

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

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

FROM: Mayor Parrish, Chairman, Finance Committee

DATE: October 5, 2016

SUBJECT: Budget Adjustment – FY2017 Revenue and Working Capital Reserve

1. **Purpose:** Outline proposed adjustments to the FY2017 Regional Revenue Budget as outlined below.
2. **Suggested Motion:** *I move Authority approval of a \$7,472,264.85 increase to the FY2017 Regional Revenue Fund Budget – Working Capital Reserve, with this increase to be funded from FY2016 carryover.*
3. **Background:**
 - a. Revenue amounts for FY2016 have been finalized and have recorded a positive variance to budget of \$21.4 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% (Regional Revenue Fund) amount is \$14,948,530
 - b. The variance amount triggers a change in the starting balance for the adopted FY2017 Regional Revenue Fund budget. The revised starting balance changes the policy required amount of the Working Capital Reserve (WCR).
4. **FY2017 Regional Revenue Fund Budget Adjustments:**
 - a. Recognize FY2016 Year End Performance. Increase carryover for FY2016 from \$0 to \$14,948,529.69
 - b. Working Capital Reserve Required Incremental Adjustment. Increase the WCR contribution for FY2017 by \$7,472,264.85 to maintain compliance with the Authority's Debt Policy.

Coordination: NVTA Finance Committee