



Northern Virginia Transportation Authority

The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE

Thursday, March 18, 2021 – 1:00 PM

3040 Williams Drive, Suite 200

Fairfax, VA 22031

Meeting Held via WebEx and Live Streamed on YouTube

SUMMARY MINUTES

1. Call to Order/Welcome

Mayor Rishell, Chair

- Mayor Rishell called the meeting to order at 1:04 PM.
- Attendees:
 - ✓ Committee Members: Mayor Rishell; Chairman McKay, Board Member Cristol, Delegate Watts (1:28 PM),
 - ✓ Other Authority Members: Mayor Davis-Younger, Delegate Roem
 - ✓ Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Peggy Teal (Assistant Finance Officer); Dev Priya Sen (Financial Analyst)
 - ✓ Council of Counsels: Rob Dickerson (Prince William County); Steve Maclsaac (Arlington County)
 - ✓ Other Attendees: Supervisor Saines (Loudoun County); Jurisdictional and agency staff and the public attended the meeting via the Authority's YouTube channel

2. Resolution Finding the Need to Conduct the March 18, 2021 Finance Committee Meeting Electronically

Mayor Rishell, Chair

Recommended Action: Adoption of Resolution

Board Member Cristol made the motion to adopt the Resolution Finding the Need to Conduct the Meeting by Electronic Communication Means during the Governor's declared State of Emergency during the COVID-19 Pandemic; seconded by Chairman McKay. Motion carried unanimously.

3. Summary Minutes of the February 18, 2021 Meeting

Mayor Rishell, Chair

Recommended Action: Approval [with abstentions from those who were not present]

Chairman McKay moved approval of the minutes of the February 18, 2021 meeting; seconded by Board Member Cristol. Motion carried unanimously.

Action Items

4. FY2022 Regional Revenue Fund Budget

Mr. Longhi, CFO

Recommended Action: Recommend Authority Approval

- Referring to Attachment 1 of the FY2022 Regional Revenue Fund Budget, Mr. Longhi discussed the partial revenue restoration approved by the General Assembly.
- Revenues were adjusted downward to capture the impact of the COVID-19 Pandemic and restrictions on the economy for FY2022 through FY2025.

- He noted that we have a positive variance compared to estimates on the revenues, however, the largest revenue, Sales Tax is trending lower than last year.
- He further noted that the Modeling License and Support that was part of the previously adopted PayGo program is now shown in the proposed budget. With the finalization of the TransAction contract that included in-house modeling, the proposed will be investing in modeling software during FY2022. Originally projected at \$25,000 in PayGo discussions, a more refined cost was obtained through the TransAction Update procurement at \$29,150.
- Mr. Longhi noted that Six Year Program PayGo Project Funding represents the appropriation of project funding for the Six Year Program, jurisdictions requested and staff recommended forward appropriations from the FY2024/25 Program to FY2022.
- Mr. Longhi further noted the proposed Transfer Out to the Operating Fund utilizes the authorization provided in SB1468 (2019), relieving member jurisdictions from the obligation of funding the NVTAs Operating Budget from their own revenues (typically their 30% Local Distribution Funds). The Operating Budget is estimated to be 1.1% of the Regional Revenue Fund income for the fiscal year.
- Mr. Longhi noted that the Working Capital Reserve (WCR) is required by the Authority's Debt Policy. The Authority took action in June 2017, to cap the Working Capital Reserve at \$120 million.
- The Debt Service Reserve of \$5,551,000, was funded through bond proceeds and exists to protect NVTAs bondholders. It is required by the Authority's Debt Policy
- Forward appropriation requests were received from the FY2024/25 SYP Update, for four projects from three jurisdictions. The proposed budget can safely accommodate all forward appropriation requests.

Board Member Cristol moved that the Finance Committee recommend Authority approval of the proposed FY2022 Operating Budget; seconded by Chairman McKay. Motion passed unanimously.

5. FY2022 Local Distribution Fund Budget

Mr. Longhi, CFO

Recommended Action: Recommend Authority Approval

- Mr. Longhi noted that the Local Distribution Fund 30% revenues are distributed in entirety to member jurisdictions so NVTAs does not carry forward a balance from one fiscal year to another.
- Member jurisdictions receive the amount of Local Distribution Funds they are entitled to, based on the direct and imputed transactions within their jurisdiction.
- He added that for FY 2020, the Authority elected to charge the operating budget to the Regional Revenue Fund, resulting in increased 30% distributions to member jurisdictions, estimated at \$2.7 million in FY2022.
- For FY2022, projected revenue for distribution is \$102 million.
- The budget assumes that the Authority will continue these distributions based on the Code of Virginia, and actual distributions will be based on jurisdictions successfully completing their annual certification.

Board Member Cristol moved that the Finance Committee recommend Authority approval of the proposed FY2022 Local Distribution Fund Budget; seconded by Chairman McKay. Motion carried unanimously.

6. FY2022 Operating Budget

Mr. Longhi, CFO

Recommended Action: Recommend Authority Approval

- Mr. Longhi addressed the Operating Budget by noting that because of the impact of COVID-19, some expenses were not incurred, thus making possible a savings of \$140,000 which will be carried forward into FY2022.
- He noted the one-time cost for Phase 4 of PIMMS of \$130,000, which includes features to support enhancements to NOVA Gateway Dashboard suggested by Authority Members.
- He further noted that the Phase 4 will enable NVTA to administer and manage the map layers displayed in the Dashboard. which will provide more detailed information for the public. The NOVA Gateway Dashboard is supported and populated from data supplied and managed in PIMMS.
- Phase 4 will add the ability to generate several reports to aid in the monitoring of the Authority’s funding programs and includes the option for project sponsors to electronically sign and submit reimbursement requests which for many project sponsors will eliminate the manual process of printing Authority documents for approval and then scanning the documents back to the NVTA staff.
- Chairman McKay remarked that it is his understanding that the PIMMS updates in the budget will not continue on an annual basis.
- Mr. Longhi replied that based on the system features desired at this time, this will be the last of the scheduled project phases.
- Board Member Cristol observed that NVTA saved on the Duplication & Printing expenses and is interested to know since business meetings will again resume with staff in the offices. Mr. Longhi noted that a significant printing and other expenses were saved during the pandemic. With those savings being carryforward. He further noted that the staff will review a number of things which could be done differently and is looking at options as in person meetings resume.

Board Member Cristol moved that the Finance Committee recommend Authority approval of the proposed FY2022 Operating Budget; seconded by Chairman McKay. Motion passed unanimously.

Information/Discussion Items

7. Investment Portfolio Report

Mr. Longhi, CFO

- Mr. Longhi presented the Investment Portfolio Report and responded to questions.

8. Monthly Revenue Report

Mr. Longhi, CFO

- Mr. Longhi presented the Monthly Revenue Report and responded to questions.

9. Monthly Operating Budget Report

Mr. Longhi, CFO

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

Adjournment: 1:32 PM

Next Scheduled Meeting June 17, 2021, 1:00 PM (Room B)

3040 Williams Drive, Suite 200, Fairfax, Virginia