

**NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**  
**MEMORANDUM**

**TO:** Chairman Martin E. Nohe and Members  
Northern Virginia Transportation Authority

**FROM:** Scott York, Chairman – NVTa Finance committee

**SUBJECT:** Regional Revenue Fund Budget Adjustments

**DATE:** September 18, 2015

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1. **Recommendation:** Approval of adjustments to the FY2016 Regional Revenue Budget as outlined below.
2. **Suggested Motion:** *I move Authority approval of the adjustments to the FY2016 Regional Revenue Fund budget as outlined in the attached staff report.*
3. **Background:**
  - a. Revenue amounts for FY2015 have been finalized and have recorded a positive variance to budget of \$16.9 million. Of this variance, 30% has been disbursed to member jurisdictions in accord with HB2313. The balance, or 70% of the variance, is recognized within the Regional Revenue Fund. The 70% amount is \$11,872,135.80.
  - b. The variance amount triggers a change in the starting balance for the adopted FY2016 Regional Revenue Fund budget. The revised starting balance changes the policy required amounts of reserves and a budget correction is needed for a typographical error on the FY2016 debt principal payment.
4. **FY2016 Regional Revenue Fund Budget Adjustments:** The following adjustments are detailed on the attached Regional Revenue Budget Statement:
  - a. Recognize FY2015 Year End Performance. Increase carryover from FY2015 from \$0 to \$11,872,135.80
  - b. Debt Service - Principal. Increase debt service expenditure by \$805,260.86. The debt service amount in the adopted budget was understated due to a typographical error.
  - c. Working Capital Reserve (WCR) Required Incremental Adjustment. Increase the WCR contribution for FY2016 by \$5,615,416.60 to maintain compliance with the Authority's Debt Policy.
  - d. Contingency for Approved Projects (3.8%). Increase the Contingency Reserve amount by \$451,141.16 to reflect the additional revenues. This increase is consistent with prior budget guidance. The policy for the Contingency Reserve is still under development.
  - e. Recognize Projected FY2017 Carryforward. Regional Revenue PayGo funds remaining after the FY2015/2016 project assignments of \$25,143,604.72, combined with the net adjustments noted above of \$5,000,317.78 result in a total projected carryforward to the FY2017 budget of \$30,143,921.50

**Attachment:** Proposed FY2016 70% Regional Revenue Budget Adjustments

XI.ATTACHMENT

Northern Virginia Transportation Authority Proposed FY 2016 70% Regional Revenue Budget Adjustments						
	FY2016 Adopted	Notes	FY2016 Adjustment	Comments	FY2016 Adjusted Totals	
<b>Revenue 70% Regional Funds</b>						
Sales Tax	\$ 162,929,774.00					
TOT	\$ 17,942,679.00					
Grantor's Tax	\$ 26,041,735.00					
State/Federal Grants	\$ -					
Bond or LOC Proceeds	\$ -					
Reimbursable Expenditures	\$ -					
Interest Earned	\$ 70,000.00					
Revenue Variance (Regional Funds)	\$ -	a	\$ 11,872,135.80	Additional FY2015 revenue		
<b>Total Revenue with Debt Proceeds</b>	<b>\$ 206,984,188.00</b>		<b>\$ 11,872,135.80</b>		<b>New Total \$</b>	<b>218,856,323.80</b>
<b>Expenditures</b>						
Debt Service - Principal	\$ 1,504,739.14	b	\$ 805,260.86	Correction amount		
Debt Service - Interest	\$ 3,238,550.00					
Professional Services - Bond Issuance Costs	\$ 300,000.00					
Working Capital Reserve (WCR)	\$ 33,860,736.00					
WCR Required Incremental Adjustment	\$ 1,909,886.00	c	\$ 5,615,416.60	Adjustment amount for revenue increase		
TransAction Update	\$ 2,500,000.00					
NEW Contingency for Approved Projects (3.8%)	\$ 7,865,399.14	d	\$ 451,141.16	Adjustment amount for revenue increase		
NEW Transportation Projects Reserve	\$ -					
<b>Total Expenditures</b>	<b>\$ 51,179,310.28</b>		<b>\$ 6,871,818.62</b>		<b>New Total \$</b>	<b>58,051,128.90</b>
Funding Available for FY2015 and FY2016	\$ 371,082,604.72					
Project Commitments FY15/16	\$ 345,939,000.00					
Projected FY2017 Carry Forward	\$ 25,143,604.72	e	\$ 5,000,317.18		<b>New Total \$</b>	<b>30,143,921.90</b>
<b>Cumulative Regional Revenue Reserve Balances</b>						
Working Capital Reserve	\$ 103,492,094.00		\$ 5,615,416.60	Adjustment amount for revenue increase		
Debt Service Reserve (Held by Trustee)	\$ 5,551,150.00					
Contingency for Approved Projects	\$ 7,865,399.14		\$ 451,141.16	Adjustment amount for revenue increase		
Transportation Projects Reserve	\$ -					
<b>Cumulative Reserve Balances</b>	<b>\$ 116,908,643.14</b>		<b>\$ 6,066,557.76</b>		<b>New Total \$</b>	<b>122,975,200.90</b>
<b>Notes:</b>						
a	FY2015 Regional Revenue Received In Excess of Adopted Budget					
b	Correction of Principal Payment Typo					
c	Additional WCR Contribution Required by Additional FY2015 Revenue					
d	Additional Contingency Reserve Contribution Required by Additional FY2015 Revenue (Policy in Development)					
e	Additional Carryforward amount Based on FY2015 Revenue					