

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chair Phyllis J. Randall and Members
Northern Virginia Transportation Authority

FROM: Michael Longhi, Chief Financial Officer

DATE: March 5, 2020

SUBJECT: FY2021 Local Distribution Fund Budget (30%)

1. **Purpose:** To seek the Northern Virginia Transportation Authority (NVTA) adoption of the proposed FY2021 Local Distribution Fund Budget as recommended by the Finance Committee.
2. **Suggested Motion:** *I move the Authority adoption of the proposed FY2021 Local Distribution Fund Budget, as presented below.*
3. **Background:**
 - a. Local Distribution Fund (30%) revenues are distributed in their entirety to member jurisdictions in accord with revenues received from the Commonwealth.
 - b. Previous Finance Committee guidance is to conservatively estimate revenues.
 - c. Member jurisdictions will receive the amount of Local Distribution Funds they are entitled to based on the transactions within their jurisdiction.
 - d. Prior to the passage of SB1468 (2019), many member jurisdictions either netted their jurisdictional share of the NVTA Operating Budget from their 30% Local Distribution Funds received, or paid the obligations from those funds once received.
 - e. Beginning with FY2020, the Authority elected to charge the operating budget contribution to the Regional Revenue Fund which in turn resulted in an increased 30% distribution to member jurisdictions.
4. **Proposed Budget:** The table below shows the proposed FY2021 Local Distribution Fund Budget. Distributions to jurisdictions are based on the actual transactions conducted within the jurisdiction.

Northern Virginia Transportation Authority Proposed FY2021 Local Distribution Budget (30%)		
	Adopted FY2020 Budget	Proposed FY2021 Budget
Carryforward	\$ -	\$ -
Revenue		
Sales Tax	\$ 79,753,918	\$ 82,224,591
Truck Registration & Road Use	-	750,000
CoVa Interest	104,552	110,530
Total Revenue	\$ 79,858,470	\$ 83,085,121
Expenditures		
Distribution to Member Jurisdictions	\$ 79,858,470	\$ 83,085,121
Total Expenditures	\$ 79,858,470	\$ 83,085,121
Budget Balance	\$ -	\$ -

5. Assumptions:

- a. The Authority will continue to follow the Code of Virginia in the management of the Local Distribution Fund.
- b. Actual distributions to jurisdictions will be contingent on completion of the annual certification process and will be determined by the actual revenues received based on transactions within the jurisdiction (as reported by the Commonwealth).
- c. All prior fiscal year accruals and Commonwealth revenue adjustments of Local Distribution Fund revenues will be distributed to the appropriate jurisdiction in FY2021 in accord with the Code of Virginia.