Funds Rate	1.55%
Treasury 90 Day T Bill	1.52%
Local Government Investment Pool	1.73%
Virginia Non-Arbitrage Program	1.81%
NVTA Performance	2.15%

Source: Bloomberg, Statements

- c. The yield on the portfolio at the end of January 2020 was 2.15%. 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 (26.8%)
- ii) AAA/AA rated investment grade corporate bonds (17.2%)
- iii) Collateralized bank money market accounts (14.6%)

b) Liquidity:

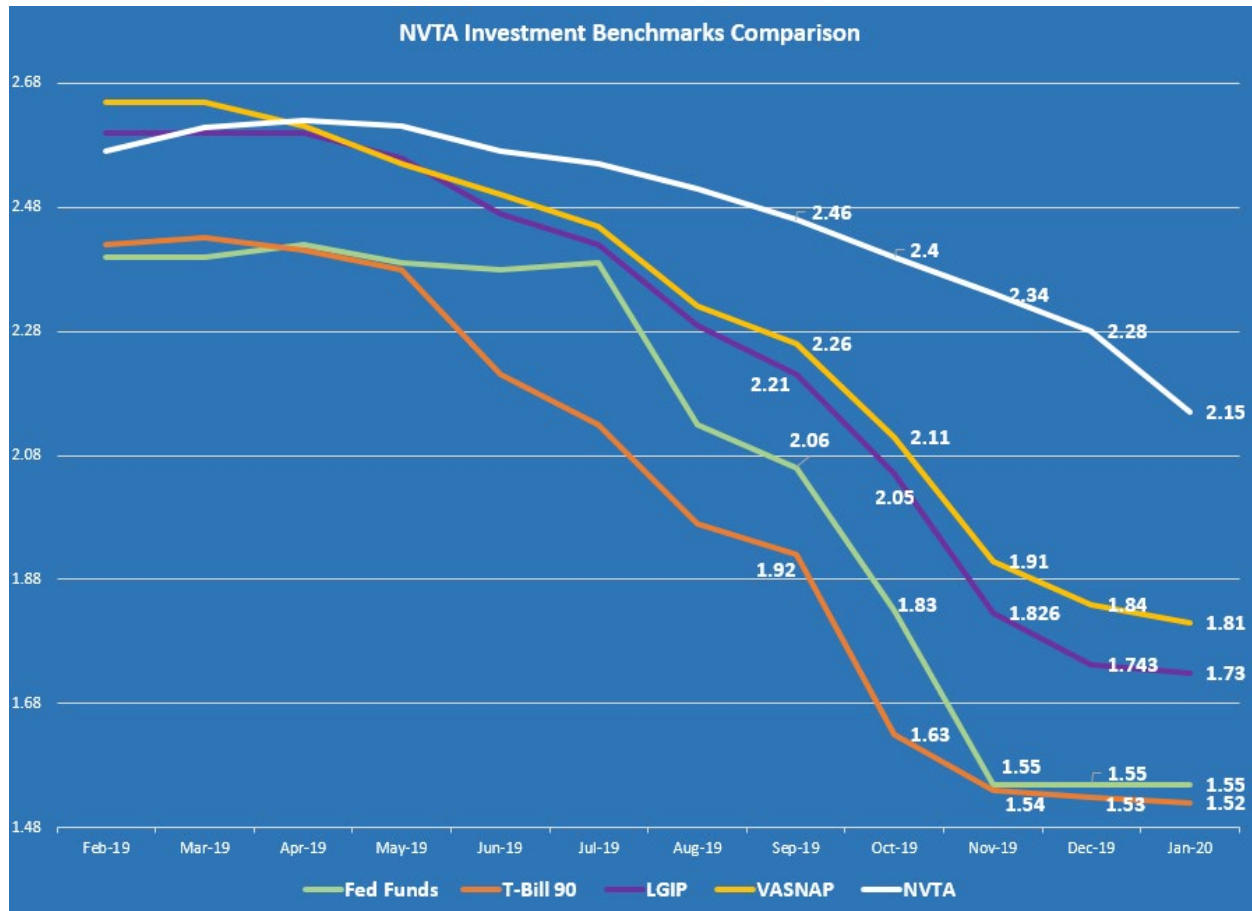
- i) Since our last report on January 16, 2019, the NVTA Portfolio average duration has fallen to .35 from .38 or less than 6 months – reflecting \$120 million in maturities in January.
- ii) Analysis of forward transportation project liabilities (reimbursements) associated with the Six Year Program found that the portfolio has the flexibility to extend modestly to 2-3 year maturities (6.54% of the portfolio presently).

c) Yield:

- i) **Impeachment, Iranian Missiles and the Coronavirus: A Drag on January Rates:** A remarkable series of U.S. political, military and global health events during January caused a significant 15 basis point drop in the benchmark 2-Year U.S. Treasury rates to 1.314 from 1.463. The decline in benchmark Treasuries lead to even bigger yield declines in the corporate bond markets and various money market instruments, as spreads tightened.

NVTA Investment Pause in January, Resumed in February: NVTA chose to step back from the market in January, placing over \$120 million in maturities in Virginia's Local Government Investment Pool (LGIP), earning nearly 1.74, as staff evaluated the long-term implication of the market declines. As such, NVTA was rewarded for its forbearance, as U.S. Treasury yields rebounded to previous highs (1.447 on Feb. 6) as investors concerns were allayed (U.S. President Trump was acquitted, Iran stepped back from a war with the U.S., and investors' Coronavirus fears have moderated somewhat). As a result, NVTA resumed its investment program in a more favorable rate environment.

- ii) **Current Forecast - 2020 Mild Rate Cut:** Current market forecasts are for one rate cut in late 2020, but if predictions of an economic slowdown (or global slowdown from the Coronavirus) are realized, the rate environment could be worse. The Federal Reserve lowered rates by 25 basis points in October 2019 to a range of 1.5% to 1.75% in response to slowing U.S. economic growth. The Fed's target policy is now a total of 75 basis points lower from its first rate cut in mid-summer.
 - **Value Preservation:** NVTA's Regional Portfolio outperformed its benchmarks in 9 out of 12 months in 2019, and is in its 10th consecutive month of outperformance. This performance is attributed to steps taken in early 2019 to increase safety by purchasing US Treasuries. Furthermore, more shorter-dated portfolio benchmarks have been impacted more severely by Fed rate cuts.
 - **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.



- 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:
- Compliance – Investment Policy, Summary.** The report shows the percentage of the portfolio by each type of investment.
 - Investment Portfolio – By Maturity Range.** The report shows the yield to maturity, and percentage of the portfolio which each type of investment represents.
 - 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 1/31/2020

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									
United Bank1.81 8/2/2020	30,000,000.00	30,000,000.00	30,000,000.00	NR	NR	2.79	08/02/2020	1.810	0.50
United Bank1.9 1/14/2021	10,000,000.00	10,000,000.00	10,000,000.00	NR	NR	0.93	01/14/2021	1.900	0.96
United Bank2.6 4/30/2020	15,000,000.00	15,000,000.00	15,000,000.00	NR	NR	1.40	04/30/2020	2.600	0.25
Atlantic Union Bank1.7 12/26/2020	9,500,000.00	9,500,000.00	9,500,000.00	NR	NR	0.89	12/26/2020	1.700	0.90
John Marshall Bank1.76 4/23/2020	10,000,000.00	10,000,000.00	10,000,000.00	NR	NR	0.93	04/23/2020	1.760	0.23
United Bank 2.7 3/5/2020	12,634,723.53	12,634,723.53	12,634,723.53	NR	NR	1.18	03/05/2020	2.700	0.09
Sub Total / Average Certificate Of Deposit	87,134,723.53	87,134,723.53	87,134,723.53			8.12		2.068	0.46
Commercial Paper									
JP Morgan Securities 0 5/29/2020	20,000,000.00	19,881,000.00	19,713,066.66	S&P-A1	Moody's-P1	1.86	05/29/2020	1.824	0.33
JP Morgan Securities 0 6/19/2020	12,000,000.00	11,910,400.00	11,828,920.00	S&P-A1	Moody's-P1	1.12	06/19/2020	1.948	0.38
JP Morgan Securities 0 6/19/2020	14,000,000.00	13,895,466.66	13,800,406.66	S&P-A1	Moody's-P1	1.30	06/19/2020	1.948	0.38
JP Morgan Securities 0 8/14/2020	5,000,000.00	4,950,183.33	4,930,650.42	S&P-A1	Moody's-P1	0.47	08/14/2020	1.855	0.54
Sub Total / Average Commercial Paper	51,000,000.00	50,637,049.99	50,273,043.74			4.75		1.890	0.38
Corporate Bond									
ADP 2.25 9/15/2020	5,000,000.00	4,992,026.46	5,015,650.00	S&P-AA	Moody's-Aa3	0.47	09/15/2020	2.512	0.62
Apple Corp.1.7 9/11/2022	16,145,000.00	16,103,776.12	16,216,845.25	S&P-AA+	Moody's-Aa1	1.50	09/11/2022	1.800	2.55
Apple Corp.1.9 2/7/2020	5,403,000.00	5,402,049.98	5,402,945.97	S&P-AA+	Moody's-Aa1	0.50	02/07/2020	2.840	0.02
Apple Corp.Var. Corp 2/9/2022	5,011,000.00	5,044,706.01	5,054,194.82	S&P-AA+	Moody's-Aa1	0.47	02/09/2022	2.400	0.00
Apple Corp. 2 11/13/2020	5,000,000.00	4,972,817.96	5,015,500.00	S&P-AA+	Moody's-Aa1	0.47	11/13/2020	2.718	0.78
Bank of New YorkVar. Corp 6/4/2021 -20	8,258,000.00	8,268,368.05	8,266,175.42	S&P-AA-	Moody's-Aa2	0.77	06/04/2021	2.180	0.00
Berkshire Hathaway2.2 3/15/2021	7,386,000.00	7,335,815.04	7,437,480.42	S&P-AA	Moody's-Aa2	0.69	03/15/2021	2.833	1.11
Berkshire Hathaway2.2 3/15/2021	10,000,000.00	10,015,144.49	10,069,700.00	S&P-AA	Moody's-Aa2	0.93	03/15/2021	2.061	1.11
Chevron Corp.1.961 3/3/2020	5,000,000.00	4,995,564.68	5,000,800.00	S&P-AA	Moody's-Aa2	0.47	03/03/2020	2.998	0.09
Chevron Corp. 1.991 3/3/2020	7,500,000.00	7,496,396.40	7,501,425.00	S&P-AA	Moody's-Aa2	0.70	03/03/2020	2.549	0.09
Chevron Corp. 2.1 5/16/2021	5,560,000.00	5,503,600.01	5,598,086.00	S&P-AA	Moody's-Aa2	0.52	05/16/2021	2.923	1.28

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
Exxon Mobil Corp 1.912 3/6/2020	8,663,000.00	8,657,732.67	8,662,566.85	S&P-AA+	Moodys-Aaa	0.81	03/06/2020	2.566	0.10
Exxon Mobil Corp 1.912 3/6/2020	5,000,000.00	4,995,036.23	4,999,750.00	S&P-AA+	Moodys-Aaa	0.47	03/06/2020	2.973	0.10
Exxon Mobil Corp Var. Corp 3/6/2022	1,000,000.00	1,005,203.55	1,006,360.00	S&P-AA+	Moodys-Aaa	0.09	03/06/2022	2.257	0.00
Exxon Mobil Corp Var. Corp 3/6/2022	7,500,000.00	7,537,050.74	7,547,700.00	S&P-AA+	Moodys-Aaa	0.70	03/06/2022	2.257	0.00
Exxon Mobil Corp Var. Corp 8/16/2022	10,000,000.00	10,040,204.67	10,066,700.00	S&P-AA+	Moodys-Aaa	0.93	08/16/2022	2.234	0.00
Johnson and Johnson2.95 9/1/2020	5,000,000.00	5,013,534.05	5,038,550.00	S&P-AAA	Moodys-Aaa	0.47	09/01/2020	2.472	0.58
Microsoft Corp 1.55 8/8/2021	5,000,000.00	4,905,913.79	5,002,250.00	S&P-AAA	Moodys-Aaa	0.47	08/08/2021	2.850	1.50
Microsoft Corp.1.85 2/6/2020	1,196,000.00	1,195,869.86	1,195,976.08	S&P-AAA	Moodys-Aaa	0.11	02/06/2020	2.530	0.01
Microsoft Corp.1.85 2/6/2020	5,000,000.00	4,999,175.82	4,999,900.00	S&P-AAA	Moodys-Aaa	0.47	02/06/2020	2.878	0.01
Microsoft Corp.1.85 2/6/2020	3,000,000.00	2,999,518.61	2,999,940.00	S&P-AAA	Moodys-Aaa	0.28	02/06/2020	2.851	0.01
Proctor and Gamble Co. 1.9 10/23/2020	5,000,000.00	4,970,306.19	5,010,150.00	S&P-AA-	Moodys-Aa3	0.47	10/23/2020	2.746	0.72
Toyota Motor Credit corpVar. Corp 5/17/2022	10,000,000.00	10,033,035.29	10,038,100.00	S&P-AA-	Moodys-Aa3	0.93	05/17/2022	2.304	0.00
Toyota Motor Credit corp 2.15 3/12/2020	5,000,000.00	4,997,861.04	5,002,500.00	S&P-AA-	Moodys-Aa3	0.47	03/12/2020	2.537	0.11
Toyota Motor Credit corp 2.15 3/12/2020	5,057,000.00	5,054,962.58	5,059,528.50	S&P-AA-	Moodys-Aa3	0.47	03/12/2020	2.515	0.11
Toyota Motor Credit corp 2.8 7/13/2022	5,305,000.00	5,424,747.50	5,455,927.25	S&P-AA-	Moodys-Aa3	0.49	07/13/2022	1.851	2.38
Toyota Motor Credit corp Var. Corp 1/11/2022	4,607,000.00	4,644,085.96	4,651,088.99	S&P-AA-	Moodys-Aa3	0.43	01/11/2022	2.538	0.00
Toyota Motor Credit corp Var. Corp 1/11/2022	900,000.00	907,244.92	908,613.00	S&P-AA-	Moodys-Aa3	0.08	01/11/2022	2.538	0.00
Toyota Motor Credit corp Var. Corp 10/7/2021	10,000,000.00	10,024,424.29	10,024,700.00	S&P-AA-	Moodys-Aa3	0.93	10/07/2021	2.164	0.00
WalmartVar. Corp 6/23/2021	5,000,000.00	5,011,065.22	5,013,750.00	S&P-AA	Moodys-Aa2	0.47	06/23/2021	2.158	0.00
Walmart Corp 1.9 12/15/2020	5,000,000.00	4,965,457.40	5,014,700.00	S&P-AA	Moodys-Aa2	0.47	12/15/2020	2.722	0.87
Sub Total / Average Corporate Bond	187,491,000.00	187,512,695.58	188,277,553.55			17.47		2.430	0.58
FFCB Bond									
FFCBVar. FFCB 9/13/2021	5,000,000.00	5,000,000.00	5,002,550.00	S&P-AA+	Moodys-Aaa	0.47	09/13/2021	1.897	0.00
FFCB 1.85 3/3/2022	5,000,000.00	4,998,953.30	5,002,050.00	S&P-AA+	Moodys-Aaa	0.47	03/03/2022	1.860	2.04
FFCB 2.85 4/15/2020	5,000,000.00	5,000,000.00	5,013,450.00	S&P-AA+	Moodys-Aaa	0.47	04/15/2020	2.850	0.21
Sub Total / Average FFCB Bond	15,000,000.00	14,998,953.30	15,018,050.00			1.40		2.203	0.75
FHLB Bond									
FHLB 2.125 2/11/2020	10,000,000.00	9,998,774.47	10,000,800.00	S&P-AA+	Moodys-Aaa	0.93	02/11/2020	2.541	0.03
FHLB 2.375 3/3/2020	5,000,000.00	4,998,270.27	5,006,300.00	S&P-AA+	Moodys-Aaa	0.47	03/03/2020	2.781	0.17
FHLB 2.4 2/15/2022-20	10,000,000.00	10,021,363.12	10,016,000.00	S&P-AA+	Moodys-Aaa	0.93	02/15/2022	2.291	1.99
FHLB 2.875 9/11/2020	5,000,000.00	4,998,725.46	5,038,250.00	S&P-AA+	Moodys-Aaa	0.47	09/11/2020	2.917	0.60
Sub Total / Average FHLB Bond	30,000,000.00	30,017,133.32	30,061,350.00			2.79		2.560	0.80
FHLMC Bond									
FHLMC 1.875 11/17/2020	5,000,000.00	4,960,318.18	5,014,300.00	S&P-AA+	Moodys-Aaa	0.47	11/17/2020	2.910	0.79

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
FHLMC Step 9/30/2021-17	4,903,000.00	4,823,908.25	4,902,068.43	S&P-AA+	Moody's-Aaa	0.46	09/30/2021	3.582	1.64
Sub Total / Average FHLMC Bond	9,903,000.00	9,784,226.43	9,916,368.43			0.92		3.243	1.21
Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
FNMA Bond									
FNMA 1.25 3/27/2020	10,435,000.00	10,410,372.54	10,431,139.05	S&P-AA+	Moody's-Aaa	0.97	03/27/2020	2.825	0.16
Sub Total / Average FNMA Bond	10,435,000.00	10,410,372.54	10,431,139.05			0.97		2.825	0.16
Local Government Investment Pool									
Commonwealth of Virginia LGIP	11,939.33	11,939.33	11,939.33	S&P-AAA	NR	0.00	N/A	1.736	0.00
Commonwealth of Virginia LGIP	151,424,135.29	151,424,135.29	151,424,135.29	S&P-AAA	NR	14.11	N/A	1.736	0.00
VIP Stable NAV LGIP	33,558,696.69	33,558,696.69	33,558,696.69	S&P-AAA	NR	3.13	N/A	1.770	0.00
Sub Total / Average LGIP	184,994,771.31	184,994,771.31	184,994,771.31			17.23		1.742	0.00
Money Market									
Access National Bank MM	57,389,701.95	57,389,701.95	57,389,701.95	NR	NR	5.35	N/A	1.740	0.00
BB&T MM	550,265.85	550,265.85	550,265.85	NR	NR	0.05	N/A	1.450	0.00
John Marshall Bank ICS MM	37,320,890.95	37,320,890.95	37,320,890.95	NR	NR	3.48	N/A	1.860	0.00
United Bank MM	62,211,406.93	62,211,406.93	62,211,406.93	NR	NR	5.80	N/A	1.770	0.00
Sub Total / Average Money Market	157,472,265.68	157,472,265.68	157,472,265.68			14.67		1.779	0.00
Negotiable Certificate Of Deposit									
CIBC NY Office 2.53 3/27/2020	15,000,000.00	15,000,451.10	15,021,150.00	S&P-A1	Moody's-P1	1.40	03/27/2020	2.510	0.15
CIBC NY Office 2.64 4/15/2020	30,000,000.00	30,000,000.00	30,062,400.00	S&P-A1	Moody's-P1	2.79	04/15/2020	2.640	0.21
Credit Mutuel-CIC NY 1.83 5/20/2020	20,000,000.00	20,000,000.00	20,009,600.00	S&P-A1	Moody's-P1	1.86	05/20/2020	1.830	0.30
Rabobank NY 2.05 7/17/2020	17,000,000.00	17,000,000.00	17,021,250.00	S&P-A1	Moody's-P1	1.58	07/17/2020	2.050	0.46
TD Bank NY 2.05 6/26/2020	10,000,000.00	10,000,000.00	10,016,200.00	S&P-A1+	Moody's-P1	0.93	06/26/2020	2.050	0.41
TD Bank NY 2.08 7/15/2020	10,000,000.00	10,000,000.00	10,019,500.00	S&P-A1+	Moody's-P1	0.93	07/15/2020	2.080	0.45
TD Bank NY 2.68 3/12/2020	15,000,000.00	15,000,000.00	15,017,400.00	S&P-A1+	Moody's-P1	1.40	03/12/2020	2.680	0.11
Sub Total / Average Negotiable CD	117,000,000.00	117,000,451.10	117,167,500.00			10.90		2.306	0.28
Treasury Note									
T-Note 1.375 10/31/2020	10,000,000.00	9,917,737.81	9,986,300.00	S&P-AA+	Moody's-Aaa	0.93	10/31/2020	2.504	0.74
T-Note 1.375 4/30/2020	10,000,000.00	9,972,493.89	9,993,800.00	S&P-AA+	Moody's-Aaa	0.93	04/30/2020	2.514	0.25
T-Note 1.5 5/15/2020	10,000,000.00	9,970,807.07	9,996,100.00	S&P-AA+	Moody's-Aaa	0.93	05/15/2020	2.537	0.29
T-Note 1.5 5/15/2020	15,000,000.00	14,957,550.26	14,994,150.00	S&P-AA+	Moody's-Aaa	1.40	05/15/2020	2.505	0.29
T-Note 1.5 6/15/2020	10,000,000.00	9,962,085.06	9,996,900.00	S&P-AA+	Moody's-Aaa	0.93	06/15/2020	2.542	0.37
T-Note 1.5 8/15/2020	10,000,000.00	9,946,954.64	9,995,300.00	S&P-AA+	Moody's-Aaa	0.93	08/15/2020	2.506	0.54
T-Note 1.5 8/15/2020	10,000,000.00	9,973,478.30	9,995,300.00	S&P-AA+	Moody's-Aaa	0.93	08/15/2020	2.000	0.54
T-Note 1.5 8/15/2020	5,000,000.00	4,987,006.61	4,997,650.00	S&P-AA+	Moody's-Aaa	0.47	08/15/2020	1.990	0.54

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
T-Note 1.625 10/15/2020	10,000,000.00	9,975,258.66	10,003,900.00	S&P-AA+	Moodys-Aaa	0.93	10/15/2020	1.981	0.70
T-Note 1.625 7/31/2020	5,000,000.00	4,991,229.91	5,000,800.00	S&P-AA+	Moodys-Aaa	0.47	07/31/2020	1.983	0.50
T-Note 2 11/30/2020	5,000,000.00	5,002,951.04	5,018,750.00	S&P-AA+	Moodys-Aaa	0.47	11/30/2020	1.927	0.83
T-Note 2 11/30/2020	6,000,000.00	6,007,702.70	6,022,500.00	S&P-AA+	Moodys-Aaa	0.56	11/30/2020	1.842	0.83
Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
T-Note 2.25 3/31/2020	10,000,000.00	9,995,677.76	10,009,400.00	S&P-AA+	Moodys-Aaa	0.93	03/31/2020	2.518	0.16
T-Note 2.25 3/31/2020	10,000,000.00	9,995,556.01	10,009,400.00	S&P-AA+	Moodys-Aaa	0.93	03/31/2020	2.526	0.16
T-Note 2.375 12/31/2020	7,000,000.00	7,033,940.79	7,052,500.00	S&P-AA+	Moodys-Aaa	0.65	12/31/2020	1.835	0.91
T-Note 2.375 4/30/2020	10,000,000.00	9,996,272.59	10,016,800.00	S&P-AA+	Moodys-Aaa	0.93	04/30/2020	2.528	0.25
T-Note 2.5 6/30/2020	10,000,000.00	9,999,380.42	10,036,300.00	S&P-AA+	Moodys-Aaa	0.93	06/30/2020	2.514	0.41
T-Note 2.625 7/31/2020	10,000,000.00	10,005,760.56	10,050,800.00	S&P-AA+	Moodys-Aaa	0.93	07/31/2020	2.506	0.50
T-Note 2.625 8/31/2020	5,000,000.00	5,018,680.31	5,029,300.00	S&P-AA+	Moodys-Aaa	0.47	08/31/2020	1.971	0.57
T-Note 2.75 9/15/2021	10,000,000.00	9,962,833.78	10,215,200.00	S&P-AA+	Moodys-Aaa	0.93	09/15/2021	2.990	1.58
T-Note 2.75 9/30/2020	10,000,000.00	9,994,777.34	10,076,200.00	S&P-AA+	Moodys-Aaa	0.93	09/30/2020	2.831	0.66
T-Note 2.75 9/30/2020	10,000,000.00	10,015,708.90	10,076,200.00	S&P-AA+	Moodys-Aaa	0.93	09/30/2020	2.507	0.66
T-Note 2.75 9/30/2020	5,000,000.00	5,029,631.02	5,038,100.00	S&P-AA+	Moodys-Aaa	0.47	09/30/2020	1.845	0.66
T-Note 2.75 9/30/2020	5,000,000.00	5,029,759.29	5,038,100.00	S&P-AA+	Moodys-Aaa	0.47	09/30/2020	1.841	0.66
T-Note 3.5 5/15/2020	10,000,000.00	10,027,859.67	10,052,000.00	S&P-AA+	Moodys-Aaa	0.93	05/15/2020	2.508	0.29
Sub Total / Average T-Note	218,000,000.00	217,771,094.39	218,701,750.00			20.31		2.382	0.53
TVA Bond									
TVA 3.875 2/15/2021	5,000,000.00	5,042,751.74	5,116,450.00	S&P-AA+	Moodys-Aaa	0.47	02/15/2021	3.017	1.01
Sub Total / Average TVA Bond	5,000,000.00	5,042,751.74	5,116,450.00			0.47		3.017	1.01
Total / Average	1,073,430,760.52	1,072,776,488.91	1,074,564,965.29			100		2.152	0.35

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Parrish and Members of the NVTa Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 13, 2020

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 January 2020. December receipts represent four months of FY2020 Sales Tax revenue.
3. **Comments:**
 - a. **FY2020 Revenues (Attachment A)**
 - i. The Authority has received approximately \$120.2 million through the January 2020 transfers from the Commonwealth.
 - ii. Actual revenue (five months of sales tax receipts) to estimate comparison of annual sales tax revenues through January 2020 shows an 8.5% positive variance in receipts compared to the FY2020 adopted revenue projections.
 - iii. The positive variance can be greatly attributed to the newly taxed internet sales but NVTa lacks the data to differentiate the internet sales from the annual growth experienced in the past.
 - iv. Revenue related to Heavy Truck Registration and Diesel Fuel (SB1716) has not materialized at the level to support Commonwealth projections for FY2020. The chart below summarizes actual receipts compared to the Commonwealth's projections.

VDOT Projections of I-81 Related Revenue to NVTa				
(All \$ in millions, as of January 28, 2020)				
	VDOT		Actual	Projected
	Total	YTD		
	Projection*	Projection**	Receipts***	Year End
FY2020	\$ 9.4	\$ 3.9	\$ 1.0	\$ 2.4
FY2021	\$ 13.8			
FY2022	\$ 19.5			
FY2023	\$ 19.7			
FY2024	\$ 19.4			
FY2025	\$ 19.6			

*Presentation by VDOT CFO Laura Farmer to the CTB - June 18, 2019

**Based on Total Projection /12 months

***CoVA reports 5 months of receipts

b. FY2020 Distribution to localities (Attachment B)

- i. Eight jurisdictions have completed the required annual HB2313 certification to receive FY2020 Local Distribution Funds (30%). The remaining jurisdiction has been contacted and is aware of the deadlines.
- ii. As of January 2020, approximately \$35.4 million of the \$36.4 million of 30% local distribution funds have been distributed to member jurisdictions.

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 January 2020.

d. Sales Tax Forecast Model V. Projection (Attachment D). This chart reflects tracking of current fiscal year revenue on an actual to projection basis. A statistical packet called Palisade's Stat Tools is now used to improve the accuracy of the tracking. The reports from the tool are forecasting actual revenue to exceed NVTAs projections. However, the tool is unable to segregate usual annual growth in sales tax from the newly implemented internet sales tax receipts.

Attachments:

- A. Sales Tax Revenues Received Compared to NVTAs Estimates, Through January 2020
- B. FY2020 30% Distribution by Jurisdiction, through January 2020
- C. Month to Month Comparison of Sales Tax Revenue and YTD Receipts for January 2015 to 2020
- 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 NVT A ESTIMATES
Based on: Revenue Data Through January 2020
FYE June 30, 2020

Regional Sales Tax		Annualized		FY2020 Budget	Annualized - Actual To Budget	
Transaction Months	5	Received To Date	Revenue based on YTD Receipts			
City of Alexandria		\$ 7,775,549	\$ 18,661,318	\$ 16,379,177	\$ 2,282,141	
Arlington County		12,411,459	29,787,502	25,943,302	3,844,200	
City of Fairfax		3,148,459	7,556,301	7,506,931	49,370	
Fairfax County		50,770,932	121,850,238	114,583,396	7,266,842	
City of Falls Church		1,395,213	3,348,512	2,777,700	570,812	
Loudoun County		23,433,441	56,240,258	52,470,000	3,770,258	
City of Manassas		2,646,050	6,350,521	5,202,000	1,148,521	
City of Manassas Park		665,806	1,597,934	1,469,727	128,207	
Prince William County		17,916,340	42,999,216	39,514,160	3,485,056	
Total Sales Tax Revenue		\$ 120,163,250	\$ 288,391,801	\$ 265,846,393	\$ 22,545,408	8.5%

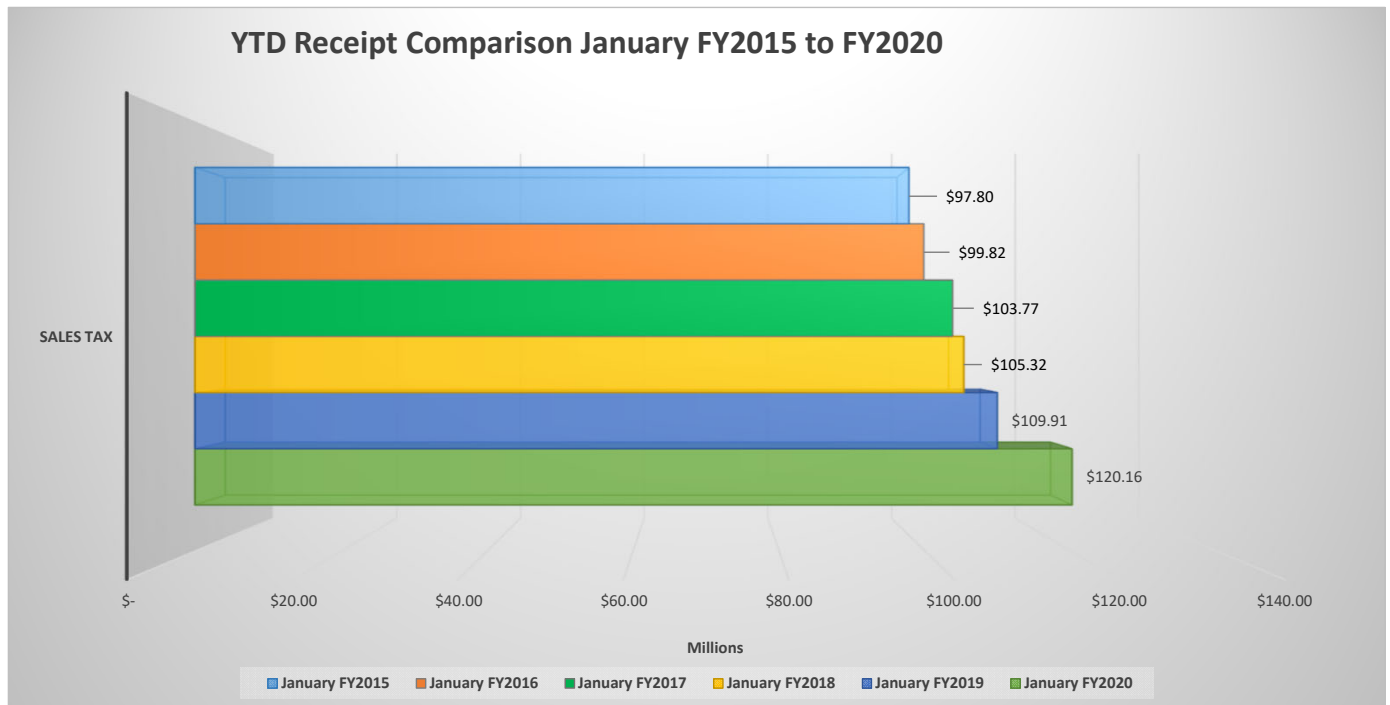
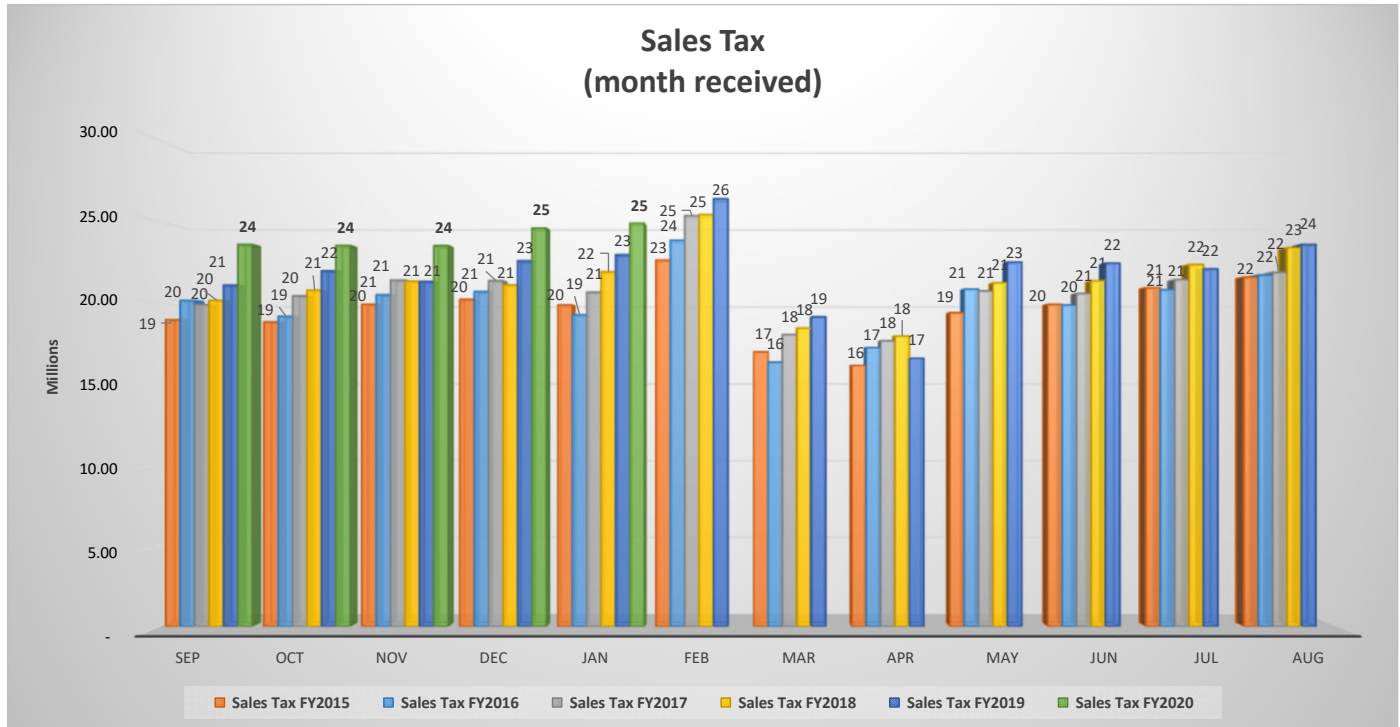
Vehicle License-Registration Fees		Annualized		FY2020 Budget	Annualized - Actual To Budget	
Transaction Months	5	Received To Date	Revenue based on YTD Receipts			
City of Alexandria		\$ 67,580	\$ 162,192	\$ 564,162	\$ (401,970)	
Arlington County		\$ 105,915	254,197	932,871	(678,674)	
City of Fairfax		\$ 26,777	64,265	248,699	(184,433)	
Fairfax County		\$ 428,147	1,027,553	3,850,016	(2,822,463)	
City of Falls Church		\$ 12,079	28,988	88,448	(59,460)	
Loudoun County		\$ 200,643	481,542	1,768,831	(1,287,289)	
City of Manassas		\$ 22,888	54,931	170,283	(115,351)	
City of Manassas Park		\$ 5,631	13,515	52,506	(38,991)	
Prince William County		\$ 149,284	358,281	1,324,184	(965,903)	
Total Vehicle License-Registration Fees		\$ 1,018,944	\$ 2,445,465	\$ 9,000,000	\$ (6,554,535)	-72.8%
Total Revenue Received		\$ 121,182,194	\$ 290,837,266	\$ 274,846,393	\$ 15,990,873	5.82%
		\$ 121,182,194				

Attachment B

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
FY2020 30% DISTRIBUTION BY JURISDICTION

Based on: Revenue Data Through January 2020

[illegible]



ATTACHMENT D

NVTB 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	NVTB Projected	
	Sep-2017	\$20,154,895.20	20,905,908.90	80,791	0.98	\$20,591,363	-436,468			\$20,154,895
	Oct-2017	\$20,786,302.49	20,990,927.14	80,791	0.99	\$20,771,698	14,605			\$40,941,198
	Nov-2017	\$21,343,035.02	21,056,754.24	80,791	1.02	\$21,396,074	-53,039			\$62,284,233
	Dec-2017	\$21,115,954.89	20,974,298.50	80,791	1.03	\$21,700,990	-585,035			\$83,400,188
	Jan-2018	\$21,915,158.59	21,227,738.59	80,791	1.01	\$21,305,331	609,828			\$105,315,346
	Feb-2018	\$25,453,242.98	21,252,013.39	80,791	1.21	\$25,691,099	-237,856			\$130,768,589
	Mar-2018	\$18,454,177.89	21,388,059.90	80,791	0.86	\$18,288,820	165,358			\$149,222,767
	Apr-2018	\$17,961,787.93	21,568,857.32	80,791	0.82	\$17,674,395	287,392			\$167,184,555
	May-2018	\$21,248,451.07	21,517,419.18	80,791	1.00	\$21,711,338	-462,887			\$188,433,006
	Jun-2018	\$21,365,953.89	21,568,466.48	80,791	0.99	\$21,469,160	-103,206			\$209,798,960
	Jul-2018	\$22,367,630.32	21,701,747.26	80,791	1.02	\$22,179,914	187,717			\$232,166,590
FY18	Aug-2018	\$23,408,268.73	21,811,254.81	80,791	1.07	\$23,301,040	107,228	\$256,081,222	\$255,571,902	\$255,574,859
	Sep-2018	\$21,094,228.16	21,793,283.80	80,791	0.98	\$21,431,728	-337,499			\$21,094,228
	Oct-2018	\$21,988,380.92	21,972,021.44	80,791	0.99	\$21,649,982	338,399			\$43,082,609
	Nov-2018	\$21,319,898.61	21,750,261.16	80,791	1.02	\$22,392,270	-1,072,371			\$64,402,508
	Dec-2018	\$22,602,475.35	21,883,927.83	80,791	1.03	\$22,412,983	189,493			\$87,004,983
	Jan-2019	\$22,970,788.81	22,175,641.68	80,791	1.01	\$22,225,771	745,018			\$109,975,772
	Feb-2019	\$26,427,800.56	22,159,926.61	80,791	1.21	\$26,833,960	-406,159			\$136,403,572
	Mar-2019	\$19,145,453.91	22,266,872.48	80,791	0.86	\$19,067,183	78,271			\$155,549,026
	Apr-2019	\$16,589,175.00	21,718,271.67	80,791	0.82	\$18,397,885	-1,808,710			\$172,138,201
	May-2019	\$22,525,822.45	21,988,926.24	80,791	1.00	\$21,861,178	664,644			\$194,664,024
	Jun-2019	\$22,453,420.16	22,218,303.60	80,791	0.99	\$21,937,850	515,570			\$217,117,444
	Jul-2019	\$22,103,784.06	22,091,644.54	80,791	1.02	\$22,845,679	-741,895			\$239,221,228
FY19	Aug-2019	\$23,605,506.73	22,142,277.55	80,791	1.07	\$23,718,118	-112,611	\$264,774,585	\$258,926,224*	\$262,826,735
	Sep-2019	\$23,603,917.67	22,763,884.18	80,791	0.98	\$21,755,790	1,848,128			\$23,603,918
	Oct-2019	\$23,492,820.82	23,100,014.98	80,791	0.99	\$22,610,639	882,182			\$47,096,738
	Nov-2019	\$23,534,125.70	23,179,818.34	80,791	1.02	\$23,537,627	-3,501			\$70,630,864
	Dec-2019	\$24,619,413.33	23,466,753.33	80,791	1.03	\$23,880,646	738,767			\$95,250,278
	Jan-2020	\$24,919,875.09	23,856,833.75	80,791	1.01	\$23,827,408	1,092,467			\$120,170,152.61
	Feb-2020					\$28,860,926				
	Mar-2020					\$20,591,221				
	Apr-2020					\$19,839,856				
	May-2020					\$24,248,898				
	Jun-2020					\$24,115,830				
	Jul-2020					\$24,938,229				
FY20	Aug-2020	*Current Fiscal Year Projection				\$26,124,901		\$284,331,970	\$265,846,393*	

NVTA Sales Tax Revenue Forecast 2014-2020: Model Observations

Winters' Exponential Smoothing Forecast

Forecasting Constants (Optimized)

Level (Alpha)	0.286
Trend (Beta)	0.000
Season (Gamma)	0.000

Winters' Exponential

Mean Abs Err	\$445,428.03
Root Mean Sq Err	\$600,942.09
Mean Abs Per% Err	2.15%

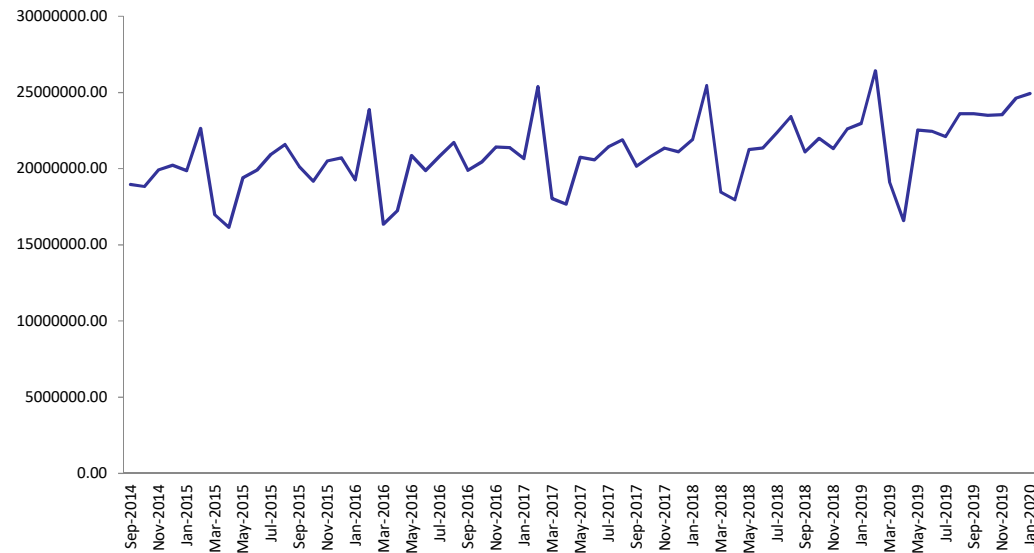
Description:

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



NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Parrish and Members, NVTa Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 13, 2020

SUBJECT: Monthly Operating Budget Report

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTa) Finance Committee on the Authority's Operating Budget for FY2020.
2. **Background:** For the FY2020 Operating Budget, the Authority elected to fund the budget through transfers from the Regional Revenue Fund. FY2020 is the first year this transfer was an option for the Authority.
3. **Comments:** Through January 31, 2020, the FY2020 Operating Budget has produced the following:
 - a. The Operating Budget is funded through quarterly transfers of \$740,948 from the Regional Revenue Fund. Quarterly transfers allow the unused budgeted funds to earn interest in the overall NVTa portfolio.
 - b. January 2020 represents 58% of the fiscal year. At this point in time, the Authority has utilized 50% of its FY2020 expenditure budget with all account categories remaining within budget. The lower than budgeted FY2020 expenditures is attributed to the Project Implementation, Monitoring and Management System (PIMMS) budget of \$150,232 not being drawn on. Invoicing for PIMMS will follow the development and implementation phases of the project.
 - c. The attached statement shows the total operating budget income and expenditure activity for FY2020 through January 31, 2020.

Attachment: FY2020 Operating Budget through January 31, 2020

		----- Current Year -----					
Account	Object	Description	Current	Current YTD	Budget	Variance	%
			Month				
Expenses							
410000		Personnel Expenses					
	110	Salaries-Regular Pay	165,520.59	810,114.52	1,474,032.00	663,917.48	55
	130	Health & Dental Benefits	11,603.95	105,814.05	243,109.00	137,294.95	44
	131	Payroll Taxes	12,348.59	52,343.34	112,878.00	60,534.66	46
	132	Retirement VRS	10,543.80	63,854.18	120,377.00	56,522.82	53
	133	Life Insurance	1,538.34	10,121.24	19,223.00	9,101.76	53
	134	Flex Spending/Dependent Care	57.08	336.56	874.00	537.44	39
	135	Workers Comp		1,474.00	1,621.00	147.00	91
	137	Disability Insurance	373.00	10,733.17	16,654.00	5,920.83	64
		Total Account	201,985.35	1,054,791.06	1,988,768.00	933,976.94	53
420000		Professional Services					
	210	Audit & Accounting Services		17,000.00	29,500.00	12,500.00	58
	220	Bank Service			750.00	750.00	
	230	Insurance		6,072.00	6,081.00	9.00	100
	240	Payroll Services	262.03	1,357.24	2,606.00	1,248.76	52
	260	Public Outreach & Regional Event Support	8,566.98	23,436.27	66,750.00	43,313.73	35
	261	Legal/Bond Counsel Services	360.00	6,840.00	25,000.00	18,160.00	27
	262	Financial Advisory Services	8,750.00	17,500.00	35,000.00	17,500.00	50
	263	Bond Trustee Fees		2,687.50	2,700.00	12.50	100
	264	Legislative Services	7,150.00	34,700.00	62,000.00	27,300.00	56
	265	Investment Custody Svc	5,080.00	10,100.00	25,000.00	14,900.00	40
		Total Account	30,169.01	119,693.01	255,387.00	135,693.99	47
430000		Technology/Communication					
	310	Acctg & Financial Report Systems	2,112.24	41,028.00	98,631.00	57,603.00	42
	320	HW SW & Peripheral Purchase		9,413.06	5,600.00	-3,813.06	168
	330	IT Support Svc Incl Hosting	1,587.03	12,459.09	23,374.00	10,914.91	53
	335	GIS/Project Mgt/Modeling		-500.00	150,232.00	150,732.00	
	340	Phone Service	862.70	5,269.09	10,716.00	5,446.91	49
	350	Web Develop & Hosting	1,087.50	4,033.01	9,756.00	5,722.99	41
		Total Account	5,649.47	71,702.25	298,309.00	226,606.75	24
440000		Administrative Expenses					
	410	Advertisement		195.00	1,500.00	1,305.00	13
	411	Dues & Subscriptions	897.50	11,224.22	10,544.00	-680.22	106
	412	Duplication & Printing	2,685.69	6,560.56	16,640.00	10,079.44	39
	413	Furniture & Fixture		7,802.12	8,100.00	297.88	96
	414	Hosted Meeting Expenses	689.57	3,176.37	3,780.00	603.63	84
	415	Mileage/Transportation	1,022.12	3,241.48	11,450.00	8,208.52	28
	417	Office Lease	14,044.96	109,290.77	190,561.00	81,270.23	57
	418	Office Supplies	486.54	2,575.43	8,065.00	5,489.57	32
	419	Postage & Delivery		157.30	700.00	542.70	22
	420	Professional Develop & Training	3,984.30	8,373.32	23,650.00	15,276.68	35
		Total Account	23,810.68	152,596.57	274,990.00	122,393.43	55

1000 General Fund

		----- Current Year -----				
Account Object	Description	Current Month	Current YTD	Budget	Variance	%
	Total Expenses	261,614.51	1,398,782.89	2,817,454.00	1,418,671.11	50
	Net Income from Operations	-261,614.51	-1,398,782.89			
Other Revenue						
383000	Transfer Operating Budget from Regional Revenue		1,481,896.50	2,963,793.00	-1,481,896.50	50
						50
	Total Other Revenue	0.00	1,481,896.50	2,963,793.00	-1,481,896.50	50
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	-261,614.51	83,113.61			