

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

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

**FROM:** Michael Longhi, Chief Financial Officer

**DATE:** June 6, 2019

**SUBJECT:** Monthly Revenue Report

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1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) on monthly revenue receipts and 30% funds distributed to member localities.
2. **Background:** The attached reports reflect funding received and distributed through April 2019 for the Authority's sole revenue source, sales tax.
3. **Comments:**
  - a. **FY2019 Revenues (Attachment A)**
    - i. The Authority has received approximately \$172.1 million through the April 2019 transfers from the Commonwealth. This amount represents eight months of sales tax receipts.
    - ii. Actual to estimate comparison of annualized sales tax revenues through April show a 0.32% negative variance in receipts compared to the FY2019 adopted revenue estimates. The negative 0.32% variance is a 3.26% fluctuation from the previous month. The fluctuation in the variance is the result of a \$1.5 M NVTA tax adjustment stemming from a 2 year period tax audit that impacted Fairfax and Loudoun Counties.
    - iii. Due to the large fluctuation between months, a sensitivity analysis was prepared to project the likelihood of the FYE revenue meeting or exceeding the revenue estimates. The analysis concluded that the Authority should meet the revenue projections despite the \$1.5 M adjustment.
    - iv. Tracking of current fiscal year revenue on an actual to projection basis is being substantially improved through the acquisition of a statistical packet called Palisade's Stat Tools. This tool functions inside MS Excel and brings a much greater level of sophistication to the current year revenue tracking. The tool was back tested against FY2015 through FY2018 to confirm its utility and accuracy. Use of the tool will be incorporated into the standard monthly revenue reports over this summer. Reports from the tool (which provided the analysis that revenues are on target) are included in Attachment D.
  - b. **FY2019 Distribution to localities (Attachment B)**
    - i. As of the preparation of this report, all jurisdictions have completed the HB2313 required annual certification process to receive FY2019 30% funds.

ii. Of the \$176.2 million received by the Authority, including \$172.1 million of sales tax receipts and \$4 million of FY2018 Grantors and TOT receipts through April 2019, approximately \$52.8 million represents 30% local funds all of which was distributed to the member jurisdictions.

**c. FY2015 to FY2019 Year over Year Revenue Comparison (Attachment C).**

i. 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 2019.

**Attachments:**

- A. Sales Tax Revenues Received Compared to NVTA Estimates, Through April 2019
- B. FY2019 30% Distribution by Jurisdiction, through April 2019
- C. Month to Month Comparison of Sales Tax Revenue and YTD Receipts for April 2015 to 2019
- D. Palisade's Stat Tool Analysis of FY2019 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 2019  
 FYE June 30, 2019

Regional Sales Tax*		Received	Annualized	FY2019	Annualized - Actual	
Transaction Months	8	To Date	Revenue based	Budget	To Budget	
			on YTD Receipts			
City of Alexandria		\$10,757,586	\$ 16,136,380	\$ 16,057,290	\$ 79,090	
Arlington County		\$17,468,741	\$ 26,203,112	\$ 25,308,696	\$ 894,416	
City of Fairfax		\$4,960,181	\$ 7,440,271	\$ 7,432,605	\$ 7,666	
Fairfax County		\$72,786,455	\$ 109,179,682	\$ 111,788,679	\$ (2,608,997)	
City of Falls Church		\$1,807,790	\$ 2,711,685	\$ 2,659,800	\$ 51,885	
Loudoun County		\$33,919,960	\$ 50,879,940	\$ 50,940,000	\$ (60,060)	
City of Manassas		\$3,218,555	\$ 4,827,833	\$ 5,100,000	\$ (272,167)	
City of Manassas Park		\$973,225	\$ 1,459,837	\$ 1,462,415	\$ (2,578)	
Prince William County		\$26,174,991	\$ 39,262,486	\$ 38,176,740	\$ 1,085,746	
Total Sales Tax Revenue		\$ 172,067,484	\$ 258,101,226	\$ 258,926,225	\$ (824,999)	-0.32%
		\$ 172,067,484				

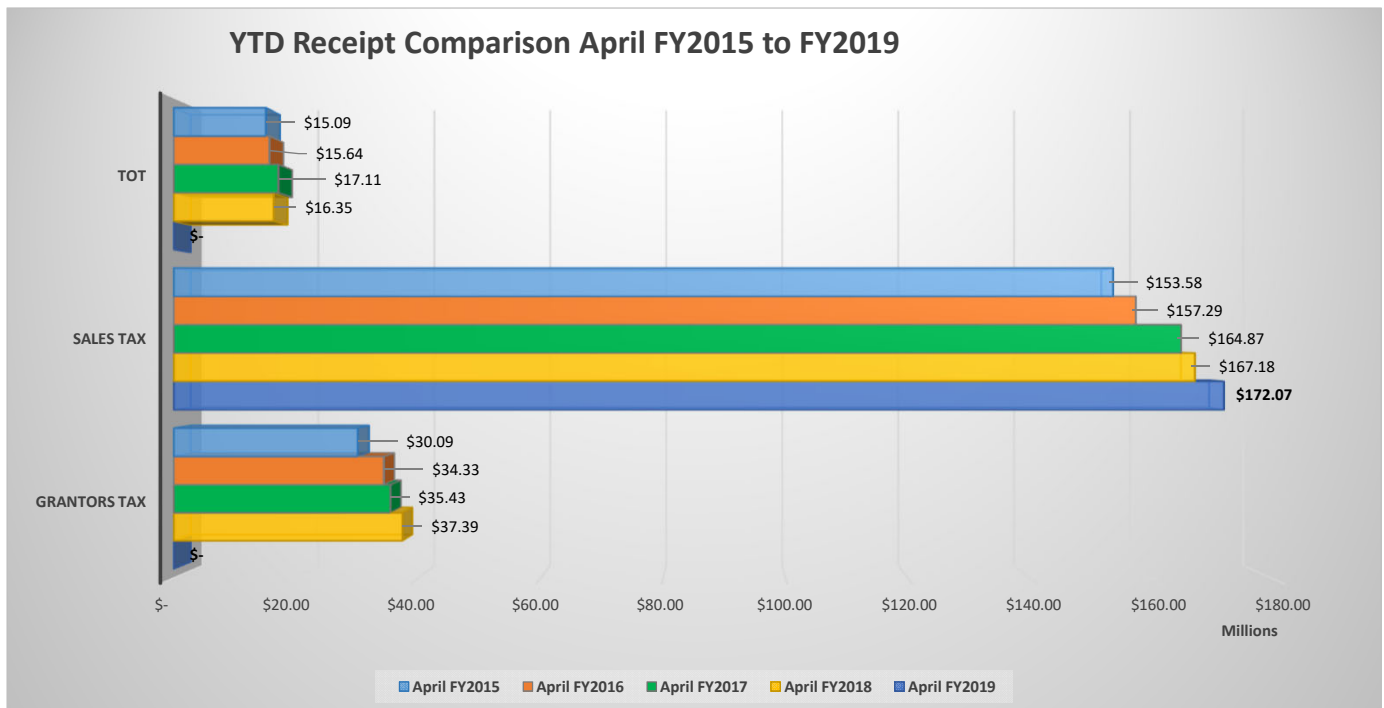
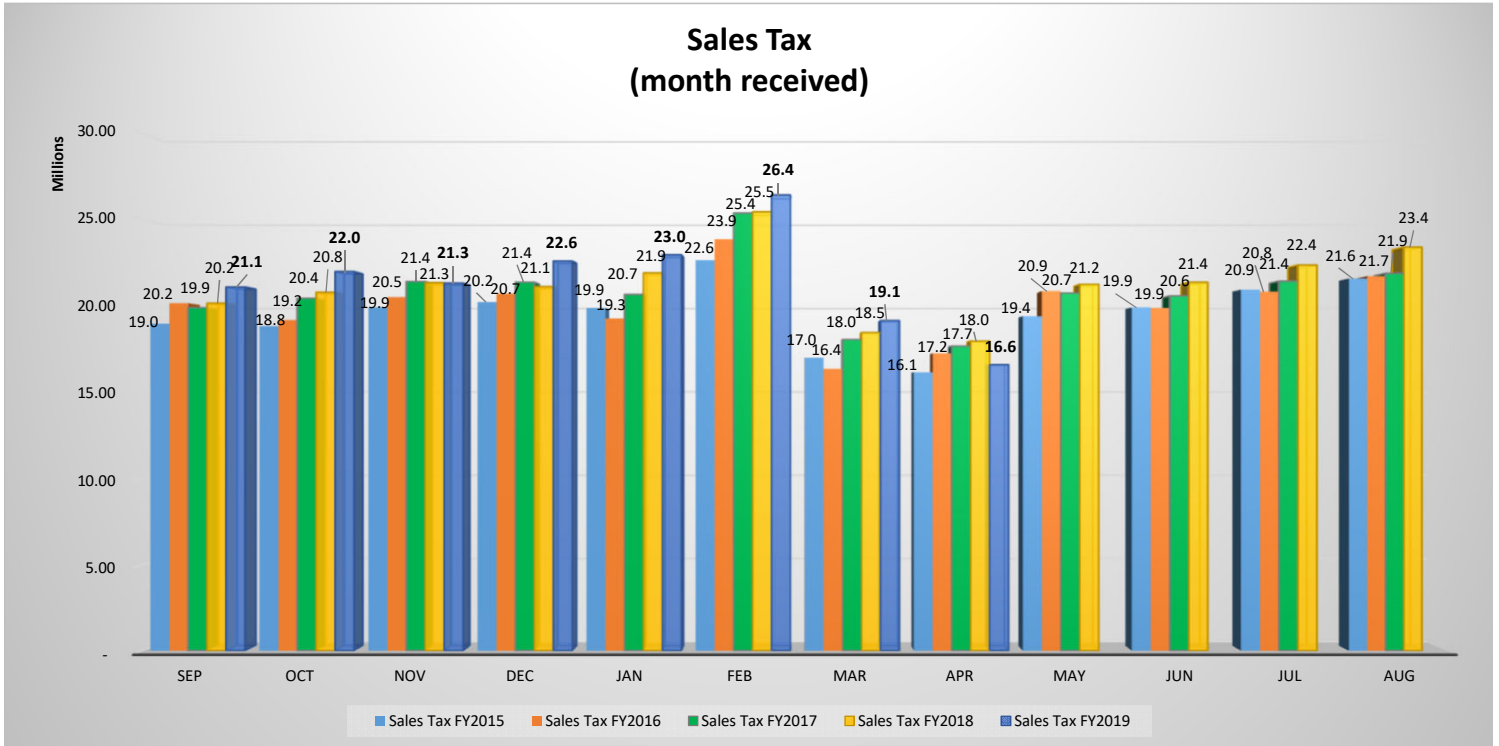
# Attachment B

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY FY2019 30% DISTRIBUTION BY JURISDICTION

Based on: Revenue Data Through April 2019

Jurisdiction	(1) FY2018 Receipts		(1) FY2018 Receipts		Cumulative Total	30% Funds	Thru 3/31/19	3/31/2019	Current Month Distribution	Total Funds Transferred
	Grantor's Tax	Regional Sales Tax	Transient Occupancy Tax (2)	NVTA Fund Interest			Accrued Interest (3)	Prior Distributions		
							(+)			
City of Alexandria	\$ (6,495.00)	\$ 10,757,586.44	\$ 817,337.89	\$ 15,458.88	\$ 11,583,888.21	\$ 3,475,166.46	\$ 1,365.37	\$ 3,128,913.10	\$ 347,618.73	\$ 3,476,531.83
Arlington County	\$ (1,375.50)	\$ 17,468,741.37	\$ 57,654.27	\$ 23,971.42	\$ 17,548,991.56	\$ 5,264,697.47	\$ 1,950.52	\$ 4,719,380.38	\$ 547,267.61	\$ 5,266,647.99
City of Fairfax	\$ -	\$ 4,960,180.58	\$ 198,147.53	\$ 5,968.22	\$ 5,164,296.33	\$ 1,549,288.90	\$ 585.16	\$ 1,397,692.41	\$ 152,181.65	\$ 1,549,874.06
Fairfax County	\$ (742.50)	\$ 72,786,454.73	\$ 2,447,690.11	\$ 99,100.52	\$ 75,332,502.86	\$ 22,599,750.86	\$ 8,192.19	\$ 20,626,630.08	\$ 1,981,312.97	\$ 22,607,943.05
City of Falls Church	\$ -	\$ 1,807,789.67	\$ 43,190.77	\$ 2,347.49	\$ 1,853,327.93	\$ 555,998.38	\$ 195.05	\$ 498,447.49	\$ 57,745.94	\$ 556,193.43
Loudoun County	\$ -	\$ 33,919,960.16	\$ 247,485.80	\$ 45,775.70	\$ 34,213,221.66	\$ 10,263,966.50	\$ 3,706.00	\$ 9,314,900.46	\$ 952,772.04	\$ 10,267,672.50
City of Manassas	\$ -	\$ 3,218,555.47	\$ 8,244.03	\$ 4,669.56	\$ 3,231,469.06	\$ 969,440.72	\$ 390.10	\$ 935,401.22	\$ 34,429.60	\$ 969,830.82
City of Manassas Park	\$ -	\$ 973,224.59	\$ -	\$ 1,235.55	\$ 974,460.14	\$ 292,338.04	\$ 195.06	\$ 262,811.27	\$ 29,721.83	\$ 292,533.10
Prince William County	\$ (25,150.50)	\$ 26,174,990.71	\$ 170,199.43	\$ 33,811.01	\$ 26,353,850.65	\$ 7,906,155.20	\$ 2,925.79	\$ 7,032,939.61	\$ 876,141.38	\$ 7,909,080.99
<b>Total Revenue</b>	<b>\$ (33,763.50)</b>	<b>\$ 172,067,483.72</b>	<b>\$ 3,989,949.83</b>	<b>\$ 232,338.35</b>	<b>\$ 176,256,008.40</b>	<b>\$ 52,876,802.53</b>	<b>\$ 19,505.24</b>	<b>\$ 47,917,116.02</b>	<b>\$ 4,979,191.75</b>	<b>\$ 52,896,307.77</b>

- 1 Includes FY2018 Revenue Accruals Recorded in the Prior Year PLUS COVA Adjustments
- 2 County TOT includes any town collections
- 3 Interest earned through 3/31/2019



# ATTACHMENT D

## NVTA Sales Tax Revenue Forecast 2014-2019: Model Observations

Winters' Exponential Smoothing Forecasts for Sales Tax

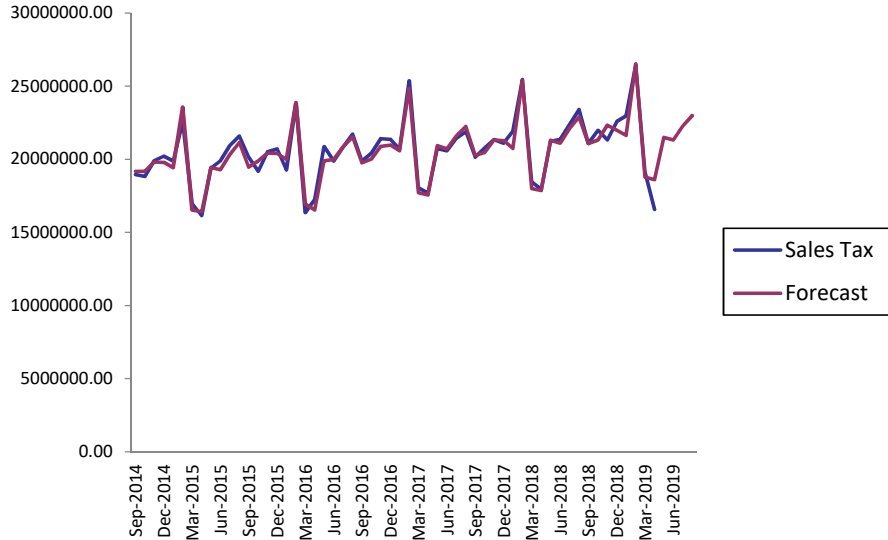
Forecasting Constants (Optimized)

Level (Alpha)	0.270
Trend (Beta)	0.000
Season (Gamma)	0.000

Winters' Exponential

Mean Abs Err	\$414459.85
Root Mean Sq Err	\$561502.12
Mean Abs Per% Err	2.06%

Forecast and Original Observations



Forecast Errors

