



**Northern Virginia Transportation Authority**  
*The Authority for Transportation in Northern Virginia*

**FINANCE COMMITTEE MEETING  
SUMMARY MINUTES**

Thursday, January 20, 2022-1:00 PM  
3040 Williams Drive, Suite 200  
Fairfax, VA 22031

**(Meeting Held via WebEx /Live Streamed on YouTube)**

**1. Call to Order/Welcome**

Mayor Rishell, Chair

- ✓ Chair Rishell called the meeting to order at 1:05pm
- ✓ Attendees:
  - Committee Members: Mayor Rishell (Finance Committee Chair); Chair Randall (Authority Chair); Chair McKay (Finance Committee Vice-Chair)
  - Staff: Monica Backmon (CEO); Michael Longhi (CFO); Margaret Duker (Executive Assistant/Board Clerk); Dev Priya Sen (Investment and Debt Manager); Keith Jasper (Principal, Transportation Planning and Programming)
  - Other Attendees: Josephine Gilbert (Investment Consultant); Daniel Robinson (Council of Counsels -Fairfax County); MinhChau Corr (Council of Counsels-Arlington County)

**ACTION ITEMS**

**2. Resolution Finding Need to Conduct January 20, 2022 Meeting Electronically**

Mayor Rishell, Chair

*Recommended Action: Adoption of Resolution*

- ✓ Chair Rishell motioned to adopt the Resolution, Seconded by Chair McKay. The Resolution was adopted unanimously.

**3. Summary Minutes of the October 21, 2022 Meeting**

Mayor Rishell, Chair

*Recommended Action: Approval of Minutes*

- ✓ Chair Randall motioned to approve the October 21, 2022 Meeting Minutes, Seconded by Chairman McKay. The Minutes were approved unanimously.

**DISCUSSION/INFORMATION ITEMS**

**4. 2022 Finance Committee Meeting Schedule**

Mr. Longhi, CFO

- ✓ Chair Rishell opened the floor for discussion regarding the **2022 Finance Committee Meeting Schedule**. After the discussion, Chair Rishell provided direction for staff to develop a schedule that provides for continuity of scheduling among GPC and Authority meetings and provide such recommendations during the next Finance Committee meeting.

## 5. NVTA Investment Policy--Proposed Changes

Mr. Longhi, CFO

- ✓ Mr. Longhi submitted the **NVTA Investment Policy-Proposed Changes** for the Finance Committee's consideration and introduced Ms. Josephine Gilbert, retired Investment Manager, Fairfax County, as a consultant and contributor of the proposed changes to the Investment Policy. Mr. Longhi noted that updates are needed to address the increasing size of the investment portfolio and added that the recommendation is to extend maturities while also reducing the percentage of holdings in certain instruments.
- ✓ Further discussion ensued surrounding the impact of rising inflation and the effects it has on the portfolio. Chair Randall noted concern for jurisdictions having to adjust to a 6% inflation rate.
- ✓ Chairman McKay motioned to approve the **NVTA Investment Policy-Proposed Changes** and Seconded by Chair Randall. The **NVTA Investment Policy-Proposed Changes** was approved unanimously.

## 6. Duplicate Payment Audit Report

Mr. Longhi, CFO

- ✓ Mr. Longhi presented information regarding the **Duplicate Payment Detection Audit** which was designed to assess vulnerabilities for duplicate payments being requested by project sponsors.
- ✓ Discussion began surrounding the **Duplicate Payment Detection Audit** and the responsibility of each project sponsor to ensure reimbursement requests are not duplicated.
- ✓ Chair Rishell concluded the discussion with directive from the Finance Committee for staff to draft policies based on an annual duplicate payment audit process with options to ensure project sponsors are responsible for administrative costs associated with any identified duplicate payments. Mr. Longhi acknowledged the directive and noted that cost considerations would be further discussed during the proposed FY2023 Operating Budget presentation later in the meeting.

## 7. Audit Service Procurement/Contract Guidance

Mr. Longhi, CFO

- ✓ Mr. Longhi began the discussion by providing information regarding the current audit contract and the Finance Committees' responsibility as the Audit Committee for the Authority.

- ✓ Mr. Longhi noted the positive and negative impacts of using a RFP or contract rider for procurement. These impacts pertained to the timing of becoming qualified for the receipt of Federal grant funds and further duplicate payment audits.
- ✓ Discussion ensued surrounding whether to issue an RFP for auditing services or retain the existing auditing firm, PBMares, LLP, through a contract rider.
- ✓ Chair Rishell summarized Committee discussion with a directive from the Finance Committee for staff to seek a suitable contract to ride.

## 8. FY2023 Operating Budget Guidance

Mr. Longhi, CFO

- ✓ Mr. Longhi began discussion on the **Base/Proposed FY2023 Operating Budget** and noted NVTA's precedence on salary pay and market evaluation and assessments. He also made note of budget enhancements that address additional proposed programs.
- ✓ Discussion began surrounding NVTA's compensation model and the utilization of local jurisdiction's compensation model from an advisory standpoint.
- ✓ Mr. Longhi added to the ongoing discussion by highlighting change areas found in the *Base/Proposal FY2023 Operating Budget*:
  - Professional Services-Audit and Accounting Services: This number represents a decrease due to the Special Procedure Audit for Duplicate Payments being a one-time expense, offset by some inflationary factors resulting from contract escalations.
  - Professional Services-Consulting Services: This number reflects the sourcing of the CEO position and description compensations study as a one-time expense.
  - Technology/Communications-GL Financial Reporting & Investment Management Systems: This number reflects changes in NVTA's subscription-based investment program services. Due to the change of staffing a decrease in using some services resulted in the cancelation of certain subscriptions.
  - Technology/Communications- GIS Monitoring and Management /Modeling: This number largely reflects the final phases of the Project Implementation, Management and Monitoring System (PIMMS) as a one-time expense and its system maintenance as an ongoing expense.

- Administrative Expenses-Office Lease: This number reflects contract escalation for the office lease.
- ✓ Mr. Longhi finalized his comments on the base budget and began discussions regarding new staffing initiatives, specifically addressing the request for an Accounting Technician position. Mr. Longhi also introduced Keith Jasper-Principal, Transportation Planning and Programming, who provided additional information with regards to the proposed Modeler, and Regional Transportation Planner position.
- ✓ Chairman McKay added to the discussion by requesting a side-by-side comparison of what the Authority currently pays consultants compared to the costs of the new planning positions and the net benefit in moving toward in-house staffing of these new planning positions. Chairman McKay added that it would be helpful to know what the new planning positions would provide that consultant services don't provide. Chairman McKay continued by requesting that staff identify if there are any existing planning capabilities from other jurisdictions that do not meet the needs of Authority's expectations for the new planning positions. Lastly, Chair McKay requested an overall view of the Authority's position growth from its inception to date.
- ✓ Chair Randall added to the discussion by reflecting on the Authority's history of doing the most with the least. Chair Randall also noted the Authority recently addressed the potential turnover of staff, due to prior budgets not requesting what was needed all along. Chair Randall ended her comments by advising staff to request what is needed. If there comes an occasion where those requests need to be pared back then the elected officials will do so at that time.
- ✓ Chair Rishell concluded the discussion by echoing Chair Randall's comments noting that the Authority has been operating on a shoestring for quite some time. Chair Rishell also made note that the positive economic impact of the Authority's programs should be taken into account as there have been enormous amounts of economic development seen in Northern Virginia as a result of the Authority's actions. Chair Rishell concluded her comments by supporting this initiative and was in agreement with Chairman McKay's request for more information.
- ✓ Monica Backmon, CEO, added to closing discussion by thanking Chairman McKay, Chair Randall and Chair Rishell for their comments. Ms. Backmon assured Chairman McKay that staff will get the information he requested at the next Finance Committee meeting. Ms. Backmon added that she places a lot on staff and reflected on a meeting during FY2013 where discussion surrounded staffing needs. She noted that this discussion did not include the concept of funding programs bi-annually which currently stretches existing staff. Ms. Backmon honed in on the point that funding programs bi-annually keeps NVTA competitive with Smart Scale, thus maximizing the Authority's funding opportunities. Ms. Backmon concluded her comments by

reiterating that she provides flexibility but also asks a lot from staff through covering regional entity meetings that fundamentally impact the Authority.

- ✓ Chair Rishell made an additional request for the Finance Committee to receive the latest NVTA economic impact figures.
- ✓ Mr. Longhi added to the new initiatives which include:
  - Internet Capacity Upgrade
  - Website Modernization and Consolidation
  - Duplicate Payment Audit
  - Economic Impact Study

**9. Monthly Investment Portfolio Report**

Mr. Longhi, CFO

- ✓ Mr. Longhi noted that the Investment Portfolio is substantially exceeding its benchmarks and, further advised that revised revenue estimates are being developed. He noted that when the Regional Revenue Fund estimates are received, the income for the portfolio will have substantially increased.

**10. Monthly Revenue Report**

Mr. Longhi, CFO

- ✓ Mr. Longhi presented the monthly revenue report and responded to questions.

**11. Monthly Operating Budget Report**

Mr. Longhi, CFO

- ✓ Mr. Longhi presented the Monthly operating Budget Report and responded to questions.

**12. NVTA Update (Verbal Report)**

Ms. Monica Backmon, CEO

- ✓ Ms. Backmon provided an update regarding the General Assembly session making note that there are two Bills that directly impact the Authority.
  - In reference to a Bill submitted by Delegate Keam, Tracy Baynard with McGuire Woods Consulting, LLC, spoke with Delegate Keam and sent him actual figures on how much money the Town of Vienna has actually received for sidewalks. Del. Keam is not pursuing the Bill any further.
  - Senator Surovell introduced a measure (SB-251) that may cause an increase in Commercial and Industrial Taxes (C&I). If SB-251 passes, issues will arise concerning how local monies would be received and if it would be legal to place a limit on the amount of federal funding a locality can apply for. Ms. Backmon also added that discussion will be had with stakeholders surrounding effective talking points and concise communication related to SB-251.
- ✓ Chair Rishell concluded the meeting by requesting staff to allocate an extra half hour to Finance Committee meetings if foreseeable circumstances indicate a larger than normal agenda.

**13. Adjournment**

Mayor Rishell, Chair

- ✓ Chair Rishell adjourned the Finance Committee meeting at 2:35PM

**Next Meeting: March 10, 2022, 1:00PM (Room B)**

3040 Williams Drive, Suite 200, Fairfax, Virginia