Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE
Friday, May 8 – 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 February 20, 2020 Meeting
Recommended Action: Approval [with abstentions from those who were not present]

Action Items

III. Regional Revenue Fund - Revenue Projection Update — Mr. Longhi, CFO
Recommended Action: Recommend Authority Adoption of Updated Revenue Estimates

IV. FY2024/25 PayGo Determination — Mr. Longhi, CFO
Recommended Action: Recommend Authority Adoption of FY2024/25 PayGo Determination

V. FY2021 Regional Revenue Fund Appropriations — Mr. Longhi, CFO
Recommended Action: Recommend Authority Adoption of FY2021 Project Appropriations

VI. TransAction Contract Amendment 6: COVID-19 2020 Travel Behavior
Mr. Longhi, CFO
Recommended Action: Recommend Authority Approval of Contract Amendment 6

Information/Discussion Items

VII. NVTA Finance Activities During Pandemic — Mr. Longhi, CFO

VIII. Investment Portfolio Report — Mr. Longhi, CFO

IX. Monthly Revenue Report — Mr. Longhi, CFO

X. Monthly Operating Budget Report — Mr. Longhi, CFO

Adjournment

XI. Adjournment

Next Scheduled Meeting May 21, or June 18, 2020 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, February 20, 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 1:06 PM.
- Attendees:
  - ✓ Authority Members: Chairman Parrish, Mayor Rishell; Chair Randall, Chairman McKay, Board Member Cristol
  - ✓ Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Richard Stavros (Investment & Debt Manager); Peggy Teal (Assistant Finance Officer); Erica Hawksworth (Communications & Public Affairs Manager)
  - ✓ Council of Counsels: Ellen Posner (Fairfax County - DOT) Rob Dickerson (Prince William County); Steve MacIsaac (Arlington County)
  - ✓ Other Attendees: Rich Roisman (Arlington County); Jessica Futrell (Loudoun County); Sarah Sade (Loudoun); Marcus Wadsworth (Fairfax County) Brent Riddle (Fairfax County); Brittany Martin (Prince William County); Tyler Carey (Prince William County); Ben Carbajal (Prince William County); Ciara Williams (DRPT)

II. Summary Minutes of the January 16, 2020 Meeting

- Mayor Rishell moved the approval of the January 16, 2020, minutes; seconded by Board Member Cristol. Motion Carried with abstentions by Chair Randall and Chairman McKay.

Action Items

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

- Mr. Longhi sought Finance Committee recommendation of Authority approval of the Proposed FY2021 Regional Revenue Fund Budget.
- Mr. Longhi highlighted that the report sections are tied to the Notes Column on Attachment 1, and took the Committee through the various sections that cover Revenues, Expenditures, Transfer and Carry Forwards, and Cumulative Regional Revenue Reserve Balances.
- The Report also contained another attachment with the NVTA FY2018 to FY2023 Six Year Program Appropriation Schedule, updated February 13, 2020.
- Mr. Longhi noted, the budget would be revised through adoption of new revenue estimates pending legislative action.
- He added that in periods where there are updates to the Six Year Program (SYP), such as now, there will be a need to return to the Committee with a Pay-Go recommendation. The PayGo recommendation will quantify the amount of money available to the Authority for projects in the two-year update to SYP.

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- Mr. Longhi reviewed the various Bills before the General Assembly with new potential revenue sources.
- With the Committee's agreement, Mr. Longhi outlined the timeline that the final budget would move forward to the Authority in March, noting NVTA's practice of submitting the budget before April 30th.
- Discussion on I-81 Revenue Shortfalls relative to VDOT Projections:
    - ✓ Mr. Longhi noted a blue sheet in the packet, which indicated declining FY2020 revenue projections to $2.9 million from VDOT's original projections of $9.4 million. Staff noted actual receipts of $1.5 million with annualized Year To Date projections of $4.7 million.
    - ✓ Board Member Cristol asked why the I-81 revenues are so much lower than expected, and whether it was true for the other regions.
    - ✓ Ms. Backmon answered that CTB and NVTA Member Mary Hynes, was able to talk to VDOT's CFO, Laura Farmer, and relayed that Ms. Farmer is watching the issue carefully, acknowledging the projections are not being met.
    - ✓ Ms. Backmon noted that she asked Mr. Longhi to send an e-mail to Ms. Laura Farmer, and her predecessor, John Lawson, now a Deputy Secretary of Transportation, with Ms. Hynes copied. Mr. Longhi noted that staff would be requesting more details on the three revenue components to better understand the reasons for the shortfall.
    - ✓ Ms. Backmon noted that the NVTA Finance team was preparing recommendations on the PayGo determination for the SYP update, and expressed concern about clarity of the I-81 revenues.
    - ✓ In response to a question from Chair Randall for more detail on truck registration fees, Mr. Longhi expanded there's two references to truck registration, domestic truck and international. He added that there's a rather complex formula based on data that is not readily available to NVTA staff, and reiterated the hope that the email staff is sending would lead to more transparency on how these calculations are being done.
    - ✓ Mayor Rishell asked whether the previous reason for the shortfall given, related to various tax platforms that were being revised to gather the fees, had been overcome. Mr. Longhi responded that hurdle was reportedly cleared, but it has not been reflected in the revenues received by the Authority at this time.
- Mr. Longhi reviewed budget line items (4c) CoVa Interest, (4d) Future Financing and (4e) investment portfolio interest, and then went on to review various budgeted expenditures, TransAction and project carryforwards, working capital reserve and debt service reserve, and noted that the budget is balanced.
- Chair Randall, Chairman McKay, Ms. Backmon and Mr. Longhi discussed the challenges of budgeting for future projects without protective language on future revenues. Mr. Longhi, highlighted the list of projects, in the current Six Year Program, and noted that in the event of a revenue cut, existing and future projects would have to be cut by any revenue shortfall.
- Mayor Rishell noted that new revenues being considered by the General Assembly would restore NVTA revenues previously diverted, not enhance funding. Chair Randall also noted the desire to work with jurisdictions and agencies to move projects toward completion.

Mayor Rishell moved the Finance Committee recommend Authority adoption of the proposed FY2021 Regional Revenue Fund Budget as presented, Seconded by Chairman McKay. Motion passed unanimously.

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

- Mr. Longhi presented the Proposed FY2021 Local Distribution Fund Budget, noting;
  - ✓ Local Distribution Fund (30%) revenues are distributed in their entirety to member jurisdictions in accord with HB2313 (2013).
  - ✓ Mr. Longhi noted the budget included NVTA staff's I-81 revenue projections.
  - ✓ Beginning with FY2020, the Authority elected to charge the operating budget contribution to the Regional Revenue Fund, which in turn resulted in an increase of 30% distribution to member jurisdictions.
  - ✓ Mr. Longhi noted in the Local Distribution Fund Report (line 5c) that since 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, staff would not have to submit revised budget appropriation requests.

Board Member Cristol moved the Finance Committee recommend Authority adoption of the proposed FY2021 Local Distribution Fund Budget as presented, Seconded by Chair Randall. Motion passed unanimously.

V. FY2021 Operating Budget Mr. Longhi, CFO

- Mr. Longhi presented the proposed FY2021 NVTA Operating Budget, noting the colored number report sections tie to the Notes Column on Attachment 1.
- On Personnel Expenditures
  - ✓ Salaries & Pay
    - Mr. Longhi noted performance-based staff compensation changes will be budgeted based on average annual increases adopted by NVTA member jurisdiction's FY2021 budgets and those of other Authorities and Commissions in Northern Virginia.
    - Mr. Longhi also noted that member jurisdictions have not finalized their FY2021 budgets. Therefore, a 4% increase is proposed to be programmed in the base budget for estimation purposes. The increase is later adjusted, once jurisdictional budgets are passed, and staff has reached out to regional HR directors, to stay within jurisdictional ranges.
    - Other Sections: Mr. Longhi reviewed Health & Dental Benefits (projected 4.8% increase in benefit premium), Retirement - Virginia Retirement System (VRS) (NVTA's contribution is 7.5% and the Authority fully funds the annually required contribution), Life & Disability Insurance (insurance is priced using salaries and age tiers, NVTA employees are moving into higher tiers).
- On Professional Services Changes
    - Insurance: Mr, Longhi noted a small adjustment, estimating a 5% increase above the FY2020 renewal, though staff will not know until after June 2020, when renewal rates will be available for NVTA's general liability, casualty, cyber, officer's and director's insurance.

        - Public Outreach & Regional Event Support: Costs are decreasing as a result of a one-time expense (economic analysis performed last year), Mr. Longhi noted.
        - Legal Services & Bond Counsel: Staff recommended a $15,000 reduction in this portion of the budget, and proposed the reduction be applied to another initiative.
        - Financial Advisory Services: Mr. Longhi noted a simple cost escalation of $875.
        - Legislative Services: Mr. Longhi noted $8,000 was added to the base budget in anticipation of a new multi-year contract (the current legislative service contract expires in FY2021 and does not contain escalations).
- Technology Communications
        - General Ledger/Financial Reporting & Investment Monitoring/Management Systems: These are ongoing expenses, hardware and software for accounting and investment management, that's replenishing the operating reserve, Mr. Longhi noted.
        - Other Sections: Mr. Longhi reviewed Hardware, Software & Peripheral Purchases (reduced $5,600 for one-time purchases related to new staff in FY2020), IT Support Service & Hosting (contractual increase of $921), GIS/Project Monitoring and Management/Modeling (one time cost of $140,000 for Phase 2 of the Project Implementation, Monitoring and Management System (PIMMS)).
- Administrative Expenses
        - Sections Overview: Mr. Longhi reviewed Duplication and Printing (reduction of $2,030 due to renegotiation of copier lease), Furniture and Fixtures (elimination of one-time expenses, $8,100, due to FY2020 staff increase), Hosting Meetings (Increase of $1,220 due to increased size and frequency of Authority and committee meetings), Equipment Replacement Reserve (equipment was replaced in FY19 and 20, no changes)
        - On the Office Lease, noting the office lease is showing a year-to-year decrease of $17,000, Mr. Longhi thanked the Finance Committee on guidance on renegotiating that lease, as lease costs would have gone up by $38,500 due to contract escalations and the addition of three more offices.
        - Chairman McKay asked about the reason for the increase in meeting costs and areas to streamline, noting that though the cost are minimal there is a concern over the correspondent increase in staff time on administrative duties.
        - Mr. Longhi responded that the increased costs were related to planning committees associated with the 2-year update to the SYP and TransAction updates.
- Proposed Budget Initiatives
    - ✓ Public Outreach & Regional Event Support:
        - Mr. Longhi reviewed a proposed base increase, ongoing expenses of $12,088, which will support the Authority's Strategic Plan Goal 1 – Regional Prosperity; Advocacy/Education through increasing awareness and understanding of NVTA's multimodal transportation investments.

- The base increase, Mr. Longhi noted, would support technical tools for social and traditional media and the automation of currently manual monitoring and tracking processes that will facilitate these goals.
- The proposed tools would allow a social media archive to support transparency and FOIA compliance, increased monitoring of references to NVTA in the media, contract video capture and editing, voiceover and script writing software, and purchase a software license to create social media content.
- Board Member Cristol asked whether enough video capture and editing capacity had been contracted given that increasingly the public engage with video online.
- Mr. Longhi responded that the proposals were reviewed by the standard of how much growth is likely to be scaled up in the first year.
- Board Member Cristol added that one of the nice things about platforms such as Facebook is that you can capture rich data about how many folks are engaging online with NVTA, and how long, and in what way. She said it would be interesting to compare, the response to social media versus video relative to more static approaches and making a big impact.
- Mr. Backmon noted that the other reason for the need for the increase is due to the update of TransAction, which has its own huge public involvement component.

✓ Legal Services/Bond Counsel

- Mr. Longhi presented a proposal to procure contracted legal services that would report to the Board. Contract services would include issues related to governance, policies, bylaws, procurement, employment, risk management, ethics and FOIA.
- Consultative services from the current Council of Counsels would be expected to remain as an on-call source during the transition period, Mr. Longhi noted.
- NVTA's proposed budget amount is $70,000 which would be 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.
- Various points of view on the proposal were expressed, whereas Mayor Rishell noted a potential for a conflict with jurisdictional counsel (Council of Counsels) giving legal advice when the institution is also chaired by that legal counsel's elected officials, or where there may be a conflict between NVTA and the jurisdiction on a legal matter.
- Chairman McKay noted that a conflict might or might not happen in the future adding the Council of Counsels or jurisdictional legal staff would be more committed and passionate than outside corporate counsel.
- Chair Randall suggested the work could be spread among more county attorneys, though it was noted that some jurisdictions have fewer legal resources, and there was discussion on how many is too many.
- Finance Committee members resolved there was a need to further discuss the need for contracted legal services.

✓ Project Information Monitoring and Management Systems (PIMMS)

- Enhancements to PIMMS are requested from NVTA staff as well as jurisdiction and agency staff.

Chair Randall moved the Finance Committee recommend Authority adoption of the proposed FY2021 Operating Budget, less $70,000 for outside legal services, Seconded by Chairman McKay. Motion passed unanimously.

Information/Discussion Items

VI. Policy 29 Report Mr. Longhi, CFO

- Mr. Longhi noted that no new projects had been identified for Policy 29 discrepancies at this time, and reviewed the progress of jurisdictions that had previous compliance issues.
    - Mr. Longhi reported that an agreement had been reached with Arlington County, whereas the county would withhold submitting project reimbursements until such time there was a project coordination agreement (PCA) in place with WMATA.
        - Mr. Longhi highlighted Arlington's proposed Ballston Schedule (including PCA and other milestones), which was added as a blue sheet to the report. Mr. Longhi noted the key piece is the WMATA PCA commits the agency to the support the project schedule.
        - Chairman Parrish noted his appreciation of NVTA and Arlington working towards this conclusion.
    - Mr. Longhi noted that Herndon was continuing to make progress on its projects, and that expenditure requests were coming in.
    - With respect to Fairfax County, compliance issues with the 12 noted projects had been cleared of largely administrative issues.

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 referred to the Blue sheet to point out that with the Wayfair decision the sales tax has significantly increased in what NVTA would typically report at this time, though NVTA lacks the data to differentiate the Internet sales from the annual growth experienced in the past.

IX. Monthly Operating Budget Report Mr. Longhi, CFO

- The Committee received a report on the Authority's Operating Budget. The report received and discussed the Operating Budget was within expected parameters.

Closed Session (Personnel Matter)

A motion was made by Chairman Parrish to enter closed session as authorized by Virginia Code Section Chapter 37, Title 2.2-3711.A.1 for the purpose of discussing a personnel matter.

Motion made by Chairman Parrish, seconded by Chairman McKay. Motion passed unanimously. (Enter closed session at 2.35 PM)

Chairman Parrish made a motion to reconvene from the closed session noting only matters lawfully exempted from the open meeting requirements under Chapter 37, Title 2.2 of the Code of Virginia and only those matters as were identified in the Motion by which the closed session was convened were heard, discussed or considered by the Committee.

Motion made by Chairman Parrish, seconded by Mayor Rishell, Motion passed unanimously. (Reconvened from closed session at 2:45 PM)

Adjournment: 2:46 PM

X. Adjournment

Next Scheduled Meeting April 16, 2020 at 1:00PM (Room B)

3040 Williams Drive, Suite 200, Fairfax, Virginia

III.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

M E M O R A N D U M

TO: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: May 1, 2020

SUBJECT: Regional Revenue Fund – Revenue Projection Update

I. **Purpose:** To seek Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation of Authority adoption of revised FY2020/23 and new FY2024/25 revenue projections.

II. **Suggested Motion:** *I move the Finance Committee recommend the Northern Virginia Transportation Authority adopt the FY2020 to FY2025 revenue projections presented in Table 1:*

Table 1

	Revised/Proposed FY2020 to FY2025 Revenue					
	Revised FY2020	Revised FY2021	Revised FY2022	Revised FY2023	Proposed FY2024	Proposed FY2025
Sales Tax	$ 190,819,996	$ 218,287,309	$ 269,593,219	$ 294,409,812	$ 301,770,057	$ 309,314,308
I-81 Corridor Fund	$ 2,300,000	$ 2,128,723	$ 3,910,372	$ 6,015,957	$ 6,015,957	$ 6,015,957
Grantor's		$ 11,100,000	$ 19,500,000	$ 24,000,000	$ 30,000,000	$ 30,000,000
NVTD Transfer		$ 20,000,000	$ 20,000,000	$ 20,000,000	$ 20,000,000	$ 20,000,000
Totals	$ 193,119,996	$ 251,516,032	$ 313,003,591	$ 344,425,769	$ 357,786,014	$ 365,330,265

III. **Background:**

a. Revenues are monitored monthly with projection revisions typically made concurrent with new funding program updates.
b. In addition to making initial projections for FY2024/25 Table 1 shows revised FY2020/23 projections critical to maintaining PayGo funding of approximately $1.3 billion for the FY2018 to FY2023 Six Year Program.
c. The FY2020/23 projections are revised estimates for:
    i. COVID-19 pandemic and related recession.
    ii. Inclusion of new revenues from the 2019 and 2020 General Assembly sessions.
d. The revised and initial projections are complicated by:
    i. A general economic collapse in the last quarter of FY2020.
    ii. Extension of the collapse in FY2021, most significantly in the first quarter and extending at a lesser scale into FY2022.

iii. Unemployment levels increasing sharply (in weeks) with projections potentially exceeding the Great Depression.
iv. Clouded scientific timelines for ramp up of (Personal Protective Equipment's (PPE), beneficial use period, widespread testing capacity and vaccine discovery/testing/production/distribution.
v. Historic national and international central bank monetary policy intervention.
vi. Financial market collapse.
vii. Freight spot market 70% collapse in weeks, with extended repercussions.
viii. Petroleum price war between Russia and Saudi Arabia.
ix. Governors sales tax remittance deferral (accounting, revenue and projection data impacts).
x. Length of current disruptions leading to lasting economic changes to retail, office space, personal services and leisure market sectors.
xi. Economic data availability for model use in calendar year format being applied in final/first fiscal quarter models.
xii. COVID-19 case and fatality counts still rising.
xiii. Phased re-opening with uncertainty of public's willingness to engage in prior commercial and social activities.
xiv. Recovery curve shape; V, U, L, or W.

IV. Discussion: Each of the Authority's four revenues are addressed in turn below, with a recap of the impact on the revenue restoration provided in the 2019 and 2020 General Assembly sessions. These are summary tables, a detailed master analysis is attached to this report.

V. Sales Tax (Table 2):

a. As the largest of the four revenues sales tax received significant focus with projection models based on Gross Domestic Product (GDP) history from prior downturns.
b. GDP data was used to capture the strongest data from national sources including Underwriting Banks, Bloomberg, independent economic firms and publications such as the Wall Street Journal.
c. Regional Domestic Product (RDP) was used to normalize the GDP data to Northern Virginia. Data from George Mason University – Fuller Institute was also used to help bring a regional focus.
d. GDP and RDP data were combined with actual sales tax data by each jurisdiction from FY1994 through FY2019.
e. COVID-19 case and fatality predictions were tracked from several sources since the downtown was triggered by the pandemic.
f. Multi factor shock analyses were conducted to look at best worse case scenarios.

g. Referring to Table 2 below:
    1. Starting point is Base Sales Tax Projections, originally calculated with input from member jurisdictions.
    2. The benefit of the addition of Internet Sales Tax, new in FY2020, is absorbed into the base in FY2022.
    3. Revenue reductions are related to the COVID-19 pandemic (dollars and % of sales tax).
    4. COVID-19 impact stops in FY2023 as lasting effects have become absorbed in the base.
    5. First time projections are presented for FY2024 and FY2025.

Table 2

	Sales Tax Summary					
	Revised FY2020	**Revised FY2021**	**Revised FY2022**	**Revised FY2023**	**Proposed FY2024**	**Proposed FY2025**
Sales Tax - Base	$ 265,846,393	$ 272,982,830	$ 287,229,085	$ 294,409,812	$ 301,770,057	$ 309,314,308
Internet (COVID-19 Adj)	$ 13,195,950	$ 13,550,185	(Absorbed Above)			
COVID-19 $	$ (88,222,347)	$ (68,245,706)	$ (17,635,866)			
COVID-19 %	-33.19%	-25.00%	-6.14%			
Revised/Proposed	$ 190,819,996	$ 218,287,309	$ 269,593,219	$ 294,409,812	$ 301,770,057	$ 309,314,308

VI. I-81 Corridor Funds (Table 3):

a. Starting point is based on NVTA estimates using actual remittances.
b. VDOT made significant (44% to 64%) reductions, in March of 2020, to its original estimates presented during the 2019 General Assembly Session.
c. COVID-19 reductions include the same analytics as Sales Tax with additional freight truck spot market information from Bloomberg and the Wall Street Journal.
d. COVID-19 impact ends in FY2022, based on truck freight being an early recovery indicator.

Table 3

	I-81 Corridor Funds			
	FY2020	FY2021	FY2022	FY2023
VDOT 1st Projection	$ 10,100,000	$ 14,800,000	$ 20,900,000	$ 21,200,000
VDOT 2nd Projection	N/A	$ 5,400,000	$ 11,500,000	$ 11,900,000
Difference $	?	$ (9,400,000)	$ (9,400,000)	$ (9,300,000)
Difference %	?	-64%	-45%	-44%
NVTA Estimate	$ 2,900,000	$ 4,257,447	$ 6,015,957	$ 6,015,957
Diff. From 1st Estimate	$ (7,200,000)	$ (10,542,553)	$ (14,884,043)	$ (15,184,043)
Diff. From 2nd Estimate	?	$ (1,142,553)	$ (5,484,043)	$ (5,884,043)
COVID-19 $	$ (600,000)	$ (2,128,724)	$ (2,105,585)	$ -
COVID-19 %	-20.69%	-50.00%	-35.00%	
I-81 Net of COVID19	$ 2,300,000	$ 2,128,723	$ 3,910,372	$ 6,015,957

VII. Grantor's Tax (Table 4):

a. This revenue starts (restarts) in FY2021.
b. The 2020 Omnibus Transportation Bill as amended, and NVTA initial projections for Grantor's starting in FY2021 were in agreement at $30 million.
c. COVID-19 impacts come in two forms:
    1. Governor's one-time reduction in the tax rate for FY2021 effectively reducing revenue by half or $15 million.
    2. Recession impacts developed with much the same data as sales tax with specific data from the Northern Virginia Association of Realtors (NVAR), Bloomberg, Fuller Institute, and the Wall Street Journal, as well as historic data from the region's four counties starting in FY1994.
    3. Recession impacts include stifled growth of the revenue line through the estimation period based on commercial real estate concerns.

Table 4

	Grantor's Tax			
	FY2020	FY2021	FY2022	FY2023
NVTA Original Projection		$ 30,000,000	$ 30,000,000	$ 30,000,000
Governor's COVID-19 Reduction		$ (15,000,000)		
Grantor's COVID-19 $		$ (3,900,000)	$ (10,500,000)	$ (6,000,000)
Grantors Net of COVID19		$ 11,100,000	$ 19,500,000	$ 24,000,000
Grantor's COVID-19 %		-26.0%	-35.0%	-20.0%

VIII. NVTD Transfer (No Table):

a. This revenue line is a transfer from the Commonwealth's Northern Virginia Transportation District Fund to the NVTA.

b. Since it is a transfer of a fixed $20 million amount it has no economic growth prospects and no COVID-19 impact (assuming no legislative budget amendments).

IX. COVID-19 and Funding Restoration Summary (Table 5)

a. This table shows the impact of COVID-19 on FY2020 through FY2023, the remaining years in the current Six Year Program. The impact is estimated at $40.2 million.

b. The table also shows the impact of VDOT estimate changes compared to what was shared during the 2019 and 2020 General Assembly Sessions. The total impact of the VDOT estimate changes is $47.8 million, with the direct impact based on changes to the VDOT projections being a reduction of $35.3 million. An indirect impact of $12.5 million based on NVTA's actual receipts is included due to induced uncertainty.

Table 5

COVID-19 & Restoration Summary	FY2020	FY2021	FY2022	FY2023	Totals
I-81	$ 10,100,000	$ 14,800,000	$ 20,900,000	$ 21,200,000	$ 67,000,000
Grantors		$ 30,000,000	$ 30,000,000	$ 30,000,000	$ 90,000,000
NVTD Transfer		$ 20,000,000	$ 20,000,000	$ 20,000,000	$ 60,000,000
Total	$ 10,100,000	$ 64,800,000	$ 70,900,000	$ 71,200,000	$ 217,000,000
VDOT Est. Impact	$ (7,200,000)	$ (10,542,553)	$ (14,884,043)	$ (15,184,043)	$ (47,810,639)
COVID-19	$ (600,000)	$ (21,028,724)	$ (12,605,585)	$ (6,000,000)	$ (40,234,309)
	$ (7,800,000)	$ (31,571,277)	$ (27,489,628)	$ (21,184,043)	$ (88,044,948)
Net Restoration	$ 2,300,000	$ 33,228,723	$ 43,410,372	$ 50,015,957	$ 128,955,052

X. Next Steps:

Revenue projections feed into the PayGo determination in support of the current FY2018 to FY2023 Six Year Program and two-year update (FY2024 and FY2025). The two-year update project decisions are currently planned for Authority action at the July 2020 meeting.

Attachment: Revised FY2018/23 Revenue – Proposed FY2024/25 Revenue

III. Attachment

Revised FY2018/23 Revenue - Proposed FY2024/25 Revenue

	FY2018 Appropriated	FY2019 Appropriated	FY2020 Proposed Revision	FY2021 Revised Projection	FY2022 Revised Projection	FY2023 Revised Projection	FY18/23 SYP Revised Projections	FY18/23 SYP Original	FY18/23 SYP Difference	FY2024 Revised Projection	FY2025 Revised Projection	FY2024/25 Totals	FY2020/25 Program Total
Sales Tax - Base	$ 253,421,493	$ 258,926,224	$ 265,846,393	$ 272,982,830	$ 287,229,085	$ 294,409,812	$ 1,632,815,836	$ 1,619,773,594	$ 13,042,242	$ 301,770,057	$ 309,314,308	$ 611,084,365	$ 1,731,552,484
Sales Tax - Internet (COVID19 Adj)			$ 13,195,950	$ 13,550,185	(Absorbed Above)		$ 26,746,135		$ 26,746,135				
COVID-19 $			$ (88,222,347)	$ (68,245,706)	$ (17,635,866)		$ (174,103,919)		$ (174,103,919)				$ (174,103,919)
COVID-19 %			-33.19%	-25.00%	-6.14%								
Net Sales Tax	$ 253,421,493	$ 258,926,224	$ 190,819,996	$ 218,287,309	$ 269,593,219	$ 294,409,812	$ 1,485,458,052	$ 1,619,773,594	$ (134,315,542)	$ 301,770,057	$ 309,314,308	$ 611,084,365	$ 1,584,194,700
Transient Occupancy	$ 30,218,980						$ 30,218,980	$ 30,218,980	$ -				
Truck Reg/Diesel (I-81)			$ 2,900,000	$ 4,257,447	$ 6,015,957	$ 6,015,957	$ 19,189,361		$ 19,189,361	$ 6,015,957	$ 6,015,957	$ 12,031,914	$ 31,221,275
Trk Reg/Diesel Net of COVID19			$ 2,300,000	$ 2,128,723	$ 3,910,372	$ 6,015,957	$ 14,355,052		$ 14,355,052				
COVID-19 $			$ (600,000)	$ (2,128,724)	$ (2,105,585)		$ (4,834,309)		$ (4,834,309)				
COVID-19 %			-20.69%	-50.00%	-35.00%								
Grantors	$ 44,616,624			$ 15,000,000	$ 30,000,000	$ 30,000,000	$ 119,616,624	$ 44,616,624	$ 75,000,000	$ 30,000,000	$ 30,000,000	$ 60,000,000	$ 135,000,000
Grantors Net of COVID19				$ 11,100,000	$ 19,500,000	$ 24,000,000	$ 54,600,000		$ 54,600,000	$ 30,000,000	$ 30,000,000	$ 60,000,000	$ 114,600,000
Grantor's COVID-19 $				$ (3,900,000)	$ (10,500,000)	$ (6,000,000)	$ (20,400,000)		$ (20,400,000)				$ (20,400,000)
Grantor's COVID-19 %				-26.00%	-35.00%	-20.00%							
Commonwealth NVTD Transfer				$ 20,000,000	$ 20,000,000	$ 20,000,000	$ 60,000,000		$ 60,000,000	$ 20,000,000	$ 20,000,000	$ 40,000,000	$ 100,000,000
Total	$ 328,257,097	$ 258,926,224	$ 193,119,996	$ 251,516,032	$ 313,003,591	$ 344,425,769	$ 1,644,632,084	$ 1,694,609,198	$ (5,360,490)	$ 357,786,014	$ 365,330,265	$ 723,116,279	$ 1,825,181,666
70%	$ 229,779,968	$ 181,248,357	$ 135,183,997	$ 176,061,222	$ 219,102,513	$ 241,098,038	$ 1,182,474,096	$ 1,186,226,439	$ (3,752,343)	$ 250,450,210	$ 255,731,186	$ 506,181,395	$ 1,277,627,166
30%	$ 98,477,129	$ 77,677,867	$ 57,935,999	$ 75,454,810	$ 93,901,077	$ 103,327,731	$ 1,227,048,128	$ 508,382,759	$ 718,665,369	$ 107,335,804	$ 109,599,080	$ 216,934,884	$ 547,554,501

IV.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

M E M O R A N D U M

TO: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: May 1, 2020

SUBJECT: FY2024/25 PayGo Determination

I. **Purpose:** To seek Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation for Authority adoption of proposed FY2020 to FY2023 PayGo revisions and new PayGo amounts for FY2024/25.

II. **Suggested Motion:** *I move the Finance Committee recommend the Northern Virginia Transportation Authority adopt the PayGo Funding recommendations detailed in Table 1 below:*

Table 1

Recommended PayGo Funding FY2020 through 2025					
Revised Amounts				New Amounts	
FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
$140,020,254	$ 213,857,667	$ 215,082,332	$ 237,162,973		
		Projected Carry Forward	$ 47,463,254		
			New PayGo	$ 239,746,735	$ 234,941,973
			Total New Available PayGo		$ 522,151,962

III. **Background:**

a. The PayGo determination process refines the gross amount of Regional Revenue funds projected to be available in future years to the amount of funds available to support Authority determined regional transportation projects.

b. On June 6, 2018, the Finance Committee made a $1.285 billion PayGo funding recommendation, which when adopted by the Authority, became the revenue source for the first Six Year Program (SYP) covering FY2018 to FY2023.

c. NVTA planning staff are currently developing regional transportation project recommendations for the Planning and Programming Committee consideration. Authority adoption of the SYP update is scheduled for July 2020.

d. These project recommendations will be a two-year update to the SYP creating a new SYP for FY2020 through FY2025.

e. Supporting PayGo in the remaining years of the current SYP to follow through on Authority commitments in the midst of the COVID-19 pandemic, record unemployment and financial market turmoil is a critical feature of the presented recommendations.
f. Supporting current SYP project commitments while attempting to bring the greatest amount of resources to projects in the two-year update, necessitates the proposed temporary suspension of certain prior practices. Those will be detailed in the Key Assumptions section of this report.
g. Risk mitigation features will also be addressed later in this report.
h. Total potential value of the FY2020 through 25 SYP will be $1,328,275,188, with $522,151,962 available for new projects (FY2024/25).
i. Revisions for FY2020/23 for new funding approved in the 2019 and 2020 General Assembly Sessions and the COVID-19 Pandemic, were made in the revenue estimates report noted earlier on the agenda.

IV. PayGo Estimation Analysis:

a. Moving from gross Regional Revenue Fund amounts to PayGo involves 14 calculation steps. Some of these steps are based on current known data points, some are based on estimates extended over a six-year horizon.
b. Known data points are:
    i. Audited Fund Balances
    ii. Proposed Taper Release
    iii. Debt Service
    iv. Proposed Taper Reinstatement
c. Estimates include:
    i. Portfolio interest earnings (adjusted for COVID-19 and financial market turmoil)
    ii. Future TransAction Update costs
    iii. Technical support costs (Long Term Benefits, CRRC, SYP Updates)
    iv. Regional modeling and data initiatives
    v. Operating budget transfer
    vi. Proposed one time use of unaudited projected carryforward
d. Calculation details can be found on the attached FY2020 through 2025 PayGo Determination Analysis

V. Key Assumptions: In order to mitigate revenue damage brought about by the COVID-19 related recession, the NVTA Finance Team has made the following key assumptions, which while not violating any policy, are a temporary departure from prior practice.

a. Released $30.3 million in Revenue Taper Funds. The Taper was specifically designed to mitigate such unknowable events as COVID-19. The Taper is reestablished in FY2024 and FY2025
b. Previously, we have relied on Audited Fund Balances to increase available PayGo. We propose the addition of $47.5 million in projected (unaudited) fund balance. We will return to only using Audited Fund Balances in FY2026 estimates.
c. Current Audited Fund Balance of $52.5 million is completely deployed in the FY2020/23 horizon instead of carrying forward to FY2024 as part of the recommended revisions.
d. Portfolio earning increases related to Finance Committee recommendation and Authority support for tools such as Bloomberg Subscriptions has contributed approximately $18.3 million above the budgeted amount of $15.3 (On total earnings of $33.6 million, net of unrealized market gains/losses) to this amount.
e. Future cost estimates are conservative in light of the estimate range stretching over a six-year time horizon.

VI. Risk Mitigation:

a. No use of the Working Capital Reserve (WCR) of $120 million is currently proposed.
b. NVTA staff recommends no early appropriation (earlier than FY2024) of the projected PayGo of $522.1 million. This recommendation can be re-examined as the economic picture becomes clearer, after approximately 12 months.
c. NVTA staff can use SPA Appendix B approvals to manage liquidity demands.
d. Authority credit ratings, the WCR, new revenue sources and long project horizons provide strong fundamentals for the use of short-term financing if required, to support project commitments.

Attachment: FY2020 through 2025 PayGo Determination Analysis

IV. Attachment

FY2020 Through 2025 PayGo Determination

	FY2018 Appropriated	FY2019 Appropriated	FY2020 Revision	FY2021 Projection	FY2022 Projection	FY2023 Projection	FY18/23 SYP Projections	FY18/23 SYP Original	FY18/23 SYP Difference	FY2024 Projection	FY2025 Projection	FY2024/25 Totals	FY2020/25 Program Total
70%Gross Revenue	$229,779,968	$181,248,357	$ 135,183,997	$ 176,061,222	$ 219,102,513	$ 241,098,038	$ 1,182,474,095	$ 1,186,226,439	$ (3,752,344)	$ 250,450,210	$ 255,731,186	$506,181,396	$1,277,627,166
+I-66 OTB $100m Carryover	$100,000,000						$ 100,000,000	$ 100,000,000	$ -			$ -	$ -
+Fund Interest Income (Net of Unrealized Gain/Loss)	$ 5,530,000	$ 10,000,000	$ 17,000,000	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ 47,530,000	$ 55,530,000	$ (8,000,000)	$ 5,000,000	$ 5,000,000	$ 10,000,000	$ 42,000,000
Audited Fund Balance FY2017	$ 11,314,885						$ 11,314,885	$ 11,314,885	$ -				
Audited Fund Balance FY2019				$ 41,274,115			$ 41,274,115		$ 41,274,115			$ -	$ 41,274,115
Taper Release				$ 4,884,488	$ 10,038,515	$ 15,449,240	$ 30,372,243		$ 30,372,243				$ 30,372,243
-Existing Debt Service	$ (5,549,950)	$ (5,549,950)	$ (5,549,950)	$ (5,548,450)	$ (5,547,500)	$ (5,550,000)	$ (33,295,800)	$ (33,295,800)	$ -	$ (5,550,555)	$ (5,547,250)	$ (11,097,805)	$ (33,293,705)
- SB1468 Operating Budget Transfer (Eff FY20)			$ (2,963,793)	$ (2,769,220)	$ (3,047,681)	$ (3,310,065)	$ (12,090,759)		$ (12,090,759)	$ (3,620,568)	$ (3,801,596)	$ (7,422,164)	$ (19,512,923)
-SYP/CRRC Tech Support		$ (160,000)		$ (160,000)			$ (320,000)	$ (480,000)	$ 160,000	$ (160,000)		$ (160,000)	$ (320,000)
-LTB Interim Tech Support			$ (150,000)		$ (150,000)		$ (300,000)	$ (150,000)	$ (150,000)	$ (150,000)		$ (150,000)	$ (450,000)
Modeling Software					$ (250,000)		$ (250,000)		$ (250,000)				$ (250,000)
Modeling Licenses & Support					$ (25,000)	$ (25,000)	$ (50,000)		$ (50,000)	$ (25,000)	$ (25,000)		$ (100,000)
Big Data' Sources						$ (50,000)	$ (50,000)		$ (50,000)	$ (50,000)	$ (50,000)		$ (150,000)
-TransAction Update			$ (3,500,000)				$ (3,500,000)	$ (3,500,000)	$ -		$ (4,000,000)	$ (4,000,000)	$ (7,500,000)
Transfers and Expenditures Estimate Totals	$ -	$ (160,000)	$ (6,613,793)	$ (2,929,220)	$ (3,472,681)	$ (3,385,065)	$ (16,560,759)	$ (4,130,000)	$ (12,430,759)	$ (4,005,568)	$ (7,876,596)	$ (11,732,164)	$ (28,282,923)
Subtotal	$341,074,903	$185,538,407	$ 140,020,254	$ 218,742,155	$ 225,120,847	$ 252,612,213	$ 1,363,108,779	$ 1,315,645,524	$ 47,463,255	$ 245,894,087	$ 247,307,340	$493,351,427	$1,329,696,896
Taper Factor			1.000	97.50%	95.00%	92.50%				0.975	0.950		
-Adopted Taper				$ (4,884,488)	$ (10,038,515)	$ (15,449,240)	$ (30,372,243)	$ (30,372,243)	$ -	(6,147,352)	(12,365,367)	(18,512,719)	(48,884,962)
PayGo Amount Available	$341,074,903	$185,538,407	$ 140,020,254	$ 213,857,667	$ 215,082,332	$ 237,162,973	$ 1,332,736,536	$ 1,285,273,281	$ 47,463,255	239,746,735	234,941,973	474,688,708	1,280,811,934
Adopted PFY18/23 PayGo (March 2018)	$341,074,903	$185,538,407	$ 186,892,525	$ 190,495,043	$ 190,731,780	$ 190,540,624	$ 1,285,273,282						
Difference	$ -	$ -	$ (46,872,271)	$ 23,362,624	$ 24,350,552	$ 46,622,349	$ 47,463,254						
Appropriated/Committed PayGo		$524,933,959	$ 423,324,652	$ 180,200,000	$ 22,750,000	$ 134,064,670	$ 1,285,273,281						
Cumulative Balance		$526,613,310	$ 713,505,835	$ 904,000,878	$ 1,094,732,658	$ 1,285,273,282		SYP Update Total	$522,151,962				

V.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

M E M O R A N D U M

TO: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: May 1, 2020

SUBJECT: FY2021 Regional Revenue Fund Appropriations

I. Purpose: To seek Northern Virginia Transportation Authority (NVTA) Finance Committee budget appropriation action for those projects from the FY2018 to FY2023 Six Year Program (SYP) requiring FY2021 Regional Revenue (PayGo) Funds.

II. Suggested Motion: *I move the Finance Committee recommend the Northern Virginia Transportation Authority appropriate $182.5 million of FY2021 Regional Revenue Funds to the seven projects in the FY2018-FY2023 Six Year Program as detailed in Table 1 below:*

FY2018 to FY2023 Six Year Program (FY2021 Appropriations) **TABLE 1**

Project ID#	Jurisdiction / Agency	Project	Proposed FY2021 Appropriation
2018-040-1	City of Alexandria	West End Transitway: Northern Segment (Phase 1)	2,200,000
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
2018-032-1	Prince William County	Construct Route 28 Corridor Roadway Improvements	89,000,000
2018-056-0	Town of Leesburg	Construct Interchange at Route 15 Bypass and Battlefield Parkway	2,000,000
2018-057-0	Town of Vienna	Mill St NE Parking Garage (Note: no longer accurate location/name)	2,300,000
2018-058-1	VRE	VRE Crystal City Station Improvements	4,000,000
		Total	$ 182,500,000

III. Background:

a. The NVTA Finance Committee initiated development of a funding strategy for the Authority's inaugural FY2018 - FY2023 Six Year Program (SYP) in May of 2017.

b. On June 6, 2018, the Finance Committee made a $1.285 billion PayGo funding recommendation to the NVTA Planning and Programming Committee (PPC) for the SYP.

c. In September of 2018, the Finance Committee recommended a SYP funding strategy to the Authority. This strategy included recommendations for FY2019 appropriations and an appropriation schedule for the remaining years in the SYP to FY2023.

d. In October 2018, the Authority approved the Finance Committee recommended FY2019 appropriations and appropriation schedule.
e. In April 2019, the Authority approved the Finance Committee recommended FY2020 appropriations and appropriation schedule.

IV. Discussion:

a. The seven projects in the proposed FY2021 appropriation recommendation total $182.5 million.
b. The FY2021 projects are part of the $1.285 billion FY2018/23 SYP Appropriation Schedule presented as Attachment 1.
c. The Appropriation Schedule provides project sponsors in the adopted SYP a plan for when their projects will receive an appropriation. It will be updated in conjunction with any future appropriation action taken by the Authority.
d. Color Codes and arrows on the Appropriation Schedule reflect changes in appropriation years for projects during the preceding years.

Coordination: Regional Jurisdictions and Agencies

Attachment: NVTA FY2018 to FY2023 Six Year Program Appropriation Schedule as of May 1, 2020

V. Attachment

NVTA FY2018 to FY2023 Six Year Program Appropriation Schedule (Update: 5/1/2020)

Project ID#	Jurisdiction / Agency	Project	Appropriated FY2019	Appropriated FY2020	Proposed FY2021	Scheduled FY2022	Scheduled FY2023
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 (Fraley 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	→	
		Current Total by Fiscal Year	$ 524,933,959	$ 423,324,652	$ 182,500,000	$ 22,750,000	$ 131,764,670
		Cumulative by Fiscal Year	$ 524,933,959	$ 948,258,611	$ 1,130,758,611	$ 1,153,508,611	$ 1,285,273,281
		Original Schedule Totals	$ 527,233,959	$ 537,556,161	$ 195,833,161	$ 22,750,000	$ 1,900,000

VI.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

M E M O R A N D U M

TO: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: May 1, 2020

SUBJECT: TransAction Contract Amendment 6: COVID-19 2020 Travel Behavior

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1. **Purpose:** To seek Northern Virginia Transportation Authority (NVTA) Finance Committee recommendation of Authority approval of Amendment 6 to the 2015 TransAction Update contract.

2. **Suggested Motion:** *I move Finance Committee recommendation of Authority approval of the attached TransAction Contract Amendment 6: COVID-19 2020 Travel Behavior in an amount not to exceed $50,000.*

3. **Background/Discussion:**
    a. After a competitive procurement process, the Authority approved a contract for the update to the Northern Virginia regional transportation plan (TransAction) on July 23, 2015.
    b. Ongoing technical support was envisioned in the original TransAction Update contract with AECOM Technical Services Inc., with the understanding such support services would be managed through amendments to the original contract.
    c. This amendment will allow NVTA and the region to better understand the staged recovery impact from COVID-19 on the region's multimodal transportation network, testing the effects of revised 'work from home' assumptions on transportation operating conditions and capital investment decisions.
    d. The Authority's Executive Director is currently in discussion with the regional business community on current and post COVID-19 impacts affecting transportation.
    e. The results of this analysis will provide data that could benefit NVTA's jurisdictional members, transit agencies and the business community.
    f. The attached proposed amendment document references the technical specifications (scope), schedule and costs outlined in AECOM's attached proposal dated April 24, 2020.
    g. Funds for these technical services are within the original contract budget adopted in 2015.
    h. The current TransAction contract term ends in July 2020. The proposed amendment includes an extension to August 30, 2020, in case a formal presentation to the Authority is requested.

2. **Next Steps:** If recommended by the Finance Committee, the attached contract amendment will be presented to the Authority for approval at the May 14, 2020 meeting.

Attachments: TransAction Update Contract Amendment 6.
AECOM Proposal dated April 24, 2019

VI. Attachment

Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

NVTA TransAction 2040 Update (RFP #2015-01)

Contract Amendment #6 – COVID-19 2020 Travel Behavior

May 14, 2020

This document defines additional tasks and deliverables related to ongoing analysis supporting TransAction. The additional work relates to updating Task 12: Interim Updates during Plan Lifecycle:

Task 12: Interim Updates during Plan Lifecycle

Objective: to enable interim updates (as needed) of the TransAction long range transportation plan following adoption and prior to the next full update.

Background:
The Northern Virginia region is seeing a dramatic reduction in travel in response to the COVID-19 Pandemic. In anticipation of a staged recovery from the Pandemic, NVTA has an opportunity to better understand how the multi-modal transportation network would perform under different demand scenarios. Specifically, as business leaders and government officials set policy for returning to work, the Authority wishes to test the effects on transportation operating conditions and capital investment decisions.

This effort supports the Authority's role as the region's multi-modal transportation planning and funding organization.

Schedule:

- May 15: Anticipated NTP
- June 1: Input scenarios defined
- June 15: Outputs and draft technical memorandum
- June 30: Final technical memorandum

DRAFT

Contract Term: The contract term is amended from an end date of July 23, 2020 to August 30, 2020 in case a presentation of result to the Authority is requested.

Specific Amendment 6 deliverables and pricing is detailed on the attached proposal from AECOM Technical Services Inc. dated April 24, 2020.

_____	_____
Monica Backmon NVTA Executive Director	AECOM (Signature)
_____	_____
Date	Printed Name
	_____
	Date

DRAFT

VII.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

M E M O R A N D U M

TO: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: May 1, 2020

SUBJECT: NVTA Finance Activities During the Pandemic

---

1. **Purpose:** To inform the Northern Virginia Transportation Authority (NVTA) Finance Committee of financial and administrative activities during the COVID-19 pandemic remote work order.

2. **Discussion:**
   a. The NVTA Continuity of Operations Plan (COOP) is fundamentally based on no backup location. Instead, it relies on each employee being equipped with a NVTA laptop and mobile phone and the expectation any interruption of the physical office would be immediately filled by working from home.
   b. All NVTA computer systems (Accounting, Investments, GIS, Websites) are externally hosted and maintained with support provided contractually. Banking, investment and payroll services are externally processed.
   c. NVTA has no technology staff, our laptops and other equipment are supported externally under an IT Services Contract. This contract also covers all transactional and data storage servers.
   d. All systems and processes have remained accessible and stable during remote work.
   e. During the current remote work period staff have completed the transactions summarized below:

NVTA Transactions During COVID-19 Forced Telework For the Date Range: 3/17/2020 - 4/30/2020		
Revenue Received	$	40,668,972
Project Reimbursements	$	23,108,465
2 - 30% Local Distributions	$	13,398,031
Investment Purchases	$	35,090,079
Investment Maturities/Coupons	$	107,814,408
Investment re-position	$	164,500,000
Administrative Transactions	$	1,108,838
Total	$	385,688,792

f. Finance staff quickly made the following adaptions to prepare for longer term remote work:
    i. Removed the need to process any vendor payment checks by moving all accounts to ACH or wire based transactions.
    ii. Implemented audit complaint electronic signatures.
    iii. Limited office visits to once a week by one person, taking turns, mostly to monitor physical mail and package receipt.
g. Expanded use of electronic file share for project reimbursement requests.
h. Working with NVTA's planning team, developed specifications, conducted product reviews, identified, procured and implemented the WebEx remote meeting tool.
i. Conducted due diligence reviews of investment portfolios holdings.
j. Completed FY2020 external audit 'on-site' audit phase – remotely, with no procedural or transaction issues noted at this phase.

VIII.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

M E M O R A N D U M

TO: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: May 1, 2020

SUBJECT: Investment Portfolio Report

1) **Purpose:** To provide the Northern Virginia Transportation Authority (NVTA) with required reports on investment activities and portfolio performance through April 30, 2020.

2) **Background:** This report is on investment activity through April 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.

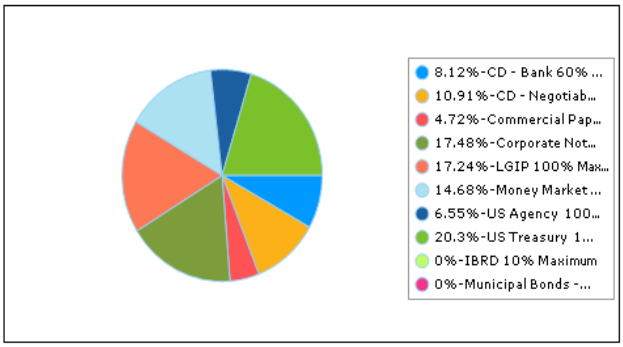
Northern Virginia Transportation Authority
Distribution by Asset Category - Book Value
Report Group: Regional Revenue

Begin Date: 1/31/2020, End Date: 4/30/2020

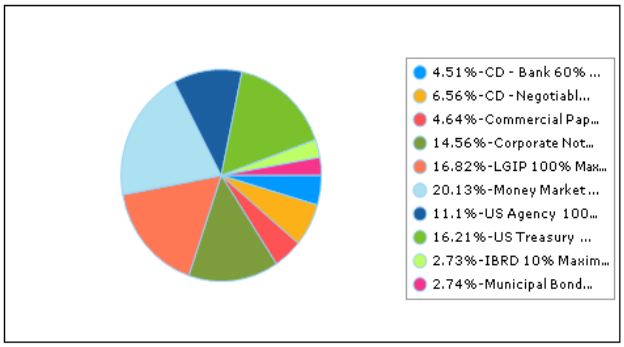
Asset Category Allocation

Asset Category	Book Value 1/31/2020	% of Portfolio 1/31/2020	Book Value 4/30/2020	% of Portfolio 4/30/2020
CD - Bank 60% Maximum	87,134,723.53	8.12	49,500,000.00	4.51
CD - Negotiable 25% Maximum	117,000,451.10	10.91	72,000,000.00	6.56
Commercial Paper 30% / 5% Maximum	50,637,049.99	4.72	50,874,725.00	4.64
Corporate Notes 50% Maximum	187,512,695.58	17.48	159,799,894.67	14.56
LGIP 100% Maximum	184,994,771.31	17.24	184,615,298.21	16.82
Money Market 60% Maximum	157,472,265.68	14.68	220,935,124.60	20.13
US Agency 100% Maximum	70,253,437.33	6.55	121,821,281.86	11.10
US Treasury 100% Maximum	217,771,094.39	20.30	177,913,103.30	16.21
IBRD 10% Maximum	0.00	0.00	30,002,770.51	2.73
Municipal Bonds - US 75% Maximum	0.00	0.00	30,018,519.97	2.74
Total / Average	1,072,776,488.91	100.00	1,097,480,718.12	100.00

Portfolio Holdings as of 1/31/2020



Portfolio Holdings as of 4/30/2020



3) Current Period Reports:

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

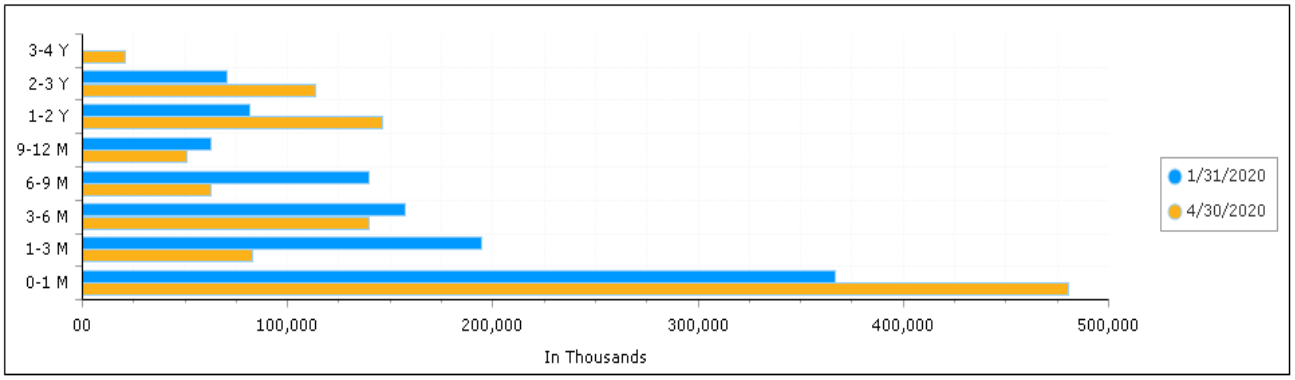
Northern Virginia Transportation Authority
Distribution by Maturity Range - Book Value
Report Group: Regional Revenue

Begin Date: 1/31/2020, End Date: 4/30/2020

Maturity Range Allocation

Maturity Range	Book Value 1/31/2020	% of Portfolio 1/31/2020	Book Value 4/30/2020	% of Portfolio 4/30/2020
0-1 Month	367,062,425.73	34.22	480,515,168.09	43.78
1-3 Months	194,201,371.29	18.10	82,917,592.20	7.56
3-6 Months	157,604,549.14	14.69	139,942,542.60	12.75
6-9 Months	139,893,021.03	13.04	62,406,216.10	5.69
9-12 Months	62,360,925.88	5.81	51,143,292.68	4.66
1-2 Years	81,445,155.54	7.59	145,909,408.78	13.29
2-3 Years	70,209,040.30	6.54	113,646,497.67	10.36
3-4 Years	0.00	0.00	21,000,000.00	1.91
Total / Average	1,072,776,488.91	100.00	1,097,480,718.12	100.00

Portfolio Holdings



b. The liquidity of the portfolio is reflected in the portfolio's duration of .43 (1.0 = 1 year) and the maturity schedule shown above.

NVTA Investment Benchmarks	Apr-20 Month End
Fed Funds Rate	0.05%
Treasury 90 Day T Bill	0.12%
Local Government Investment Pool	1.01%
Virginia Non-Arbitrage Program *	0.86%
NVTA Performance	**1.63%**

Source: Bloomberg, Statements

*SNAP 7-day yield, 4/30

c. The yield on the portfolio at the end of April 2020 was 1.63. The NVTA's Investment Policy specifies the benchmarks shown above for yield performance comparison.

4) Portfolio Analysis & Statistics Overview

a) Safety

i) **Covid-19 Stress Test - Portfolio Safety Review:** Staff undertook an extensive review of the investment portfolio to evaluate the potential risks to its holdings, and concluded the portfolio well positioned to weather the economic fallout from the Covid-19 pandemic. Below please find an overview:

a. **AAA/AA rated U.S. Treasury and Agency Bonds (27.31%):** U.S. Treasuries and various U.S. agencies, the safest investments in the world, represent the majority of NVTA's portfolio holdings. NVTA has increased its U.S. government bond holdings (to increase safety) and plans to continue to add significantly to its position.

b. **Collateralized bank money market accounts and CD's (15.61%):** All of NVTA's bank money market and time deposits are protected through the Commonwealth of Virginia collateralization program, or are FDIC insured.

c. **AAA/AA rated investment grade corporate bonds (14.56%):** Staff conducted a full review using various credit and solvency metrics, and reached out to credit analysts from S&P, Moody's and Fitch. Credit rating agencies judged the companies to have sufficient earnings and reserves for NVTA's corporate bonds to retain investment grade credit ratings. NVTA's independent analysis and credit market values also support this finding (see chart below).

d. **Commercial Paper and Negotiable CD's (11.2%):** Nearly all of NVTA's commercial paper and negotiable bank CDs mature in the next 90 days. All the holdings have retained their short-term investment grade ratings.

Credit Markets: Project Less Than 1% Default Probability on NVTA Corporate Bonds

Name	Bloomberg Default Risk	1 Yr Default Likelihood	Model 5 Yr CDS Spread (bp)
EXXON MOBIL CORP	IG7	0.069%	129
CHEVRON CORP	IG8	0.097%	151
TOYOTA MOTOR CORP	IG6	0.044%	45
AUTOMATIC DATA PROCESSING	IG2	0.003%	60
APPLE INC	IG4	0.008%	68
BANK OF NEW YORK MELLON CORP	IG10	0.450%	124
BERKSHIRE HATHAWAY INC-CL B	IG1	0.002%	67
JOHNSON & JOHNSON	IG1	0.001%	44
PROCTER & GAMBLE CO/THE	IG3	0.006%	60
WALMART INC	IG2	0.003%	56
MICROSOFT CORP	IG2	0.004%	61

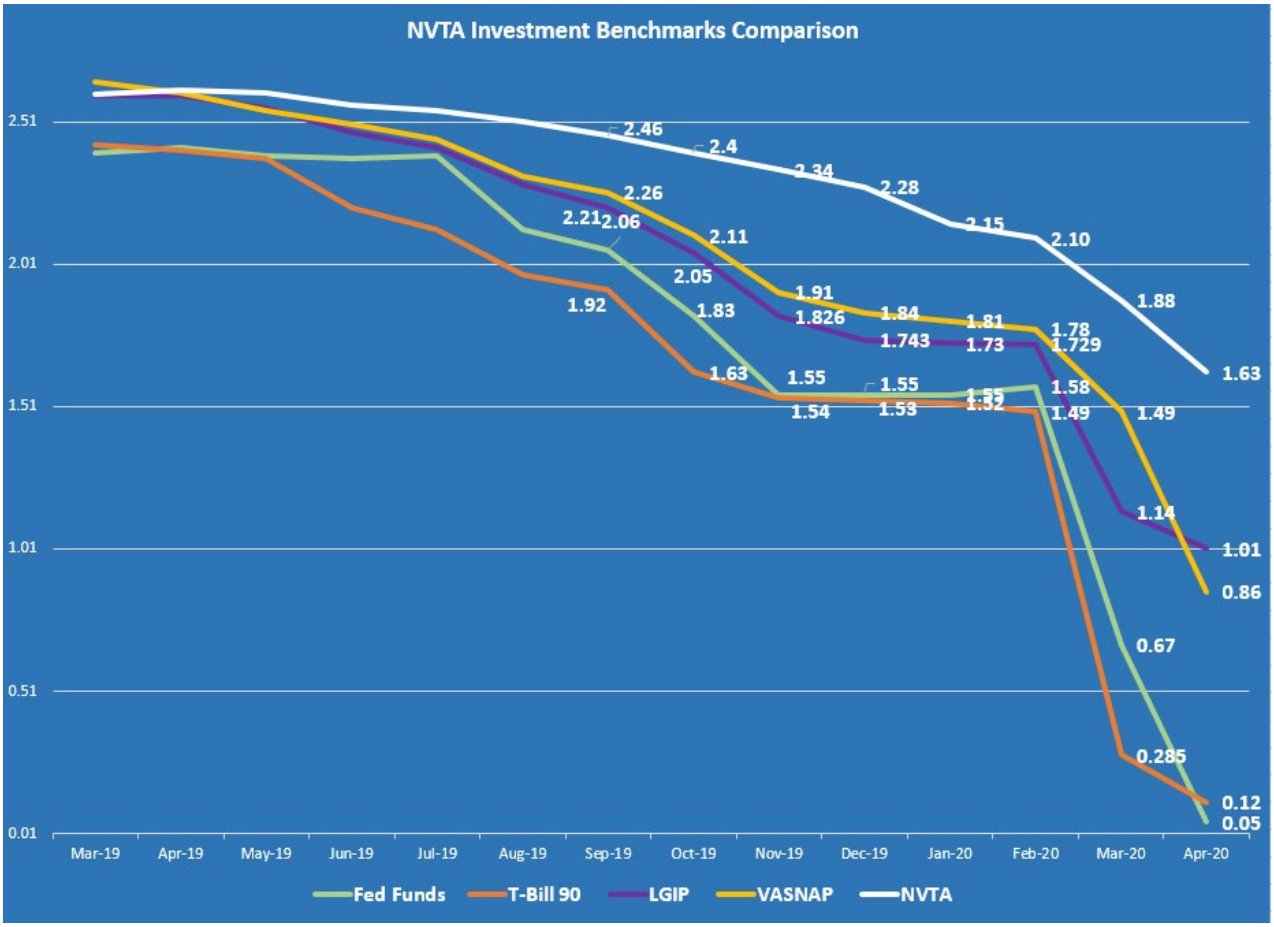
b) Liquidity:

- **i) A Return to Orderly Markets:** After several weeks of high volatility, the Federal Reserve's unprecedented "No Credit Left Behind" liquidity support to shore up the U.S. economy during the pandemic has been successful in assuring orderly markets for the buying and selling of bonds.
- **ii)** The NVTA Portfolio average duration was .43 - or less than 6 months – reflecting a significant decline in investment activity during the Covid-19 crises as staff paused to evaluate the pandemic's implications to NVTA's portfolio and the investment environment.
- **iii)** Given the change in market dynamics - the Federal Reserve has dropped rates near zero because of the pandemic – longer-dated maturities pay suboptimal rates. As such, NVTA intends to focus on shorter term, variable investments to participate in the ultimate U.S. economic recovery, which will cause the portfolio duration to remain at present levels, and offering exceptional liquidity during this period.

c) Yield:

- **i) Fed Emergency Rate Cuts: A Return to Sub-Zero:** To support the U.S. economy during the Covid-19 pandemic, the Federal Reserve on March 15 announced emergency rate cuts for the second time, to nearly zero, dropping the federal funds rate by 1 percent to a range of 0-0.25 percent. Just two weeks earlier, on March 3, the Fed's first pandemic emergency response cut rates by half of a percentage point, where the rate was 1-1.25 percent. The two emergency cuts are the first since the 2008 financial crises. Following the Federal Open Market Committee (FOMC) meeting on April 29, the central bank pledged accommodative policy (or sub-zero rates) until the economy again reaches full employment and 2% inflation.
- **ii) Low Rates for Longer:** Given the significant uncertainty among U.S. economists over the pandemic's duration and consequent economic impact, not to mention the timing of an economic recovery, NVTA staff project a significant decline in the yield performance of the investment portfolio over the next year as compared to prior year's performance.
- **iii) In Covid-19's Shadow – A 12-Month Performance Milestone:** As of March, NVTA quietly celebrated a performance milestone – marking the 12th month in a row whereas NVTA continued to outperform its benchmarks, which was repeated in April.
  - **(a) NVTA Alpha:** With an annualized performance measure now in hand, the annual average of our benchmarks was 1.95 percent, whereas NVTA generated 2.37 percent in yield in the last 12 months, or 42 basis points over NVTA's benchmarks, or nearly $4.2 million in alpha was generated.
    1. **Alpha**, often considered the active return on an investment gauges the performance of an investment against a market index or benchmark that is considered to represent the market's movement as a whole. The Excess Return of an investment relative to the return of a benchmark index is the investment's alpha, or the return or value produced by active portfolio managers.

- **Rate Strategy Implications:** As noted previously, 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.



Note: SNAP 7-day yield (4/30)

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.

Note: Due to the acceleration of the May Finance Committee meeting date, the numbers in this report are not reconciled. If any significant variances are discovered during reconciliation, they will be reported at the next Committee meeting.

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.

VIII. Attachment

Northern Virginia Transportation Authority

Portfolio Holdings Compliance - GASB 40 Report - As of 4/30/2020

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									
Atlantic Union Bank1.7 12/26/2020	9,500,000.00	9,500,000.00	9,500,000.00	NR	NR	0.87	12/26/2020	1.700	0.66
United Bank1.81 8/2/2020	30,000,000.00	30,000,000.00	30,000,000.00	NR	NR	2.73	08/02/2020	1.810	0.26
United Bank1.9 1/14/2021	10,000,000.00	10,000,000.00	10,000,000.00	NR	NR	0.91	01/14/2021	1.900	0.71
Sub Total / Average Certificate Of Deposit	49,500,000.00	49,500,000.00	49,500,000.00			4.51		1.807	0.43
Commercial Paper									
JP Morgan Securities 0 5/29/2020	20,000,000.00	19,971,000.00	19,713,066.66	S&P-A1	Moodys-P1	1.82	05/29/2020	1.824	0.08
JP Morgan Securities 0 6/19/2020	12,000,000.00	11,968,000.00	11,828,920.00	S&P-A1	Moodys-P1	1.09	06/19/2020	1.948	0.14
JP Morgan Securities 0 6/19/2020	14,000,000.00	13,962,666.67	13,800,406.66	S&P-A1	Moodys-P1	1.28	06/19/2020	1.948	0.14
JP Morgan Securities 0 8/14/2020	5,000,000.00	4,973,058.33	4,930,650.42	S&P-A1	Moodys-P1	0.46	08/14/2020	1.855	0.29
Sub Total / Average Commercial Paper	51,000,000.00	50,874,725.00	50,273,043.74			4.65		1.890	0.13
Corporate Bond									
ADP 2.25 9/15/2020	5,000,000.00	4,995,173.91	5,022,800.00	S&P-AA	Moodys-Aa3	0.46	09/15/2020	2.512	0.38
Apple Corp.1.7 9/11/2022	16,145,000.00	16,107,665.16	16,563,639.85	S&P-AA+	Moodys-Aa1	1.47	09/11/2022	1.800	2.32
Apple Corp.Var. Corp 2/9/2022	5,011,000.00	5,041,412.27	5,018,316.06	S&P-AA+	Moodys-Aa1	0.46	02/09/2022	2.234	0.00
Apple Corp. 2 11/13/2020	5,000,000.00	4,981,341.94	5,036,650.00	S&P-AA+	Moodys-Aa1	0.46	11/13/2020	2.718	0.53
Bank of New YorkVar. Corp 6/4/2021 -20	8,258,000.00	8,266,463.72	8,212,746.16	S&P-AA-	Moodys-Aa2	0.75	06/04/2021	1.534	0.00
Berkshire Hathaway2.2 3/15/2021	7,386,000.00	7,346,858.18	7,472,711.64	S&P-AA	Moodys-Aa2	0.67	03/15/2021	2.833	0.87
Berkshire Hathaway2.2 3/15/2021	10,000,000.00	10,011,811.96	10,117,400.00	S&P-AA	Moodys-Aa2	0.91	03/15/2021	2.061	0.87
Chevron Corp. 2.1 5/16/2021	5,560,000.00	5,514,377.08	5,622,716.80	S&P-AA	Moodys-Aa2	0.51	05/16/2021	2.923	1.03
Exxon Mobil Corp Var. Corp 3/6/2022	1,000,000.00	1,004,591.37	990,860.00	S&P-AA	Moodys-Aa1	0.09	03/06/2022	1.371	0.00
Exxon Mobil Corp Var. Corp 3/6/2022	7,500,000.00	7,532,691.83	7,431,450.00	S&P-AA	Moodys-Aa1	0.68	03/06/2022	1.371	0.00
Exxon Mobil Corp Var. Corp 8/16/2022	10,000,000.00	10,036,305.51	9,899,500.00	S&P-AA	Moodys-Aa1	0.91	08/16/2022	2.022	0.00
IBRD 1.75 1/27/2023-21	30,000,000.00	30,002,770.51	30,255,000.00	S&P-AAA	Moodys-Aaa	2.73	01/27/2023	1.746	2.68

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
Johnson and Johnson2.95 9/1/2020	5,000,000.00	5,007,842.16	5,036,350.00	S&P-AAA	Moodys-Aaa	0.46	09/01/2020	2.472	0.34
Microsoft Corp 1.55 8/8/2021	5,000,000.00	4,921,171.02	5,060,950.00	S&P-AAA	Moodys-Aaa	0.46	08/08/2021	2.850	1.26
Proctor and Gamble Co. 1.9 10/23/2020	5,000,000.00	4,980,352.97	5,036,100.00	S&P-AA-	Moodys-Aa3	0.46	10/23/2020	2.746	0.48
Toyota Motor Credit corpVar. Corp 5/17/2022	10,000,000.00	10,029,483.11	9,733,800.00	S&P-AA-	Moodys-A1	0.91	05/17/2022	2.092	0.00
Toyota Motor Credit corp 2.8 7/13/2022	5,305,000.00	5,412,692.38	5,491,152.45	S&P-AA-	Moodys-A1	0.48	07/13/2022	1.851	2.14
Toyota Motor Credit corp Var. Corp 1/11/2022	4,607,000.00	4,639,391.53	4,551,577.79	S&P-AA-	Moodys-A1	0.42	01/11/2022	2.001	0.00
Toyota Motor Credit corp Var. Corp 1/11/2022	900,000.00	906,327.84	889,173.00	S&P-AA-	Moodys-A1	0.08	01/11/2022	2.001	0.00
Toyota Motor Credit corp Var. Corp 10/7/2021	10,000,000.00	10,020,850.00	9,880,300.00	S&P-AA-	Moodys-A1	0.91	10/07/2021	1.677	0.00
Toyota Motor Credit corp Var. Corp 10/7/2021	20,000,000.00	20,058,779.07	19,760,600.00	S&P-AA-	Moodys-A1	1.82	10/07/2021	1.677	0.00
Toyota Motor Credit corp Var. Corp 8/13/2021	3,000,000.00	3,000,000.00	2,960,460.00	S&P-AA-	Moodys-A1	0.27	08/13/2021	1.832	0.00
WalmartVar. Corp 6/23/2021	5,000,000.00	5,009,108.70	4,998,250.00	S&P-AA	Moodys-Aa2	0.46	06/23/2021	1.425	0.00
Walmart Corp 1.9 12/15/2020	5,000,000.00	4,975,202.96	5,038,000.00	S&P-AA	Moodys-Aa2	0.46	12/15/2020	2.722	0.62
Sub Total / Average Corporate Bond	189,672,000.00	189,802,665.18	190,080,503.75			17.29		2.002	0.89
FFCB Bond									
FFCBVar. FFCB 9/13/2021	5,000,000.00	5,000,000.00	5,002,200.00	S&P-AA+	Moodys-Aaa	0.46	09/13/2021	0.783	0.00
FFCB 1.85 3/3/2022	5,000,000.00	4,999,076.92	5,018,550.00	S&P-AA+	Moodys-Aaa	0.46	03/03/2022	1.860	1.81
FFCB Var. FFCB 10/27/2021	20,000,000.00	19,998,099.08	19,954,600.00	S&P-AA+	Moodys-Aaa	1.82	10/27/2021	0.891	0.00
FFCB Var. FFCB 11/7/2022	10,000,000.00	10,040,635.28	10,035,700.00	S&P-AA+	Moodys-Aaa	0.91	11/07/2022	0.540	0.00
FFCB Var. FFCB 5/16/2022	10,000,000.00	10,008,233.78	10,004,200.00	S&P-AA+	Moodys-Aaa	0.91	05/16/2022	0.390	0.00
Sub Total / Average FFCB Bond	50,000,000.00	50,046,045.06	50,015,250.00			4.56		0.807	0.18
FHLB Bond									
FHLB 1.67 8/25/2023-21	21,000,000.00	21,000,000.00	21,203,070.00	S&P-AA+	Moodys-Aaa	1.91	08/25/2023	1.670	3.23
FHLB 1.75 2/14/2023-20	12,000,000.00	12,000,000.00	12,003,600.00	S&P-AA+	Moodys-Aaa	1.09	02/14/2023	1.750	2.72
FHLB 2.4 2/15/2022-20	10,000,000.00	10,018,785.80	10,007,100.00	S&P-AA+	Moodys-Aaa	0.91	02/15/2022	2.291	1.74
FHLB 2.875 9/11/2020	5,000,000.00	4,999,237.55	5,047,950.00	S&P-AA+	Moodys-Aaa	0.46	09/11/2020	2.917	0.36
Sub Total / Average FHLB Bond	48,000,000.00	48,018,023.35	48,261,720.00			4.37		1.949	2.50
FHLMC Bond									
FHLMC 1.875 11/17/2020	5,000,000.00	4,972,590.91	5,046,050.00	S&P-AA+	Moodys-Aaa	0.46	11/17/2020	2.910	0.54
Sub Total / Average FHLMC Bond	5,000,000.00	4,972,590.91	5,046,050.00			0.46		2.910	0.54
Local Government Investment Pool									
Commonweath of VirginiaLGIP	11,979.15	11,979.15	11,979.15	S&P-AAA	NR	0.00	N/A	1.009	0.00
Commonweath of Virginia LGIP	62,737,602.90	62,737,602.90	62,737,602.90	S&P-AAA	NR	5.72	N/A	1.009	0.00
VIP Stable NAV LGIP	121,865,716.16	121,865,716.16	121,865,716.16	S&P-AAA	NR	11.11	N/A	1.060	0.00
Sub Total / Average LGIP	184,615,298.21	184,615,298.21	184,615,298.21			16.83		1.043	0.00

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
Money Market									
Access National Bank MM	57,603,999.05	57,603,999.05	57,603,999.05	NR	NR	5.25	N/A	1.130	0.00
BB&T MM	25,014,880.90	25,014,880.90	25,014,880.90	NR	NR	2.28	N/A	0.270	0.00
John Marshall Bank ICS MM	47,516,276.94	47,516,276.94	47,516,276.94	NR	NR	4.33	N/A	1.230	0.00
United Bank MM	90,799,967.71	90,799,967.71	90,799,967.71	NR	NR	8.28	N/A	1.120	0.00
Sub Total / Average Money Market	220,935,124.60	220,935,124.60	220,935,124.60			20.14		1.050	0.00
Municipal Bond									
NYC GO 1.58 8/1/2021	20,000,000.00	20,009,808.03	20,056,000.00	S&P-AA	Moodys-Aa1	1.82	08/01/2021	1.541	1.24
NYC GO 1.58 8/1/2022	10,000,000.00	10,008,711.94	10,038,000.00	S&P-AA	Moodys-Aa1	0.91	08/01/2022	1.541	2.22
Sub Total / Average Municipal Bond	30,000,000.00	30,018,519.97	30,094,000.00			2.73		1.541	1.57
Negotiable Certificate Of Deposit									
Credit Mutuel-CIC NY 1.83 5/20/2020	20,000,000.00	20,000,000.00	20,019,400.00	S&P-A1	Moodys-P1	1.82	05/20/2020	1.830	0.05
Rabobank NY2.05 7/17/2020	17,000,000.00	17,000,000.00	17,063,920.00	S&P-A1	Moodys-P1	1.55	07/17/2020	2.050	0.21
TD Bank NY 2.05 6/26/2020	10,000,000.00	10,000,000.00	10,029,100.00	S&P-A1+	Moodys-P1	0.91	06/26/2020	2.050	0.16
TD Bank NY 2.08 7/15/2020	10,000,000.00	10,000,000.00	10,038,800.00	S&P-A1+	Moodys-P1	0.91	07/15/2020	2.080	0.21
TD Bank NY 2.5 3/23/2021	15,000,000.00	15,000,000.00	15,106,800.00	S&P-A1+	Moodys-P1	1.37	03/23/2021	2.500	0.90
Sub Total / Average Negotiable CD	72,000,000.00	72,000,000.00	72,258,020.00			6.56		2.087	0.30
Treasury Note									
T-Note 1.375 10/31/2020	10,000,000.00	9,944,758.24	10,063,300.00	S&P-AA+	Moodys-Aaa	0.91	10/31/2020	2.504	0.50
T-Note 1.5 5/15/2020	10,000,000.00	9,995,829.58	10,005,400.00	S&P-AA+	Moodys-Aaa	0.91	05/15/2020	2.537	0.04
T-Note 1.5 5/15/2020	15,000,000.00	14,993,935.75	15,008,100.00	S&P-AA+	Moodys-Aaa	1.37	05/15/2020	2.505	0.04
T-Note 1.5 6/15/2020	10,000,000.00	9,987,175.83	10,017,200.00	S&P-AA+	Moodys-Aaa	0.91	06/15/2020	2.542	0.13
T-Note 1.5 8/15/2020	10,000,000.00	9,971,188.56	10,041,400.00	S&P-AA+	Moodys-Aaa	0.91	08/15/2020	2.506	0.29
T-Note 1.5 8/15/2020	10,000,000.00	9,985,594.81	10,041,400.00	S&P-AA+	Moodys-Aaa	0.91	08/15/2020	2.000	0.29
T-Note 1.5 8/15/2020	5,000,000.00	4,992,942.68	5,020,700.00	S&P-AA+	Moodys-Aaa	0.46	08/15/2020	1.990	0.29
T-Note 1.625 10/15/2020	10,000,000.00	9,983,889.36	10,069,100.00	S&P-AA+	Moodys-Aaa	0.91	10/15/2020	1.981	0.46
T-Note 1.625 7/31/2020	5,000,000.00	4,995,566.77	5,019,050.00	S&P-AA+	Moodys-Aaa	0.46	07/31/2020	1.983	0.25
T-Note 2 11/30/2020	5,000,000.00	5,002,077.38	5,054,700.00	S&P-AA+	Moodys-Aaa	0.46	11/30/2020	1.927	0.58
T-Note 2 11/30/2020	6,000,000.00	6,005,422.30	6,065,640.00	S&P-AA+	Moodys-Aaa	0.55	11/30/2020	1.842	0.58
T-Note 2.375 12/31/2020	7,000,000.00	7,024,822.37	7,103,880.00	S&P-AA+	Moodys-Aaa	0.64	12/31/2020	1.835	0.66
T-Note 2.5 6/30/2020	10,000,000.00	9,999,749.70	10,039,500.00	S&P-AA+	Moodys-Aaa	0.91	06/30/2020	2.514	0.17
T-Note 2.625 7/31/2020	10,000,000.00	10,002,911.93	10,063,100.00	S&P-AA+	Moodys-Aaa	0.91	07/31/2020	2.506	0.25
T-Note 2.625 8/31/2020	5,000,000.00	5,010,787.22	5,041,800.00	S&P-AA+	Moodys-Aaa	0.46	08/31/2020	1.971	0.33
T-Note 2.75 9/15/2021	10,000,000.00	9,968,474.52	10,352,000.00	S&P-AA+	Moodys-Aaa	0.91	09/15/2021	2.990	1.36

Issuer	Face Amount	Book	Market	Credit	Credit	Portfolio %	Maturity Date	YTM @	Duration To
	Shares	Value	Value	Rating 1	Rating 2			Cost	Maturity
T-Note 2.75 9/30/2020	10,000,000.00	9,996,711.66	10,110,200.00	S&P-AA+	Moodys-Aaa	0.91	09/30/2020	2.831	0.42
T-Note 2.75 9/30/2020	10,000,000.00	10,009,890.79	10,110,200.00	S&P-AA+	Moodys-Aaa	0.91	09/30/2020	2.507	0.42
T-Note 2.75 9/30/2020	5,000,000.00	5,018,656.57	5,055,100.00	S&P-AA+	Moodys-Aaa	0.46	09/30/2020	1.845	0.42
T-Note 2.75 9/30/2020	5,000,000.00	5,018,737.33	5,055,100.00	S&P-AA+	Moodys-Aaa	0.46	09/30/2020	1.841	0.42
T-Note 3.5 5/15/2020	10,000,000.00	10,003,979.95	10,013,100.00	S&P-AA+	Moodys-Aaa	0.91	05/15/2020	2.508	0.04
Sub Total / Average Treasury Note	178,000,000.00	177,913,103.30	179,349,970.00			16.22		2.351	0.36
TVA Bond									
TVA 3.875 2/15/2021	5,000,000.00	5,032,652.91	5,134,600.00	S&P-AA+	Moodys-Aaa	0.46	02/15/2021	3.017	0.78
TVA 3.875 2/15/2021	13,500,000.00	13,751,969.63	13,863,420.00	S&P-AA+	Moodys-Aaa	1.23	02/15/2021	1.500	0.78
Sub Total / Average TVA Bond	18,500,000.00	18,784,622.54	18,998,020.00			1.69		1.910	0.78
Total / Average	1,097,222,422.81	1,097,480,718.12	1,099,427,000.30			100		1.630	0.43

IX.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

M E M O R A N D U M

FOR: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: May 1, 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. Due to the acceleration of the May Finance Committee meeting date, the numbers in this report are not reconciled. If any significant variances are discovered during reconciliation, they will be reported at the next Committee meeting.

2. **Background:** The attached reports reflect funding received and distributed through April 2020.

3. **Comments:**
   a. **FY2020 Revenues (Attachment A)**
      i. The Authority has received approximately $191.5 million through the April 2020 transfers from the Commonwealth.
      ii. Actual April 2020 sales tax revenue (eight months of sales tax receipts annualized) compared to FY2020 budgeted revenue shows a 6.9% positive variance prior to the COVID pandemic. The budgeted revenue has approximately a 2.5% growth factor from the prior year.
      iii. There is a two-month lag between a sales tax transaction and the receipt of sales tax by the Authority, therefore the actual impact of shuttered businesses and the deferral of sales tax remittances by the Governor will not be seen until June 2020, with the distribution of April's sales tax.
      iv. The majority of the positive variance prior to COVID can be 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.
      v. As of April 2020, the Authority has received $2 million in Heavy Truck Registration and Diesel Fuel (SB1716/I-81) receipts. This represents 8 months of receipts. Staff expects a further decline in this revenue source as a result of COVID.
      vi. In March 2020, the Commonwealth issued revised revenue projections for the Heavy Truck Registration and Diesel Fuel revenue. The revisions resulted in a decrease in the FY2020 to FY2025 projected revenue of approximately 34%. VDOT's CFO discovered an error in the original projections as a result of NVTA's continued questioning of the receipts. The chart below summarizes the Commonwealth's original and revised projections.

Impact of Revised I-81 Related Projections (All $ in millions, as of March 19, 2020)				
	Jun-19 Est.*	Mar 2020 Est.**	Chg in Projection $ Chg.	% Chg.
FY2020**	$ 9.4	$ 3.8	($5.60)	-60%
FY2021	13.8	5.4	($8.40)	-61%
FY2022	19.5	11.5	($8.00)	-41%
FY2023	19.7	11.9	($7.80)	-40%
FY2024	19.4	17.8	($1.60)	-8%
FY2025	19.6	17.0	($2.60)	-13%
Total FY2020-2025	$ 101.4	$ 67.4	($34.00)	-34%
FY2026	$ -	$ 17.8		
*Presentation by VDOT CFO Laura Farmer to the CTB - June 18, 2019				
**Presentation by VDOT CFO Laura Farmer to the CTB - March 17, 2020				
****No update provided by VDOT, Calculated as 60% reduction				

b. FY2020 Distribution to localities (Attachment B)

i. All jurisdictions have completed the required annual HB2313 certification to receive FY2020 Local Distribution Funds (30%).

ii. As of April 2020, all Local Distribution funds have been distributed to member jurisdictions. The Local Distribution to member localities has continued to be disbursed, for two monthly cycles while NVTA staff have been working remotely.

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 April 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 NVTA projections prior to the COVID pandemic. However, the tool is unable to compensate for the loss of revenue resulting from the shuttering of businesses nor segregate usual annual growth in sales tax from the newly implemented internet sales tax receipts.

Attachments:

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

Regional Sales Tax Transaction Months	8	Received To Date	Annualized Revenue based on YTD Receipts	FY2020 Budget	Annualized - Actual To Budget	
City of Alexandria		$ 12,225,645	$ 18,338,468	$ 16,379,177	$ 1,959,291	
Arlington County		19,293,160	28,939,739	25,943,302	2,996,437	
City of Fairfax		5,154,006	7,731,008	7,506,931	224,077	
Fairfax County		80,443,095	120,664,642	114,583,396	6,081,246	
City of Falls Church		2,069,908	3,104,862	2,777,700	327,162	
Loudoun County		36,586,222	54,879,333	52,470,000	2,409,333	
City of Manassas		4,285,663	6,428,494	5,202,000	1,226,494	
City of Manassas Park		1,066,721	1,600,082	1,469,727	130,355	
Prince William County		28,400,429	42,600,644	39,514,160	3,086,484	
Total Sales Tax Revenue		$ 189,524,849	$ 284,287,273	$ 265,846,393	$ 18,440,880	6.9%

Vehicle License-Registration Fees Transaction Months	8	Received To Date	Annualized Revenue based on YTD Receipts	FY2020 Budget	Annualized - Actual To Budget	
City of Alexandria		$ 131,075	$ 196,612	$ 564,162	$ (367,550)	
Arlington County		$ 204,121	306,182	932,871	(626,689)	
City of Fairfax		$ 55,366	83,049	248,699	(165,650)	
Fairfax County		$ 852,450	1,278,674	3,850,016	(2,571,342)	
City of Falls Church		$ 21,778	32,666	88,448	(55,782)	
Loudoun County		$ 388,683	583,024	1,768,831	(1,185,807)	
City of Manassas		$ 46,168	69,252	170,283	(101,031)	
City of Manassas Park		$ 11,355	17,033	52,506	(35,473)	
Prince William County		$ 298,986	448,479	1,324,184	(875,705)	
Total Vehicle License-Registration Fees		$ 2,009,981	$ 3,014,971	$ 9,000,000	$ (5,985,029)	-66.5%
Total Revenue Received		$ 191,534,829	$ 287,302,244	$ 274,846,393	$ 12,455,851	4.53%
		$ 191,534,829				

Attachment B

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
FY2020 30% DISTRIBUTION BY JURISDICTION

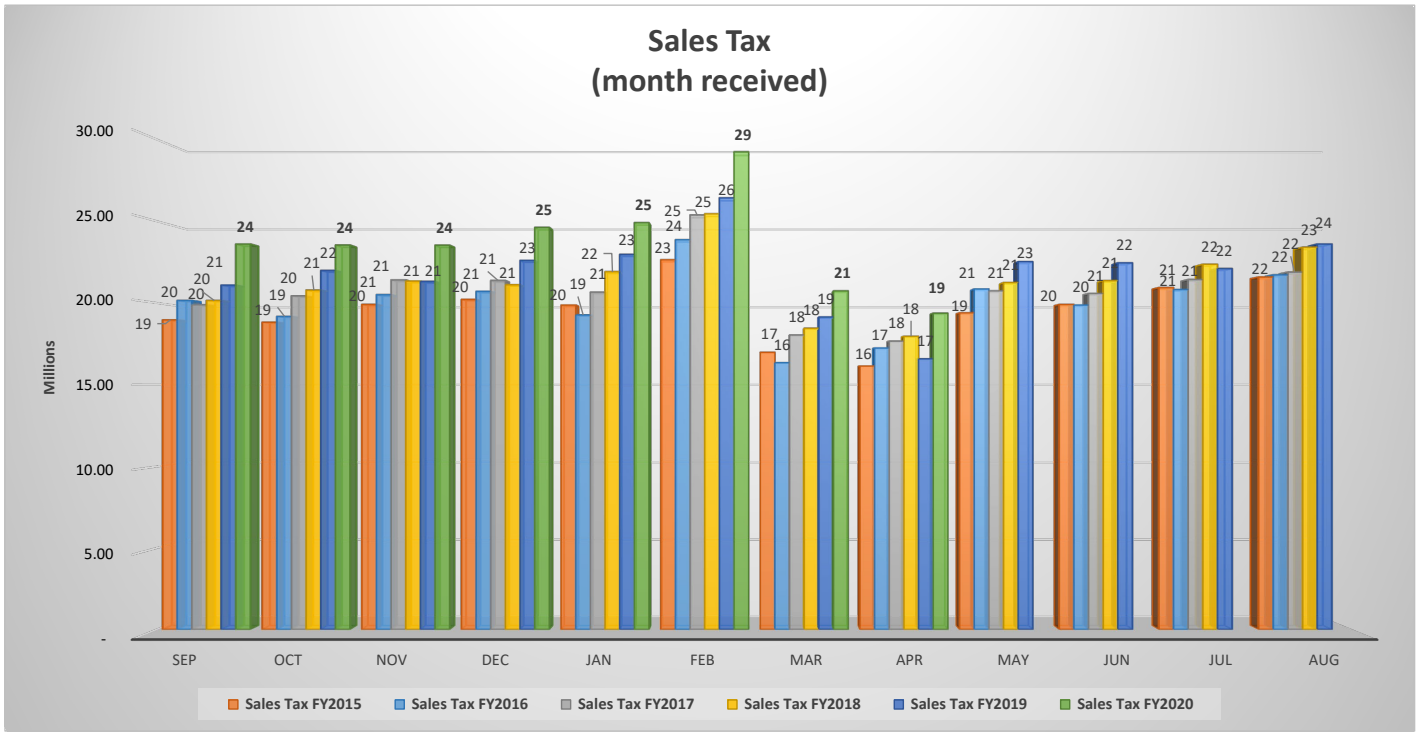
Based on: Revenue Data Through April 2020

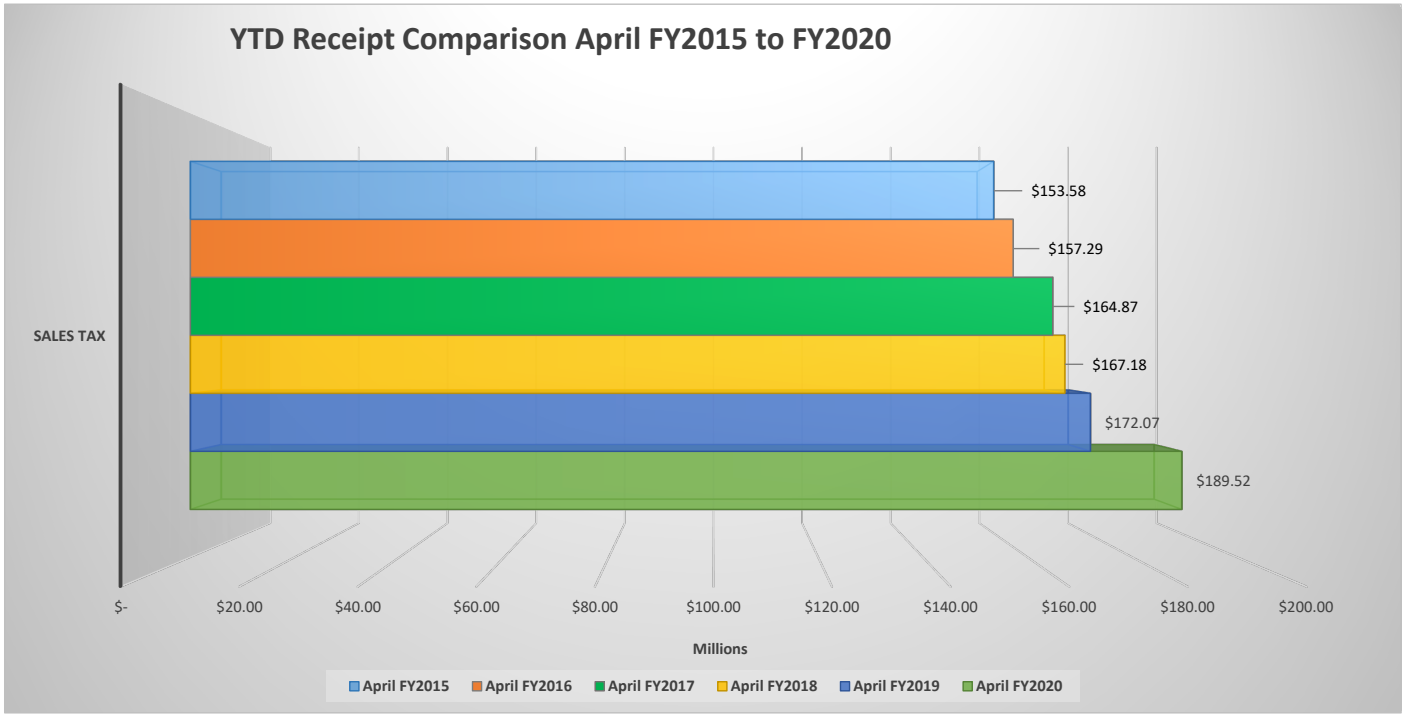
Jurisdiction	Vehicle License-Registration Fee	Regional Sales Tax		CoVa Interest	Cumulative Total	30% Funds	3/31/2020 Accrued Interest (1) (+)	3/31/2020 Prior Distributions	**Current Month Distribution**	Total Funds Transferred
City of Alexandria	$ 131,074.70	$ 12,225,645.27	$ -	$ 17,873.64	$ 12,374,593.61	$ 3,712,378.08	$ 869.00	$3,325,107.07	$ 388,140.01	$ 3,713,247.08
Arlington County	$ 204,121.16	$ 19,293,159.59	$ -	$ 28,481.12	$ 19,525,761.87	$ 5,857,728.56	$ 1,448.34	$5,254,780.59	$ 604,396.31	$ 5,859,176.90
City of Fairfax	$ 55,366.04	$ 5,154,005.54	$ -	$ 7,384.62	$ 5,216,756.20	$ 1,565,026.86	$ 434.50	$1,388,452.17	$ 177,009.19	$ 1,565,461.36
Fairfax County	$ 852,449.62	$ 80,443,094.66	$ -	$ 116,235.50	$ 81,411,779.78	$ 24,423,533.93	$ 6,227.84	$21,977,875.17	$ 2,451,886.60	$ 24,429,761.77
City of Falls Church	$ 21,777.66	$ 2,069,908.26	$ -	$ 3,208.36	$ 2,094,894.28	$ 628,468.28	$ 144.83	$579,963.14	$ 48,649.97	$ 628,613.11
Loudoun County	$ 388,682.82	$ 36,586,221.85	$ -	$ 53,974.40	$ 37,028,879.07	$ 11,108,663.72	$ 2,751.84	$10,020,022.82	$ 1,091,392.74	$ 11,111,415.56
City of Manassas	$ 46,167.78	$ 4,285,662.85	$ -	$ 6,152.39	$ 4,337,983.02	$ 1,301,394.91	$ 289.67	$1,126,035.71	$ 175,648.87	$ 1,301,684.58
City of Manassas Park	$ 11,355.13	$ 1,066,721.37	$ -	$ 1,533.51	$ 1,079,610.01	$ 323,883.00	$ 144.83	$288,088.98	$ 35,938.85	$324,027.83
Prince William County	$ 298,985.77	$ 28,400,429.15	$ -	$ 40,984.77	$ 28,740,399.69	$ 8,622,119.91	$ 2,172.50	$7,703,659.96	$ 920,632.45	$ 8,624,292.41
Total Revenue	$ 2,009,980.68	$ 189,524,848.54	$ -	$ 275,828.31	$ 191,810,657.53	$ 57,543,197.26	$ 14,483.35	$ 51,663,985.61	$ 6,496,689.19	$ 57,557,680.60

Interest 3/31/2020

Attachment C

FY2020 April 2020





Attachment D

NVTA Sales Tax Revenue Forecast: Model vs Actual vs Projection										
			Model Factors			Monthly		End of Year		
FY	*Forecasting Data*	Monthly Actual	Level	Trend	Season	Model Forecast	Statistical Variance	Model Forecast	NVTA Projected	Actual YTD
	Sep-2017	$20,154,895.20	20,838,319.09	63,803	0.99	$20,758,237	-$603341.50			$20,154,895
	Oct-2017	$20,786,302.49	20,906,784.17	63,803	0.99	$20,770,538	$15764.69			$40,941,198
	Nov-2017	$21,343,035.02	20,988,250.63	63,803	1.01	$21,282,031	$61004.30			$62,284,233
	Dec-2017	$21,115,954.89	20,912,958.05	63,803	1.03	$21,601,693	-$485738.41			$83,400,188
	Jan-2018	$21,915,158.59	21,180,257.85	63,803	1.01	$21,214,752	$700406.69			$105,315,346
	Feb-2018	$25,453,242.98	21,208,346.05	63,803	1.21	$25,599,712	-$146469.07			$130,768,589
	Mar-2018	$18,454,177.89	21,350,022.26	63,803	0.86	$18,227,094	$227083.53			$149,222,767
	Apr-2018	$17,961,787.93	21,535,990.82	63,803	0.82	$17,619,694	$342093.94			$167,184,555
	May-2018	$21,248,451.07	21,482,138.58	63,803	1.00	$21,649,790	-$401339.05			$188,433,006
	Jun-2018	$21,365,953.89	21,534,162.40	63,803	0.99	$21,405,782	-$39828.43			$209,798,960
	Jul-2018	$22,367,630.32	21,670,283.13	63,803	1.02	$22,115,618	$252012.61			$232,166,590
FY18	Aug-2018	$23,408,268.73	21,825,303.27	63,803	1.06	$23,078,631	$329637.80	$255,323,572	$255,571,902	**$255,574,859**
	Sep-2018	$21,094,228.16	21,733,051.98	63,803	0.99	$21,618,763	-$524534.58			$21,094,228
	Oct-2018	$21,988,380.92	21,894,064.07	63,803	0.99	$21,659,638	$328742.82			$43,082,609
	Nov-2018	$21,319,898.61	21,678,732.83	63,803	1.01	$22,283,973	-$964074.53			$64,402,508
	Dec-2018	$22,602,475.35	21,826,231.45	63,803	1.03	$22,310,203	$292272.34			$87,004,983
	Jan-2019	$22,970,788.81	22,131,881.19	63,803	1.01	$22,138,387	$832402.04			$109,975,772
	Feb-2019	$26,427,800.56	22,117,985.63	63,803	1.21	$26,746,446	-$318645.32			$136,403,572
	Mar-2019	$19,145,453.91	22,229,432.65	63,803	0.86	$19,006,521	$138932.61			$155,549,026
	Apr-2019	$16,589,175.00	21,666,824.94	63,803	0.82	$18,343,289	-$1754114.21			$172,138,201
	May-2019	$22,525,822.45	21,949,000.44	63,803	1.00	$21,780,927	$744895.37			$194,664,024
	Jun-2019	$22,453,420.16	22,185,472.74	63,803	0.99	$21,869,607	$583813.00			$217,117,444
	Jul-2019	$22,103,784.06	22,054,501.71	63,803	1.02	$22,782,538	-$678754.34			$239,221,228
FY19	Aug-2019	$23,605,506.73	22,151,203.67	63,803	1.06	$23,486,619	$118888.15	$264,026,911	$258,926,224*	**$262,826,735**
	Sep-2019	$23,603,917.67	22,709,851.05	63,803	0.99	$21,940,638	$1663279.59			$23,603,918
	Oct-2019	$23,492,820.82	23,028,703.80	63,803	0.99	$22,630,288	$862532.88			$47,096,738
	Nov-2019	$23,534,125.70	23,121,073.49	63,803	1.01	$23,435,464	$98661.82			$70,630,864
	Dec-2019	$24,619,413.33	23,422,330.23	63,803	1.03	$23,790,201	$829212.20			$95,250,278
	Jan-2020	$24,912,972.81	23,823,270.42	63,803	1.01	$23,752,594	$1160378.84			$120,163,250.33
	Feb-2020	$29,246,546.40	23,999,711.11	63,803	1.21	$28,784,619	$461927.29			$149,409,796.73
	Mar-2020	$20,741,063.97	24,105,413.75	63,803	0.86	$20,618,882	$122181.51			$170,150,860.70
	Apr-2020	$19,372,596.91	23,985,561.28	63,803	0.82	$19,886,881	-$514284.43			$189,523,457.61
	May-2020					$24,105,030				
	Jun-2020					$23,956,308				
	Jul-2020					$24,756,436				
FY20	Aug-2020	*Current Fiscal Year Projection				$25,740,392		$283,397,735	$265,846,393*	

NVTA Sales Tax Revenue Forecast 2014-2020: Model Observations

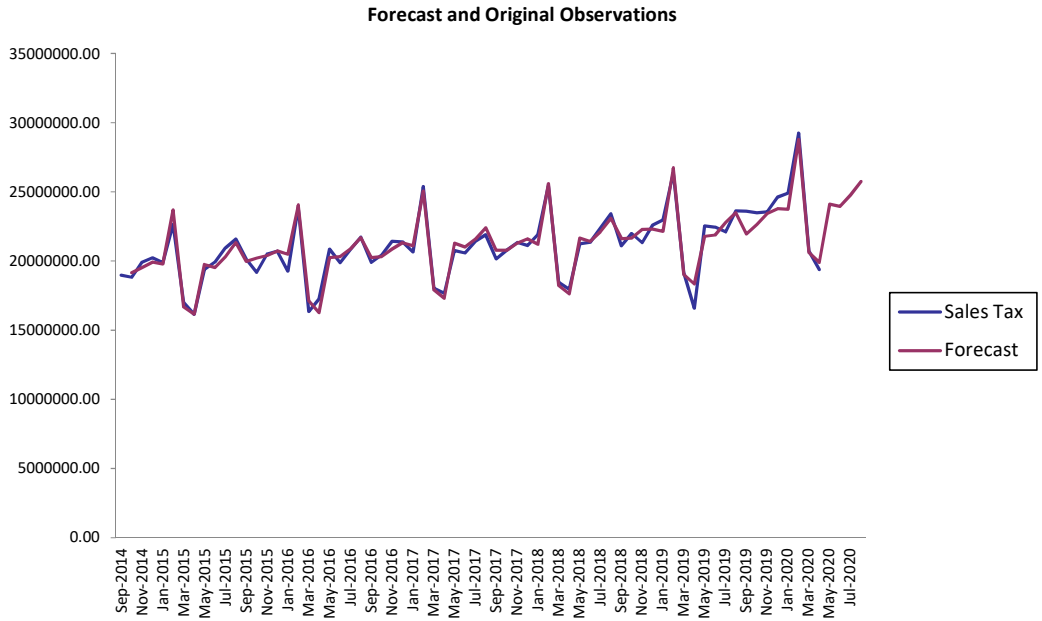
Winters' Exponential Smoothing Forecast

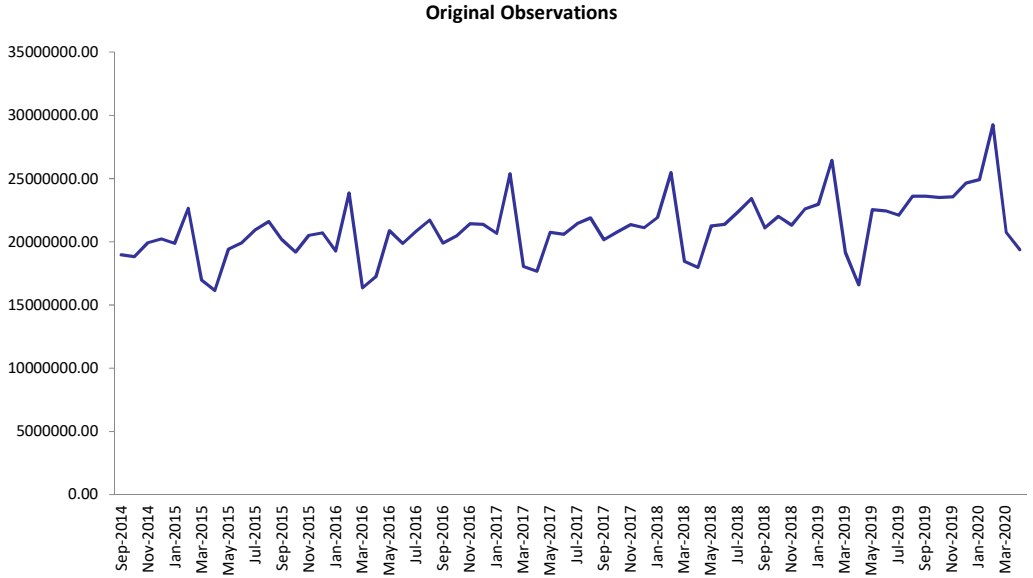
Forecasting Constants (Optimized)	
Level (Alpha)	0.294
Trend (Beta)	0.000
Season (Gamma)	0.000

Winters' Exponential	
Mean Abs Err	$450,553.38
Root Mean Sq Err	$585,092.63
Mean Abs Per% Err	2.17%

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.





X.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

M E M O R A N D U M

FOR: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: May 1, 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. Due to the acceleration of the May Finance Committee meeting date, the numbers in this report are not reconciled. If any significant variances are discovered during reconciliation, they will be reported at the next Committee meeting.

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 April 30, 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.** April 2020 represents 83% of the fiscal year. At this point in time, the Authority has utilized 69% 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 April 30, 2020.

Attachment: FY2020 Operating Budget through April 30, 2020

X. Attachment

1000 General Fund

Account	Object	Description	Current Month	Current YTD	Budget	Variance	%
		Current Year					
Expenses							
410000		Personnel Expenses					
	110	Salaries-Regular Pay	110,048.18	1,140,259.06	1,474,032.00	333,772.94	77
	130	Health & Dental Benefits	13,085.30	145,069.95	243,109.00	98,039.05	60
	131	Payroll Taxes	8,146.24	76,782.06	112,878.00	36,095.94	68
	132	Retirement VRS	9,679.48	85,329.64	120,377.00	35,047.36	71
	133	Life Insurance	1,551.44	13,224.12	19,223.00	5,998.88	69
	134	Flex Spending/Dependent Care	57.08	450.72	874.00	423.28	52
	135	Workers Comp		1,474.00	1,621.00	147.00	91
	137	Disability Insurance	404.00	14,638.40	16,654.00	2,015.60	88
		Total Account	142,971.72	1,477,227.95	1,988,768.00	511,540.05	74
420000		Professional Services					
	210	Audit & Accounting Services		17,000.00	29,500.00	12,500.00	58
	220	Bank Service		20.00	750.00	730.00	3
	230	Insurance		6,072.00	6,081.00	9.00	100
	240	Payroll Services	116.78	1,707.58	2,606.00	898.42	66
	260	Public Outreach & Regional Event Support	85.00	23,521.27	66,750.00	43,228.73	35
	261	Legal/Bond Counsel Services		10,992.00	25,000.00	14,008.00	44
	262	Financial Advisory Services	8,750.00	26,250.00	35,000.00	8,750.00	75
	263	Bond Trustee Fees		2,687.50	2,700.00	12.50	100
	264	Legislative Services	7,100.00	56,194.23	62,000.00	5,805.77	91
	265	Investment Custody Svc	5,100.00	15,200.00	25,000.00	9,800.00	61
		Total Account	21,151.78	159,644.58	255,387.00	95,742.42	63
430000		Technology/Communication					
	310	Acctg & Financial Report Systems	6,018.00	63,088.50	98,631.00	35,542.50	64
	320	HW SW & Peripheral Purchase		9,413.06	5,600.00	-3,813.06	168
	330	IT Support Svc Incl Hosting	1,885.81	25,666.14	23,374.00	-2,292.14	110
	335	GIS/Project Mgt/Modeling		3,000.00	150,232.00	147,232.00	2
	340	Phone Service	2,250.68	9,976.18	10,716.00	739.82	93
	350	Web Develop & Hosting		4,783.01	9,756.00	4,972.99	49
		Total Account	10,154.49	115,926.89	298,309.00	182,382.11	39
440000		Administrative Expenses					
	410	Advertisement		195.00	1,500.00	1,305.00	13
	411	Dues & Subscriptions		11,765.91	10,544.00	-1,221.91	112
	412	Duplication & Printing	2,777.84	9,338.40	16,640.00	7,301.60	56
	413	Furniture & Fixture		7,802.12	8,100.00	297.88	96
	414	Hosted Meeting Expenses		3,895.93	3,780.00	-115.93	103
	415	Mileage/Transportation		3,551.48	11,450.00	7,898.52	31
	417	Office Lease	14,044.96	151,463.56	190,561.00	39,097.44	79
	418	Office Supplies	159.99	3,577.87	8,065.00	4,487.13	44
	419	Postage & Delivery		197.95	700.00	502.05	28
	420	Professional Develop & Training		9,603.47	23,650.00	14,046.53	41
		Total Account	16,982.79	201,391.69	274,990.00	73,598.31	73

1000 General Fund

Account Object	Description	Current Year Current Month	Current YTD	Budget	Variance	%
	Total Expenses	191,260.78	1,954,191.11	2,817,454.00	863,262.89	69
	Net Income from Operations	-191,260.78	-1,954,191.11			
Other Revenue						
383000	Transfer Operating Budget from Regional Revenue	740,948.25	2,222,844.75	2,963,793.00	-740,948.25	75
						75
	Total Other Revenue	740,948.25	2,222,844.75	2,963,793.00	-740,948.25	75
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	549,687.47	268,653.64			