



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

Thursday, April 11, 2019
7:00 p.m.
3040 Williams Drive, Suite 200
Fairfax, VA 22031

AGENDA

- I. Call to Order** Chairman Nohe
- II. Roll Call** Ms. Thomas-Jones, Clerk
- ✓ Voting Members: Chairman Nohe; Chair Randall; Chairman Bulova (via telephone); Board Member Cristol; Mayor Wilson; Mayor Parrish; Mayor Rishell; Mayor Meyer; Councilmember Snyder; Mr. Kolb; Mr. Minchew; Ms. Hynes.
 - ✓ Non-Voting Members: Mayor Wood; Ms. Cuervo; Mr. Horsley.
 - ✓ Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Keith Jasper (Principal, Planning and Programming); Harun Rashid (Transportation Planner); Richard Stavros (Investment and Debt Manager); Sree Nampoothiri (Transportation Planner); Erica Hawksworth (Communication and Public Affairs Manager); Yolanda Thomas-Jones (Board Clerk); various jurisdictional and agency staff.
- III. Minutes of the February 14, 2019 Meeting**
- Mr. Minchew moved approval of the February 14, 2019 minutes; seconded by Chairman Bulova. Motion carried unanimously.

Action

- IV. Approval of the FY2020 Through 2025 Revenue Projections** Mr. Longhi, CFO
- Mr. Longhi sought Authority adoption of the proposed revenue projections for FY2020 through FY2025 as recommended by the Finance Committee, noting:
 - ✓ NVTA staff, with information provided by member jurisdictions, review and revise, the multi-year revenue estimates. This process includes new projections for the fiscal periods for any upcoming funding program years.
 - ✓ Based on information received from participating jurisdictions, no changes are recommended to the FY2019 through FY2023 projections.
 - ✓ New estimates for FY2024 and FY2025, in support of the two year update to the Six Year Program (SYP) are reflected in Item IV of the staff report.
 - ✓ The table shows Sales Tax as the sole revenue, with a Regional breakout of 70%, 30% Local and Year-to-Year percent change.
 - ✓ These estimates do not include money from SB1716.
 - ✓ For FY2020 the 30% projection is \$79.7 million.

- Mr. Longhi references attachment to Item IV, Analysis of SB1716 (I-81 Fund), highlighting:
 - ✓ Analysis is based on four years of revenue, FY20-23.
 - ✓ Under HB2313 Alexandria would have gotten \$28.9 million, HB1539 reduced that to \$24.9 million.
 - ✓ SB1716 increases the 30% for Alexandria by \$1.2 million over four years. It revises the 86% reduction, down to 82%, bringing the revised total for the four years up to \$5.2 million.
 - ✓ This is not incorporated into the revenue projections because there are still questions to discuss with the Commonwealth on the actual implementation.
 - ✓ Once perfected, it will be distributed to the localities.
 - ✓ Regional Revenue, HB2313 would have brought in \$998 million, that has been reduced to \$775 million. SB1716 will bring back \$44 million of the reluctant 5%.
 - ✓ He noted in the 'Revised Reduction %' column, HB1539 with the cancellation of Grantor's and Transient Occupancy Tax impacted some jurisdictions more than others as reflected in the percentages.
 - ✓ SB1716, as understood by Mr. Longhi, the monies will be redistributed to jurisdictions based on a ratio based on sales tax, which is consistent between the jurisdictions. Basically, results in 5-6% return by jurisdiction.
 - ✓ Compared to percentages the jurisdictions have lost, 5-6% comes back.
 - ✓ Manassas, Manassas Park and Prince William adding that they are not WMATA participating jurisdictions.
 - ✓ The WMATA participating jurisdictions, in addition to the loss of TOT and Grantor's Tax also had the impact of the \$27.12 million free year Metro funding capital ??
- Delegate Hugo asked how much did the NVTA give Metro over the last few years. Ms. Backmon responded, \$184 million.
- Chair Randall mentioned there have been a lot of discussions about the \$20 million that was coming from I-81 bill. It was discussed that the monies were going to make NVTA whole. From last year's discussion, the Governor was going to put \$30 million in his budget to replace what NVTA has lost. The \$20 million is a down payment on what the NVTA is owed.
- Chairman Bulova agreed with Chair Randall that the \$20 million will not make the NVTA whole. Although the NVTA is happy to receive the money, they should continue to seek the rest of the revenue.
- Senator Black mentioned the need for new roads and transportation. He went on to add as a Commonwealth we share the revenue of the State and we target them to places that have problems. He acknowledged his agreement with both Chairman Bulova and Chair Randall's comments.
- Mayor Rishell added that in order to remain whole the way to build revenue is ??
- Chairman Nohe noted there have been conversations with the Secretary of Transportation Office and they are in agreement. They have acknowledged the money is there and has never suggested that it's part of things.
- Delegate Hugo asked do we anticipate NVTA may be doing another \$184 million now that Metro has a sustained funding source. He added is the NVTA proposing

the pumping \$184 million into Metro every few years. Chairman Nohe responded that he was not proposing. There projects that Metro has on their Capital Improvement Plan that are not funded through the State of Good Repair Funds. Chairman Nohe added that if a jurisdiction needed to repair a platform or station, that money is not associated the State of Good Repair because it is a local responsibility. Therefore, would be eligible for NVTA funding. Delegate Hugo added he would not support any additional requests for.

- Chairman Bulova added the NVTA is not a road building organization. NVTA funds many different kinds of projects including bus projects, pedestrian projects, Metro (not part of State of Good Repair Funding). NVTA has a multimodal responsibility. The majority of funding has gone towards roads but that's not the only thing.
- Chair Randall noted in Loudoun County, 30% of the NVTA funds, have already been allocated to Metro. She added the money was allocated before the funding reduction and Loudoun may have made a different decision had they known the funding reduction of \$22 million dollars was coming. Chair Randall acknowledged that NVTA has come up short and she hopes for continued advocacy of restorative funding. The \$20 million is good, but it just a down payment of what is owed.
- Mayor Rishell mentioned that a better job needs to be done in describing that the NVTA selects and funds projects, not only based on modal balance but regional balance also. Delegate Hugo said Metro has its own funding source now and let them stand on their own. He mentioned an amendment he's put in that means the NVTA can no longer give money to NVTC because they have a responsibility.
- Mayor Parrish moved the Authority adoption of the FY2020-FY2025 revenue projections as presented in the staff report, seconded by Mayor Rishell. Motion carried unanimously.

V. Approval of the FY2020 Local Distribution Fund Budget Mr. Longhi, CFO

- Mr. Longhi sought Authority adoption of the proposed FY2020 Local Distribution Fund Budget as recommended by the Finance Committee, noting:
 - ✓ Local Distribution Fund (30%) revenues are distributed in their entirety to member jurisdictions in accord with HB2313 (2013).
 - ✓ Member jurisdictions will receive the amount of Local Distribution Funds they are entitled to in accord with the statute as based on the transactions within the jurisdiction.
 - ✓ Many member jurisdictions either net their jurisdictional share of the NVTA Operating Budget from their 30% Local Distribution Funds where they pay the obligations from those funds once received.
 - ✓ Senator Black put forth SB1468 that will permit the Authority to charge the Operating Budget to the Regional Revenue Fund. If the Authority avails itself of this option, which is in the regional revenues fund budget proposal, it will have the effect of increasing jurisdiction Local Distribution Fund revenues as indicated in the table in Item V of the staff report.

- ✓ Second page of staff report reflects the Proposed FY2020 Local Distribution Budget table. Starts with a carryforward of zero, because the intent is to have all the money distributed. In the 'Proposed FY2020; column goes down to \$79.7 million that was seen previously. There are interest earning on the money as it moves through the Commonwealth system, it doesn't stay with the Authority long enough to earn much interest. The ending balance is zero for the funds. Mr. Longhi emphasized that SB1716 impact are not in these numbers but the wording the budget proposal distributes whatever money comes in. An amendment won't be necessary when SB1716 starts rolling in.
- ✓ Chairman Nohe asked is the Local Distribution Operating Budget support retroactively adjusted based on fluctuation with sales tax collection. Mr. Longhi responded no. Chairman Nohe asked if the base of the 30% funds on actual collection of 30% funds, and if NVTA budgets operating expenditures on the estimated. Mr. Longhi responded, when the operating budget was supported by the 30% funds it was actually allocated by population not revenue.
- ✓ Chair Randall asked when the budget was adopted, it was allocated by population at the time. Mr. Longhi responded when the Census is new, for the first four years after the Census is published, the Census numbers are used. In year five, after the Census, then it switches to the Weldon Cooper Population estimates. Chair Randall asked would the numbers adjust after the next Census. Mr. Longhi responded yes, they adjust twice every ten years.
- ✓ Senator Black asked were the numbers included, Weldon Cooper numbers. Mr. Longhi responded they would have been if the impact was to be reflected. He added the next agenda item, Regional Revenue Fund, staff is proposing Finance Committee recommendation that the Regional Revenue Fund pay the Operating Budget via transfer.
- Mayor Parris moved the Authority adoption of the proposed FY2020 Local Distribution Fund Budget as presented in the staff report, seconded by Chairman Bulova. Motion carried unanimously.

VI. Approval of FY2020 Regional Revenue Fund Budget Mr. Longhi, CFO

- Mr. Longhi sought Authority adoption of the proposed FY2020 Regional Revenue Fund Budget as recommended by the Finance Committee, noting:
 - ✓ Regional Revenues (70% funds) are largely programmed through updates to the Six Year Program (SYP) and subsequent updates.
 - ✓ Any unused funds from one fiscal year are accumulated as HB2313 Restricted Fund Balance and will be available for the FY2024/25 update to the SYP.
 - ✓ Programming is done for two years several years out, positive variances would get programmed when the Authority makes those decisions.
 - ✓ Details of the Proposed FY2020 Regional Revenue Fund Budget are presented in Attachment 1 of Item VI of the staff report.

- Revenues were adjusted for the 2018 legislative action to eliminate the Transient Occupancy Tax.
- CoVa interest is noted in the 30% Fund on monies as they are moving through the Authority's system.
- Future Financing if required due to cash flow.
- There has been significant work with the Auditors to allow the Authority to effectively forward appropriate money before it's received. There are some risk mitigation aspects that are in the appropriation plan.
- The agreed upon term is 'Future Financing as Required Due to Cashflow.'
- The strategy of using our own balance sheet to avoid having to go the bond market to finance projects is built upon the lag between when a project is appropriated and when the project actually spends out. This strategy is saving the Authority \$194 million over 20 years.
- \$10 million is the actual interest earnings on the actively managed investments. Mr. Longhi anticipated the number would be higher, but doesn't want to commit due to market starting to go down.
- The emphasis from the Finance Committee is always to estimate conservatively. It can as much as \$8 million higher than the \$10 million.
- \$5.5 million in debt service payments.
- \$3.5 million for the next updated TransAction.
- \$150,000 for technical support for the Long Term Benefit analysis.
- \$570 million SYP Pay-Go Project Funding, will be FY2020 appropriation.
- Transfers and carryforward of \$2.9 million is the Operating Budget.
- \$2.9 million on a budget of \$579 million.
- The Operating Budget is not going to have an impact on the Regional Budget.
- HB2313 Restricted Fund Balance Carryforward to FY2024, next time project decisions are to be made. The number is based on audited numbers, rather than coming back to the Authority to suggest the
- By using the audited numbers, there is clear transparency back to those numbers for each fiscal year. When closer to making funding recommendations, the staff will work with the Finance Committee to do a catchup estimate worth a couple million dollars.
- \$120 million Working Capital Reserve is fully funded.
- The Debt Service Reserve is \$5.5 million, which is fully funded.

- The two principle number are future financing, \$383 million and \$570.1 million in project appropriation.
- Mayor Parrish moved Authority adoption of the Proposed FY2020 Regional Revenue Fund Budget, as presented in Attachment 1 of the staff report, seconded by Senator Black. Motion carried unanimously.

VII. Approval of the FY2020 Operating Budget Ms. Backmon, Executive Director

- Ms. Backmon sought Authority adoption of the proposed FY2020 NVTA Operating Budget as recommended by the Finance Committee, noting:
 - ✓ The Operating Budget includes the base initiatives that are currently being undertaken along with any increases to the base initiatives. This year has three different staffing proposals, without Senator Black’s bill, this would not have been brought forward.
 - ✓ All localities took a hit regarding the 30% Fund and Arlington was in the negative for FY2019.
 - ✓ Given the structure of HB2313, the operational costs of the Authority can be paid from the 30% fund or another funding source. All of the localities, except for Loudoun and Alexandria, choose to pay from the 30% Fund. It is important to provide flexibility as it relates to how to pay the operational expenditures of the Authority.
 - ✓ Hampton Roads undertook this action in 2016 as part of the 2016 General Assembly Session.
 - ✓ HB2313 provided autonomy for HB599.
- Mr. Longhi referenced Item VII, Attachment 1 noting:
 - ✓ The columns on Attachment 1 are the Adopted FY2019 Budget, Proposed Base Budget FY2019, Proposed Budget Fy2020.
 - ✓ Personnel expenditures, salary and regular pay.
 - The member jurisdictions are still in the process of passing budgets. The estimate is 4% for increases, but will limit the staff increases on a merit basis to what the average is over the region. That number won’t be disclosed until the counties an cities pass their budgets.
 - ✓ Health and Dental Benefits.
 - Benefit rate increases/decreases are based on the experience. However, instead of a 9 person staff it judged against 60,000 people since the NVTA has joined the Virginia State Local Choice Program.
 - Local Choice tends to have a lag behind level of increases that are seen nationally.
 - NVTA experienced an 11.43% increase in benefit premiums during the FY2019.
 - FY2020 base budget assumes an additional 5% increase in health premiums.
 - The renewal rate will not be available until May.

- Staff members may elect NVTAs coverage changes during the open enrollment period.
- ✓ Retirement VRS:
 - Retirement is fully funded.
 - There is no negative lag. The actuarial amount will be updated for FY2021.
- ✓ Life and Disability Insurance.
 - Priced using ‘h tiers’??.
- ✓ Profession Service Changes
 - A \$1,000 audit service increase is part of the contractual agreement.
 - NVTAs liability, causality, cyber, officers and directors insurance renewal rates has an estimated 5% increase above the FY2019 renewal.
- ✓ Public Outreach & Regional Event Support has a \$20,000 increase triggered by two things. Chmura Economics & Analytics, Economic Impact Study, due to cost limitation the NVTAs could only afford to do it based on the money the Authority programmed, not based on the value that the actual project brings to the economy.
 - Budget for Public Hearings is reduced by \$2,000.
 - Graphic design and printing cost for the Annual Report is expected to increase by \$1,000.
- ✓ Legal Services/Bond Counsel and Financial Advisory Services have the same narrative.
 - Decrease in FY2018 from \$50,000 to \$25,000.
 - During the FY2019 budget process, the Committee was informed of the unexpected level of consultation required with bond counsel due to the 2018 General Assembly actions.
 - Staff expected the amount to exceeded by \$20,000, but was actually exceeded by \$28,000. The strategy put in place was that the difference would be funded out of the Operating Reserve, then come back and replenish the Operating Reserve.
 - The FY2019 expense level for bond counsel or financial advisory, bringing it back to the \$25,000 level in anticipation that if something happened in 2020 General Assembly Session.
 - Financial Advisory budget has been cut in half down to \$35,000. FY2019 budget was increased \$40,000 to replenish the Operating Reserve from FY2018 and to provide additional resources for FY2019.
- ✓ Technology and Communication:
 - On November 8, 2018, the Finance Committee recommended and the Authority approved a budget adjustment to transfer \$35,781 from the Operating Reserve

to obtain/implement Investment Management and Monitoring Services tools, specifically Bloomberg Anywhere with Real Time Pricing and Inter Continental to improve the performance of the investment portfolio and to guard against risks.

- \$48,000 investment has led to \$8 million increase on portfolio earnings while managing the risk within the portfolio.
 - Budget line supports General Ledger and Portfolio Tracking software.
 - IT Support and Hosting is outsourced. The cost escalates once every three years with no further escalation during the three year period.
 - There is an added annual licensing cost for Adobe Acrobat software.
 - GIS/Project Monitoring & Management/Modeling impacts:
 - The FY2019 Budget included \$60,000 for Phase 1 of the Project Implementation, Monitoring. As discussed during the FY2019 budgeting process, Phase 2 and Phase 3 will be implemented during the FY2020 budget cycle. Phase 2, Project Status Monitoring has been added to the budget with a one-time cost of \$57,500. Phase 3, Online Dashboard has been added to the FY2020 budget with a one-time cost of \$57,500.
 - Minor increase in Web Development and Hosting to keep website functioning.
 - Dues and Subscriptions have some increases in order to participate in regional and national events.
 - NVTA's office lease with NVRC has an annual escalation of 2.5%.
 - The Operating Reserve is based on 20% of the expenses. The changes fluctuate with budget.
 - Equipment Replacement Reserve is designed to provide funding for replacements over time. A \$9,000 amount allocated for the plotter was added to the equipment reserve in FY2018.
- ✓ FY2020 Proposed Budget Initiatives include:
- Public Outreach and Region Event Support has an increase of \$3,000 to cover higher quality photos and videography. Staff proposed increasing the budget \$1,250 for ground breaking, ribbon cutting and outreach commemorative items. 16 projects were approved last fiscal year and 20 projects are approved the current fiscal year, so there will be an increase in ribbon cutting ceremonies.
 - Financial Analyst Position Request Justification highlights:

- NVTA finance team is currently comprised of three staff members; Chief Financial Officer, Assistant Finance Officer and the Investment and Debt Manager. All staff members in both finance and planning undertake their own clerical and support functions for their related professional duties.
- Initial efforts to develop the draft of Policy 29 – Project Activation, Monitoring and De-Appropriation, requested by the Finance Committee, started in May 2017. Policy development has been delayed due to competing priorities until most recently.
- Separation of duties as an internal control mechanism has become increasingly difficult due to the increase in transaction volume and value.
- Investments alone will require 71 transactions to place \$356.4 million buy orders at \$5 million each in FY2019. These investment transactions will trigger 107 Tracker Portfolio System Transactions, and 200 General Ledger transactions. This is in addition to approximately 300 transactions processed by Mr. Stavros and Ms. Teal, which have been automated through interfaces between the Tracker Portfolio System and the General Ledger.
- Average reimbursement is just under \$400,000 each.
- 1,423 reimbursement valued at \$560 million are expected in support of FY2014 through FY2017 funding programs.
- 727 reimbursements valued at \$286 million are backlogged from their original SPA expenditure schedule, making workload very unpredictable.
- The SYP will generate an estimated 1,332 reimbursement requests valued at \$525 million, just for FY2019 appropriations.
- All reimbursements require review by a Planner and the Assistant Finance Officer prior to being presented for CFO approval and payment.
- Reimbursements require up to date certificates of insurance (COI) among other verification requirements. Monitoring just COIs and coordinating compliance with project sponsors is currently taking an extraordinary amount of NVTA staff time.
- NVTA has made a commitment to attempt to turn reimbursement requests around in 20 days.

- Several jurisdictions have indicated they will be using their 30% Local Distribution Funds to increase staffing. It triggers faster completion of projects and a learning curve.
 - Bond funded projects require a questionnaire up until 2034.
- ✓ Mr. Longhi mentioned it takes a level of experience when you are the point that you have to tell leadership, you can't keep doing what you have been doing with the current resources. NVTAs are still in a start-up mode.
- ✓ Senator Black asked about management protocol in place to address Single Points of Failure. Mr. Longhi replied, the current policy and procedures layout the framework. He added that the staff is mostly consumed by the volume. The workload needs to be reduced and secondary steps need to be added. The position will allow the NVTAs to formally have an investment monitor to make sure the Investment Policy is adhered to. If there was no increase in volume, the position would not be needed. However, the volume is increasing and will continue to a point.
- ✓ Senator Black added that he agrees the position is justified.
- ✓ Mr. Longhi summarized the Planner positions by stating the Authority is still in a start-up mode. When staff started planning for projects and TransAction was done with cooperation of jurisdictions, The Authority has a Six Year Program that's alive and has projects until 2023. At the same time, a two-year update is due to the SYP, to keep projects moving on the existing TransAction. While, at the same time, preparation needs to be done for the update to TransAction, which will be a two and a half year process. In the interim, there will be another update to the SYP. There is a huge difference in doing one thing after another, and having to do several things at the exact same time. The Authority won't have a two year update to the SYP, but a four year update in two years to the SYP. He added TransActions go out of date quickly.
- ✓ Mayor Parrish acknowledged his confidence that staff is making a recommendation that would help with the future of the NVTAs to be what it is intended to be.
- ✓ Delegate Hugo wanted to confirm the vote was for 2020 initiatives. Chairman Nohe confirmed.
- ✓ Delegate Hugo mentioned 8.8% percent increase to the base budget, 35% increase for 4.5% increase mumble. Mr. Longhi responded that three staff, the expenditure subtotal goes from the base of \$2.1 million to \$2.3 million then to \$2.8 million with the addition of the three staff positions.
- ✓ Delegate Hugo asked about the percentage increase. Mr. Longhi replied, from base to proposed initiative. 2.3-2.8 is roughly 18%. Delegate Hugo inquired about the increase to current revenue. Mr. Longhi replied, about 25%.
- ✓ Mayor Rishell concurred with Mayor Parrish in her support to the staff positions and Operating Budget. She added that almost every department in

her city, Manassas Park, is understaffed and it does take a toll on people and timelines.

- ✓ Chairman Bulova mentioned her support in favor of the increase in staff. She added there was a lot of prior discussion about the budget and wanted to assure that the three positions were needed. She noted the positions have been justified and supportive of the NVT A.
- ✓ Mayor Meyer noted his agreement with the additional staff positions and commended the current staff on filling in as needed.
- ✓ Councilmember Snyder stated that the Authority can not afford to drop the ball on the finances. He is in support of the Financial Analyst position and the two Planner positions. The overlayment of new standards and requirements has imposed a huge burden on localities. He added planners are required to help jurisdictions get through and ??? the requirements. He mentioned his hopes that planners could help jurisdictions to push the envelope more than has been done thus far, helping to make the current infrastructure more useful to the citizens.
- ✓ Mr. Minchew mentioned Policy 29. As the list of projects in the pipeline grow, it's common sense to know new staff will be needed. He added that as the Authority matures???
- ✓ Chairman Nohe acknowledged struggle with the staff increase. He went on to highlight his previous discussion with Ms. Backmon, where he came to realization that as the list project grows and the sophistication of these projects grow, it is harder for jurisdictions to actually get the projects off the ground. He added he wants to avoid the NVT A being stretched so thin, that the Authority can not support any jurisdictional staff in doing the fundamental things the Authority does. Chairman Nohe reiterated his support of additional staffing.
- ✓ Delegate Hugo reminded the Authority of the budget increase every year.
- ✓ Mayor Parrish moved Authority adoption of the proposed FY2020 Operating Budget as presented in Attachment 1, seconded by Mayor Meyer. Motion carried unanimously.

VIII. Approval of the FY2020 Six Year Program Appropriations Mr. Longhi, CFO

- Mr. Longhi sought Authority budget appropriation action for those projects from the FY2018 to FY2023 Six Year Program (SYP) requiring FY2020 Regional Revenue Funds as recommended by the Finance Committee, noting:
 - ✓ Mr. Longhi refers to Table 1, on page 1 of the staff report mentioning the total of \$570 million
 - ✓ Finance Committee initiated development of a funding strategy in May of 2017.
 - ✓ June 6, 2018, the Finance Committee made a \$1.285 billion PayGo funding recommendation to the Planning and Programming Committee (PPC).
 - ✓ September of 2018, the Finance Committee recommended a funding strategy.
 - ✓ In October 2018, the Authority approved the Finance Committee recommended FY2019 appropriations and appropriation schedule.

- ✓ In February 2019, the Authority removed the appropriation for the Town of Vienna Mill Street Parking Garage Project ID 2018-057-0 (at the Town's request) to provide additional project planning time.
- ✓ Originally the Authority was looking at 17 projects for FY2020 appropriation, 3 projects came forward and requested appropriation action be accelerated.
- ✓ NVTa worked with the 3 jurisdictions and is recommending the 3 projects move forward.
 - City of Falls Church - West Falls Church & Joint Campus Revitalization District Multimodal Transportation Project (2018-051-1) for \$15,700,000. City staff reports that the project can move forward at a faster than anticipated pace with utility undergrounding. Advancing utility undergrounding improves project certainty and coordination options with the City's Public Schools.
 - City of Alexandria - Dash Transit Service Enhancements & Expansion (2018-043-1) for \$11,933,161. City staff reports DASH has been able to acquire six electric buses outside of the adopted project (through another funding source).
 - Arlington County – Crystal City Metrorail East Entrance (2018-003-1) for \$5,000,000. County staff report the project schedule is being accelerated in support of a corporate headquarters initiative in Crystal City.
- Mr. Longhi refers to 'Appropriation Based Balances' table on page 3 of the staff report noting \$570 million figure and \$383 million figure. He added, on the surface it looks like the Authority is appropriating \$383 million more than it has, which is correct from an appropriations standpoint. However, the project is paid on a reimbursement basis, so the money for the project doesn't leave the Balance Sheet until the project submits its reimbursement request. That leaves a billion dollars on the Balance Sheet.
- Mr. Longhi refers to 'Expenditure Based Balances' table on page 3 of the staff report noting the Cash Flow Balances ?? forward adoption of these projects. He added the feedback he has received from jurisdictions is that certainty of the money but certainty the money is coming. The schedule provides certainty for the outlying years. The appropriation of the full dollar amount of the project makes it easier for the jurisdictions. He mentioned there is risk involved if the expenditures speed up.
 - ✓ The \$120 million Working Capital Reserve (WCR) which is not included in the cash flow. Debt Service Capacity of approximately \$1.4 billion. The ability to manage liquidity demands through the approval of Appendix B changes.
 - ✓ Mr. Longhi added that the numbers are only active Appendix B's. If there was a liquidity issue, it can be managed as part of the factors. Advancing projects using NVTa's liquidity, rather than financing is saving the Authority a substantial amount of money over 20 years.

- Mr. Longhi referred the ‘Appropriation Schedule’ attached to the staff report noting there are no changes from what the Finance Committee approved.
- Delegate Hugo mentioned the \$570 million total and referred to the \$127 million appropriation for Route 1 Widening (Mount Vernon Memorial Highway to Napper Road)
 - ✓ Mr. Wilson moved the Authority budget and appropriate \$570,189,322 of FY2020 Regional Revenue Funds to the 20 projects in the FY2018-FY2023 Six Year Program as detailed in Table 1 of the staff report, seconded by Chair Randall. I nay, Delegate Hugo. Motion carried.

IX. Approval of Policy 29 –Project Activation, Monitoring and De-Appropriation

Mr. Longhi, CFO

- ✓ Mr. Longhi sought Authority adoption of Policy 29 – Project Activation, Monitoring and De-Appropriation as recommended by the Finance Committee, noting:
 - ✓ moved the Authority adoption of Policy 29 – Project Activation, Monitoring and De-Appropriation as presented in Attachment 1 of the staff report, seconded by ??. Motion carried unanimously.

X. Approval of the Update to the Disclosure Policy

Mr. Longhi, CFO

- ✓ Mr. Longhi sought Authority approval of an update to the Continuing Disclosure and Post Issuance Policy, as recommended by the Finance Committee, noting:
 - ✓ This update is required by the Securities and Exchange Commission’s (SEC) Rule 15c2-12.
 - ✓ moved Authority approval of the attached update to the NVTA Continuing Disclosure and Post Issuance Policy (Policy 21), seconded by ??. Motion carried unanimously.

XI. Approval of the Update to the Investment Policy

Mr. Longhi, CFO

- ✓ Mr. Longhi sought Authority approval of changes to the NVTA Investment Policy as recommended by the Finance Committee, noting:
 - ✓ moved Authority approval of the attached changes to the Authority’s Investment Policy (Policy 13), seconded by ??. Motion carried unanimously.

XII. Approval of CMAQ Funds Transfer for Loudoun County

Ms. Backmon, Executive Director

- ✓ Ms. Backmon sought Authority approval of the Reallocation of Congestion Mitigation and Air Quality (CMAQ) funds for Loudoun County, noting:
 - ✓ moved Authority approval of the reallocation of Congestion Mitigation and Air Quality (CMAQ) funds for Loudoun County, contingent upon notification from the Commonwealth of Virginia that the air quality analysis documentation for the project is sufficient, seconded by ??. Motion carried unanimously.

XIII. Approval of RSTP Funds Transfer for Prince William County

Ms. Backmon, Executive Director

✓ Ms. Backmon sought Authority approval of the Reallocation of Regional Surface Transportation Program (RSTP) funds for Prince William County, noting:

✓ moved Authority approval of the reallocation of Regional Surface Transportation Program (RSTP) funds for Prince William County, seconded by ??. Motion carried unanimously.

Discussion/Information

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| XIV. | 2019 Legislative Recap | Chair Randall/Ms. Baynard, GPC |
| XV. | Finance Committee Report | Mayor Parrish, Chair |
| XVI. | Investment Portfolio Report | Mr. Longhi, CFO |
| XVII. | Monthly Revenue Report | Mr. Longhi, CFO |
| XVIII. | Operating Budget Report | Mr. Longhi, CFO |
| XIX. | Executive Director's Report | Ms. Backmon, Executive Director |
| XX. | Chairman's Comments | |

Closed Session

- XXI. **Adjournment**

Correspondence

Next Meeting: May 9, 2019 at 7:00p.m.
NVTA Offices