



Northern Virginia Transportation Authority

The Authority for Transportation in Northern Virginia

Thursday, November 14, 2019
7:00 p.m.
3040 Williams Drive, Suite 200
Fairfax, VA 22031

AGENDA

- I. **Call to Order** Chairman Nohe
 - A. **Chairman Nohe called the meeting to order at 7:11 PM.**

- II. **Roll Call** Ms. Duker, Clerk
 - A. Voting Members: Chairman Nohe; Chair Randall represented by Vice Chair Buona; Chairman Bulova; Mayor Parrish; Board Member Cristol represented by Vice Chair Garvey; Mayor Rishell; Councilmember Snyder represented by Councilmember Litkenhous; Senator Black; Mr. Minchew; Mr. Kolb; Ms. Hynes.
 - B. Non-Voting Members; Mayor Wood; Ms. Cuervo; Mr. Horsley.
 - C. Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Peggy Teal (Assistant Finance Officer); Keith Jasper (Principal, Planning and Programming); Sree Nampoothiri (Transportation Planner); Harun Rashid (Transportation Planner); Ria Kulkarni (Transportation Planner); Mackenzie Jarvis (Transportation Planner); Richard Stavros (Investment and Debt Manager); Erica Hawksworth (Communication and Public Affairs Manager); Dev Priya Sen (Financial Analyst); Margaret Duker (Board Clerk); various jurisdictional and agency staff.
 - D. Mayor Wilson arrived at 7:19pm.

- III. **Minutes of the November 14th, 2019 Meeting**
 - Mayor Parrish moved the approval of the November 14, 2019 minutes seconded by Ms. Hynes. Motion carried with abstentions by Vice Chair Garvey, Vice Chair Buona and Councilmember Litkenhous.

Presentation

- IV. **FY2019 Audit Presentation** Mr. Michael Garber, PBMares, LLP
 - ✓ To kick off his presentation, Mr. Garber informed Authority members that he had met with the Audit and Finance Committee about a month ago to go over the financial statements in greater detail.
 - ✓ He stated that the opinions noted in the financial statements regarding internal control and compliance were unmodified and clean opinions.
 - ✓ This meant that there were no items which needed to be pointed out.

- ✓ He noted that there were a few statements which he would like to point out from the financial statements:
 - Page 17 showed the balance sheet of Government Funds, with the General Fund, the Local Distribution Fund and Regional Revenue Fund.
 - He noted that there was an amount of \$890 million under Fund Balances which was restricted for appropriated project funding.
 - There was a little over a billion dollars of investments in the portfolio with \$890 million of that restricted for project funding.
 - Page 70 to 71 has a listing of approved projects; the budgeted amounts for the projects and what remains of their appropriation.
- ✓ Mr. Garber pointed out that the last document which he discussed with the Audit and Finance Committee, involved the Compliance Audit followed by the guidelines used to perform the Audit.
- ✓ The document also details if there were any Audit adjustments or difficulties getting information, which there were none.
- ✓ He concluded that a copy of the arrangement and representation letters (given by management) was attached to the packet.

Action

V. Acceptance of FY2019 Audited Financial and Compliance Reports

Mayor Parrish, Chair, FC

- ✓ Mayor Parrish added that Mr. Garber consistently communicated with him as well as staff throughout the audit process with more details of the results presented to the Finance Committee.

Mayor Parrish moved Authority acceptance of the Northern Virginia Transportation Authority Financial and Compliance Audit Reports for the fiscal year ended June 30, 2019; seconded by Chairman Bulova. Motion passed unanimously.

VI. Revisions to Policy 19-Local Distribution (30% Funds)

Mr. Longhi, CFO

- ✓ Mr. Longhi informed members of the Authority that both policy revisions (19 and 20) were driven by legislative changes in the 2019 General Assembly Session.
- ✓ Policy 19 refers to the Local Distribution Fund which is commonly known as the 30% Fund.
- ✓ Senate Bill (1468) which was patroned by Senator Black, provides the Authority the flexibility to pay operating expenses out of the Regional Revenue Fund (70% revenues).
- ✓ He noted that instead of the money (expenses) coming out of the 30% fund, there is now the option to take it out of the Regional Revenue Fund.
- ✓ Senate Bill 1716, is related to funding for the I-81 Corridor Improvements and provides additional funding to the Authority, which the Commonwealth estimates as:

- FY2020 - \$9.4 million
- FY2021 - \$13.8 million
- FY2022 and beyond - \$19.5 million
- ✓ Mr. Longhi noted that thus far, revenue projections are coming in below projection.
 - There was the need to receive \$783,000 a month in order to make the \$9.4 million estimate by the Commonwealth. However, we are currently on a trajectory to only bring in \$1.7 million in 12 months.
 - He noted that there have been discussions with the Finance Committee and outreach to the Commonwealth to determine if there was a processing error.
 - Mr. Longhi added that SB1716 was not incorporated in the revenue projections.
- ✓ Policy 19 must also be changed to reflect the loss of the Grantor's Tax and Transient Occupancy Taxes in 2018 as well as improve clarity and consistency of language in relation to the Annual Certification Process and improve clarity of the overall document.
- ✓ He pointed that the revisions were reviewed by the Council of Counsels, Bond Counsel and Financial Advisor.

Mayor Parrish moved Authority approval of the changes to Policy 19 – Local Distribution (30% Funds); seconded by Mayor Rishell. Motion passed unanimously.

VII. Revisions to Policy 20—Regional Revenue (70% Funds) Mr. Longhi, CFO

- ✓ Mr. Longhi noted that the Policy 20 revisions were made to ensure compliance with the Virginia State Code as well as Bond Indenture.
- ✓ Coordination and input from Bond Counsel, Council of Counsels and the Financial Advisor went into making these revisions.
- ✓ He noted that SB1716 revenue was not bondable thus the need to make very specific wording changes to ensure compliance with NVTA's Bond Indenture.
- ✓ These changes preserve the Bond Indenture and will allow NVTA to process revenues as needed.

Mayor Parrish moved Authority approval of the changes to Policy 20 – Regional Revenue (70% Funds); seconded by Vice Chair Garvey. Motion passed unanimously.

VIII. Approval of Calendar Year 2020 Meeting Schedule

Ms. Backmon, Executive Director

Recommended action: Approval of Meeting Schedule

- ✓ Ms. Backmon proposed that the Authority continues to meet the second Thursday of each month during CY2020, with the exception of the month of the April, which has the Authority meeting scheduled on the third Thursday to avoid conflict with Spring Break and Passover activities.

- ✓ She noted that the first Thursday of the month of April was ruled out as NVTC and PRTC meet during those times.
- ✓ She added that there would be no meeting in August unless special circumstances require, and the Authority would denote what those special circumstances are.
- ✓ She noted that the December meeting will be 6:00 PM since the Northern Virginia Regional Commission meets on those same evenings during the holiday season.
- ✓ She added that the update to the long-range transportation plan TransAction commences in January and is expected to take two years from the time it starts to the time it is presented for adoption.
- ✓ Prior to the start of the Authority meeting in January, a listening session has been scheduled to kick off the TransAction update.
- ✓ Ms. Backmon noted it will take an hour with the Authority business meeting beginning afterwards, adding that the evening will start with an Open House where staff will engage with attendees and answer questions with the listening session following right afterwards.

Councilmember Litkenhous moved Authority approval of the proposed NVRTA meeting schedule for Calendar Year (CY) 2020; seconded by Vice Chair Buona. Motion passed unanimously.

Discussion/Information

- IX. Governance and Personnel Committee Report** Chair Randall, Chair, GPC
 Ms. Baynard, McGuireWoods Consulting LLC.
- Draft 2020 Legislative Program
- ✓ Mr. Minchew informed the Authority that he stood in temporarily as GPC Chair on behalf of Chair Randall.
 - ✓ He noted the discussion of the draft Legislative Program, and requested Ms. Baynard to update the Authority.
 - ✓ Ms. Baynard pointed out that the GPC has previously reviewed the subject document on two occasions with a couple updates to previous versions.
 - ✓ The focus is on restoration of the Authority’s revenue from 2018.
 - ✓ A second priority is joining with the Virginia Treasurer’s Association in supporting amendments to the Virginia Investment of Public Funds Act. The amendments will allow the use of Fitch Ratings in evaluating investment decisions.
 - ✓ With regards to restoration of funding, NVRTA is \$82 million short of the \$102 million funding which was transferred to support WMATA capital funding.
 - ✓ The request is to receive a substantial amount of restoration from the State.
 - ✓ Secretary Valentine has been consistent in to the Administration’s intent to restore funding to the NVRTA.
 - ✓ More details to come forth after the Governor presents his budget on December 17, 2019.
 - ✓ Major changes (if applicable) will be sent to the Authority before the December meeting.

X. FY2019 Joint Commission on Transportation Accountability Annual Report Mr. Nampoothiri, Transportation Planner

- ✓ Ms. Backmon referenced the report to the Joint Commission on Transportation Accountability due annually on November 15th of each year, and details how the Authority is spending the revenues received.
- ✓ Chairman Nohe inquired whether the Authority had been requested to present the report this year. To this, Ms. Backmon responded NVTA has not been asked to do so as of yet.
- ✓ Ms. Backmon pointed out that this JCTA Report is different from the Annual Report which is presented to the Authority at the beginning of each year since that is a calendar year report; whereas this one does not have all the end of year financials since it is due by November 15th.

XI. Finance Committee Mayor Parrish, Chair, FC

- ✓ Mayor Parrish mentioned that there would be more information about the Reimbursement Parameters Study and a report on Policy 29 for the Finance Committee at their next meeting.
- ✓ Also reminded members of the Finance Committee that the next meeting will be held on Thursday at 1:00pm.

XII. Investment Portfolio Report Mr. Longhi, CFO

- ✓ No verbal report given.

XIII. Monthly Revenue Report Mr. Longhi, CFO

- ✓ No verbal report given.

XIV. Operating Budget Report Mr. Longhi, CFO

- ✓ No verbal report given.

XV. Executive Director's Report Ms. Backmon, Executive Director

- ✓ No verbal report given.

XVI. Chairman's Comments

- ✓ Chairman Nohe reminded Authority members that the December meeting will be at 6:00PM at the Northern Virginia Association of Realtors building which is across the street. Ms. Backmon also added that the Annual Report will be presented during the December meeting.

Closed Session

- ✓ **Motion for a Closed Meeting:**
Chairman Nohe moved that the Northern Virginia Transportation Authority convene a closed meeting, as authorized by Virginia Code section 2.2-3711. A.1, for the purpose of discussing a personnel matter; seconded by Mayor Rishell. Motion passed unanimously.
- ✓ The closed session began at 7:35pm.

- ✓ **Motion to Re-Open the Meeting:**
Chairman Nohe moved that the members of the Northern Virginia Transportation Authority certify: (1) that only public business matters lawfully exempted from open meeting requirements under Chapter 37, Title 2.2 of the Code of Virginia; and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Committee; seconded by Ms. Hynes. Motion passed unanimously.
- ✓ Meeting reconvened at 8:11pm with another motion to adjourn the meeting by Chairman Nohe; seconded by Chairman Bulova.

XVII. Adjournment: Meeting adjourned at 8:12PM

Correspondence

XVIII. LHATC Open Letter - RT. 9 Traffic Calming Project - Hillsboro VA

Next Meeting: December 12, 2019 at 6:00pm
National Virginia Association of Realtors
8407 Pennell St.
Fairfax, VA 22031