

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

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

FROM: Mayor Parrish, Chairman – NVTA Finance Committee

DATE: July 2, 2020

SUBJECT: Finance Committee Report of the June 18, 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 June 18, 2020. The next meeting is scheduled for Thursday, July 16, 2020 at 1:00 PM. The following summarizes the June 18th meeting.
3. **Action Items:**
 - a. **Resolution Finding the Need to Conduct the June 18, 2020 Finance Committee Meeting Electronically.**
 - b. **VRE Lorton and Rippon Station Projects Acceptance of Withdrawal/Cancellation:** The Committee received a report and NVTA staff recommendation to accept the withdrawal or cancel two VRE station projects (Lorton and Rippon). The Committee recognized that NVTA and VRE staff were working together in light of VRE pandemic related meeting cancellations. Unencumbering the \$16.9 million allows the Authority to take action on July 9, 2020 to program those funds as part of the FY2020-2025 Six Year Program Update. The Finance Committee voted unanimously to recommend Authority action to accept withdrawal/cancel the projects.
4. **Information/Discussion Items:**
 - a. **WMATA Orange/Blue Line Traction Power Projects Cancellation.** The Committee received a report regarding two WMATA traction power upgrade projects. NVTA staff noted that WMATA has not furnished a schedule or project documentation to show compliance with the approved project applications and Standard Project Agreements. Other challenges facing the projects were also discussed, with the consensus of the Finance Committee being to engage in further discussion with WMATA, with future reports to the Committee.

- b. Investment Portfolio Report.** The report to the Committee noted that the portfolio is beating investment benchmarks although the fixed income market has continued to experience significant rate declines over the reporting period.
- c. Monthly Revenue Report.** The report presented to the Committee reflected revenue received through May 2020. Staff reported the data in the report included March 2020 Sales Tax receipts. Therefore, the data only reflected a partial pandemic shutdown month. Staff noted economic data received through a variety of sources does not currently indicate changes are needed in the revenue and PayGo levels adopted by the Authority on May 14, 2020.
- d. NVTAs Operating Budget.** The report received and discussed showed the Operating Budget was within expected parameters with no changes expected for the fiscal year. It was noted that the Operating Budget has absorbed some unexpected expenses related to staff working remotely and the support of virtual meetings. However, these additional expenses are well within the Operating Budget Reserve and are being distinctly tracked for future reporting to the Finance Committee as part of fiscal year closeout.