

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

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

**FROM:** Michael Longhi, Chief Financial Officer

**DATE:** October 6, 2022

**SUBJECT:** Monthly Operating Budget Report

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- 1. Purpose:** To update the Northern Virginia Transportation Authority (NVTA) on the Authority's Operating Budget for FY2022. This report was presented to the NVTA Finance Committee at their September 2022 meeting.
- 2. Background:** The Authority elected to fund the Operating Budget for FY2022 through transfers from the Regional Revenue Fund.
- 3. Comments:** Through fiscal year end (FYE) June 30, 2022, the FY2022 Operating Budget has produced the following:
  - a.** The Operating Budget was fully funded through quarterly transfers of \$686,202 from the Regional Revenue Fund.
  - b.** On November 18, 2021, the Authority adopted a mid-year budget adjustment increasing expenditures by \$148,984, to fund two additional staff positions (Communications and Executive Assistant to the CEO).
  - c.** In June 2017, the Government Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. The objective of the Statement was to better meet the information needs of financial statement users. It established a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.
  - d.** GASB 87 requires the total contractual amount of the office space and copier leases to be reported as a capital outlay and an offsetting 'Inception of Lease Agreement' under other revenue. It also requires the actual annual lease payments to be broken out and reported under Lease Principal and Interest.
  - e.** As of FYE June 30, 2022, the attached Income Statement reflects the Authority utilized 110% of its FY2022 amended expenditure budget or was \$300,730 negative (overspent).
  - f.** The required implementation of GASB 87 required the one-time capitalization of the office and copier machine leases of \$666,079.
  - g.** Removing the impact of the one-time implementation of GASB 87 would show only 88% of the authorized adjusted budget was expended resulting in a positive FYE budget variance (underspent) of \$365,350.
  - h.** As of the fiscal year-end, all expense categories remained within budget.

- i. The attached statement shows the total Operating Budget income and expenditure activity for FYE June 30, 2022 (unaudited).

**Attachment:** FY2022 Monthly Operating Budget through FYE June 30, 2022

# ATTACHMENT

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NORTHERN VIRGINIA TRANSPORTATION AUTHORITY  
Income Statement  
For the Accounting Period: 13 / 22

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Report ID: LB170A

1000 General Fund

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
<b>Expenses</b>						
410000	Personnel Expenses					
110	Salaries-Regular Pay	64,464.82	1,554,773.55	1,646,103.00	91,329.45	94
130	Health & Dental Benefits		150,038.47	256,478.00	106,439.53	58
131	Payroll Taxes	5,840.76	105,854.51	128,634.00	22,779.49	82
132	Retirement VRS	444.20	122,374.21	136,385.00	14,010.79	90
133	Life Insurance	27.62	20,071.99	20,807.00	735.01	96
134	Flex Spending/Dependent Care		553.71	881.00	327.29	63
135	Workers Comp		1,202.00	1,708.00	506.00	70
137	Disability Insurance		14,571.90	19,270.00	4,698.10	76
	Total Account	70,777.40	1,969,440.34	2,210,266.00	240,825.66	89
420000	Professional Services					
210	Audit & Accounting Services		46,500.00	48,000.00	1,500.00	97
220	Bank Service		-141.34	750.00	891.34	-19
230	Insurance		8,797.00	7,835.00	-962.00	112
240	Payroll Services		2,221.02	2,636.00	414.98	84
245	Consulting Services		25,200.00	25,000.00	-200.00	101
260	Public Outreach & Regional Event Support		32,678.92	49,925.00	17,246.08	65
261	Legal/Bond Counsel Services			10,000.00	10,000.00	
262	Financial Advisory Services		35,000.00	36,951.00	1,951.00	95
263	Bond Trustee Fees		2,687.50	2,700.00	12.50	100
264	Legislative Services		84,473.51	78,690.00	-5,783.51	107
265	Investment Custody Svc		20,260.00	25,000.00	4,740.00	81
	Total Account		257,676.61	287,487.00	29,810.39	90
430000	Technology/Communication					
310	Acctg & Financial Report Systems		92,074.11	94,685.00	2,610.89	97
320	HW SW & Peripheral Purchase	2,925.46	26,877.00	5,000.00	-21,877.00	538
330	IT Support Svc Incl Hosting	-2,925.46	42,020.00	29,304.00	-12,716.00	143
335	GIS/Project Mgt/Modeling	23,200.00	124,285.84	211,728.00	87,442.16	59
340	Phone Service & Web Ex Chgs		14,779.21	13,160.00	-1,619.21	112
350	Web Develop & Hosting		7,004.01	9,185.00	2,180.99	76
	Total Account	23,200.00	307,040.17	363,062.00	56,021.83	85
440000	Administrative Expenses					
410	Advertisement		4,895.33	1,500.00	-3,395.33	326
411	Dues & Subscriptions		11,720.19	10,544.00	-1,176.19	111
412	Duplication & Printing	-2,358.45	6,613.45	13,610.00	6,996.55	49
413	Furniture & Fixture			14,000.00	14,000.00	
414	Hosted Meeting Expenses		6,494.19	4,500.00	-1,994.19	144
415	Mileage/Transportation		6,246.89	11,000.00	4,753.11	57
417	Office Lease	-181,597.24	836.41	193,976.00	193,139.59	
418	Office Supplies		10,210.28	7,100.00	-3,110.28	144
419	Postage & Delivery		50.67	700.00	649.33	7
420	Professional Develop & Training		10,865.21	23,650.00	12,784.79	46
	Total Account	-183,955.69	57,932.62	280,580.00	222,647.38	21
490600	Lease Pymnts					

1000 General Fund

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
655	Lease Principal	182,123.86	182,123.86		-182,123.86	
660	Lease Interest	1,831.83	1,831.83		-1,831.83	
	Total Account	183,955.69	183,955.69		-183,955.69	
510300	Capital Outlay - Lease Agreements					
930	Office Lease Agreements	652,676.57	652,676.57		-652,676.57	
935	Equipment Lease Agreements	13,402.57	13,402.57		-13,402.57	
	Total Account	666,079.14	666,079.14		-666,079.14	
	Total Expenses	760,056.54	3,442,124.57	3,141,395.00	-300,729.57	110
	Net Income from Operations	-760,056.54	-3,442,124.57			
	Other Revenue					
381050	Inception of Lease Agreement	666,079.14	666,079.14		666,079.14	
383000	Transfer Operating Budget from Regional Revenue		2,744,809.00	2,744,809.00		100
						124
	Total Other Revenue	666,079.14	3,410,888.14	2,744,809.00	666,079.14	124
	Other Expenses					
521000	Transfers					
820	Transfer to Operating Reserve			574,710.00	574,710.00	
825	Transf to Equip Reserve			31,486.00	31,486.00	
	Total Account			606,196.00	606,196.00	
	Total Other Expenses	0.00	0.00	606,196.00	606,196.00	
	Net Income	-93,977.40	-31,236.43			