

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

XII.

MEMORANDUM

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

FROM: Mayor Parrish, Chairman – NVTA Finance Committee

DATE: March 5, 2020

SUBJECT: Finance Committee Report of the February 20, 2020 Meeting

1. **Purpose:** To provide the Northern Virginia Transportation Authority (NVTA) with a report of Finance Committee (Committee) activities.
2. **Background:** The Finance Committee last met on Thursday, February 20, 2020. The next meeting is scheduled for Thursday, March 19, 2020 at 1:00 PM. The following summarizes the February 20th meeting.
3. **Action Items:**
 - a. **FY2021 Regional Revenue Fund Budget:**
 - i. The Committee received and reviewed a detailed FY2021 Regional Revenue Fund Budget proposal.
 - ii. It was noted that future adjustments to the budget will be required as the General Assembly concludes the 2020 session and Committee reviews staff PayGo recommendations at their April 2020 meeting.
 - iii. After discussion of the details the Committee voted unanimously to recommend Authority adoption.
 - b. **FY2021 Local Distribution Fund Budget:** The Committee received and reviewed a detailed FY2021 Regional Revenue Fund Budget proposal. After discussion of the details the Committee voted unanimously to recommend Authority adoption.
 - c. **FY2021 Operating Budget:** The Committee received and reviewed a detailed FY2021 Operating Budget proposal. After discussion of the details and adjustment, the Committee voted unanimously to recommend Authority adoption.
4. **Information/Discussion Items:**
 - a. **Policy 29 Report.** The Committee received a report on the status of previously reported projects with Policy 29 concerns. The Committee discussed and accepted risk mitigation strategies proposed by staff to allow projects to move forward.
 - b. **Investment Portfolio Report.** The report to the Committee noted that the portfolio is beating investment benchmarks even though the fixed income market has continued to experienced significant rate declines over the reporting period.
 - c. **Monthly Revenue Report.** The report received and discussed by the Committee reflected revenue received through January 2020.

- i. Sales Tax receipts continued to reflected strong performance of 8.5% above projections, with the variance largely credited to the implementation of the 'Internet Sales Tax'.
 - ii. Staff expressed continued concern that the revenue related to Heavy Truck Registration and Diesel Fuel (SB1716), commonly referred to as I-81 revenue, has not materialized at the level to support Commonwealth's projections for FY2020. This revenue is currently on a year-end trajectory of \$2.9 million, a slight improvement from last month but well below the Commonwealth projected receipts of \$9.4 million.
- d. **NVTA Operating Budget.** The report received and discussed showed the Operating Budget was within expected parameters with no changes expected for the fiscal year.