

FINANCE COMMITTEE AGENDA

Thursday, February 13, 2025

6:00 p.m., EST

2600 Park Tower Dr., 6th Floor Conference Room

Vienna, VA 22180

This meeting will be held in person and accessible via YouTube

1. **Call to Order/Welcome** David Snyder, Chair
2. **Approval of December 12, 2024, Draft Meeting Summary Minutes** David Snyder, Chair
Recommended Action: Approval of December 12, 2024, Draft Meeting Summary Minutes

DISCUSSION/INFORMATION ITEMS

3. **FY2026 Local Distribution Fund Budget Proposal** Mr. Longhi, Chief Financial Officer
4. **FY2026 Regional Revenue Fund Budget Proposal** Mr. Longhi, Chief Financial Officer
5. **FY2026 Operating Budget Proposal** Mr. Longhi, Chief Financial Officer
6. **Monthly Investment Portfolio Report** Ms. Sen, Investment & Debt Manager
7. **Monthly Revenue Report** Mr. Longhi, Chief Financial Officer
8. **Monthly Operating Budget Report** Mr. Longhi, Chief Financial Officer
9. **NVTA Update (Verbal Report)** Ms. Backmon, Chief Executive Officer

CLOSED SESSION

(If needed)

10. **Adjournment** David Snyder, Chair

Next Meeting:

Thursday, March 13, 2025

6:00 p.m. EST

2600 Park Tower Drive, Suite 601

Vienna, VA 22180



SUMMARY MINUTES

**Thursday, December 12, 2024 – 6:00, p.m., ET
2600 Park Tower Drive, 6th Floor Meeting Room,
Vienna, VA 22180**

This meeting was conducted in person and virtually as well as livestreamed

1. Call to Order

- ✓ Mayor Rishell called the meeting to order at 6:08 p.m.

Roll Call:

- ✓ **Membership Attendees:** Mayor Rishell; Council Member Snyder; Chair Jefferson.
- ✓ **Staff Attendees:** Monica Backmon (Chief Executive Officer); Michael Longhi (Chief Financial Officer); Dev Priya Sen (Investment & Debt Manager); Quinn Haley (Executive Assistant to the CEO); Margaret Duker (Accounting Assistant), Gary Armstrong (Senior Accountant), Lu Han (Comptroller), Sree Nampoothiri (Senior Manager, Transportation Planning & Programming); Abigail Hillerich (Communications & Public Affairs Manager).
- ✓ **Council of Counsels:** Christina Brown (City of Alexandria), MinhChau Corr (Arlington County).

Members of the public, jurisdiction and agency staff were in person and were able to watch the meeting livestreamed via [NVTA's YouTube Channel](#)

2. Approval of October 17, 2024, Draft Meeting Summary Minutes

- ✓ Council Member Snyder moved approval of the October 17, 2024, meeting minutes; seconded by Chair Jefferson. Motion carried unanimously.

Action Items

3. 2025 Finance Committee Meeting Schedule

Mr. Longhi, CFO

- ✓ Mr. Longhi presented the Finance Committee meeting schedule for the period of January 2025 to January 2026 to the Committee members.
- ✓ Chair Jefferson moved the adoption of the proposed January 2025 to January 2026 Finance Committee meeting schedule: seconded by Council Member Snyder.

Discussion/Information Items

4. FY2026 Budget Guidance Discussions

Mr. Longhi, CFO

- ✓ Mr. Longhi reviewed material for the Committee to provide guidance on the development of NVTA's three budgets for FY2025 – Local Distribution Fund Budget (30%), Regional Revenue Fund Budget (70%), and Operating Fund Budget.

- Local Distribution Fund Budget:
 - The Committee has previously recommended establishing the budgeted amount by utilizing the finalized FY2026 revenue projections which were adopted by the Authority on June 13, 2024.
 - Wording within the final proposed budget will include language which stresses compliance with the State Code such that distributions will be made based on revenues received from the Commonwealth, regardless of projection variances.
 - Subject to adherence with the State Code required annual certification, the Local Distribution Fund revenues are restricted to proportional distribution to NVTAs's member jurisdictions.
- Regional Revenue Fund Budget:
 - Prior guidance for this budget has been to base the budget on the finalized FY2025/29 revenue projections and PayGo analysis which were adopted by the Authority on June 13, 2024.
 - The PayGo analysis confirmed funding for all previously approved projects and set the recommended amount of funding made available for the FY2028/29 update to the Six Year Program.
 - Revenue projections will be reevaluated for the next update to the Six Year Program and will add fiscal years 2030 and 2031.
- Operating Fund Budget:
 - The Committee was provided with Operating Fund Budget guidance, organized into two distinct categories. The first category encompasses base budget escalations driven by factors such as inflation, contract terms, and required service extensions, excluding prior one-time funding. The second category is for new initiatives proposed for FY2026 and is the focus of this discussion. Known initiatives are noted below. Additional initiatives are under management review.
 - **Communications Professional:** The Authority's consulting contracts involve significant communications and public engagement work. This initiative suggests relying less on paid consultants for creative and oversight tasks, using the savings to hire an additional in-house communications staff member. Public engagement will mostly stay outsourced, but general oversight will shift to the new in-house staff instead of consultants.
 - Proposal Objective: Reduce dependency on paid consultants for creative and oversight tasks in communications, reallocating savings to hire an additional in-house communications staff member.
 - Scope of Public Engagement: Contracted public engagement tasks will remain mostly unchanged, but general oversight will transition to the new in-house resource instead of relying on consultants.
 - Communications staff spend considerable time maintaining consistent messaging, format, and quality despite oversight provisions in consulting contracts.

- Changes in prime and subcontractors require in-house resources to repeatedly reintegrate standards and processes, causing inefficiencies.
 - Focus on quality control, proactive outreach, and execution of external deliverables.
 - Contractors will continue handling some deliverables under direct supervision from the new NVTA staff member.
 - Reallocating 660 contractor hours to in-housework will fund the new position's salary and free up an additional 1,260 hours annually for other team tasks.
 - The proposal enhances internal capacity, reduces reliance on consultant billable hours, and ensures consistent, high-quality communication deliverables.
- **Financial Accountant:** The finalization of NVTA's office move and the recent Authority directive to prepare a policy to address project cost underestimates, overruns and transfers has exposed a lack of bandwidth within the finance team. The Financial Accountant position will be responsible for collecting, analyzing and maintaining financial data, detecting trends, tracking key performance measures, and forecasting. Additionally, this position will be expected to become heavily involved in leading procurements.

This lack of bandwidth is evidenced by postponed activities such as:

- Build out of grant recipient policies (FY2023 Budget), Outside legal services options (FY2024), Procurement of pre-qualified on-call transportation consulting services (FY2025 Budget), Website Modernization Procurement (Delayed from FY2024 to FY2025), Procurement of economic analyses inclusive of NVTA Core Values (Timeline Uncertain), Next cycle of the duplicate payment audit (1.5 years overdue).

Many of the demands on the finance team are triggered by successes.

Some examples are:

- A 35% increase in reimbursement requests in FY2024. This trend is expected to continue. However, 60% of reimbursement requests required multiple interactions with project sponsor staff to enable payment.
- The investment portfolio is expected to double in size from FY2020, from \$1 billion to \$2 billion, by the end of FY2025.
- Monthly investment transactions have increased from \$40 million to between \$80 million and \$120 million.
- The increase in the number of securities purchased resulted in a 12% increase in the number of coupon payments processed totaling \$50 million for FY2024 and a 93% increase in the number of maturities processed for the same period.
- Investment purchases have had to be postponed due to the insufficient time available for CFO review. This has resulted in

reduced interest earnings of \$92,054 so far in FY2025.

- These demands have resulted in a significant reduction in the Investment and Debt Manager position's capacity to be involved in other financial functions such as procurements.
- ✓ Mr. Longhi introduced two new staff members who recently joined the Authority: Ms. Lu Han as Comptroller and Mr. Gary Armstrong as Senior Accountant.
- ✓ Chair Jefferson sought clarification on public outreach and mass public engagement. Mr. Longhi explained that during mass public engagement, pop-up events are held, and surveys are conducted if the contractor assigns team members to facilitate smooth operations. He also noted that this type of work will continue to be outsourced.
- ✓ Councilmember Snyder inquired about the projected salaries for both positions and asked whether the savings presented in the report for the communications professional position were one-time or recurring. Mr. Longhi confirmed that the savings occur annually, though with some fluctuations, as the figures are based on three years of TransAction activity within a five-year contract. Councilmember Snyder also confirmed that some outsourced contracts could be handled in-house, to which Mr. Longhi agreed.

5. Monthly Investment Portfolio Report Ms. Sen, Investment & Debt Manager

- ✓ Ms. Sen presented the Monthly Investment Portfolio Report, explaining that staff are focusing on investments with maturities of two years or more to reduce reinvestment risk, secure strong yields, and maintain a balanced approach.
- ✓ She noted that staff prioritize purchasing non-callable or "bullet" instruments to protect the portfolio during periods of declining interest rates.
- ✓ The strategy aims to preserve long-term yields as rates fall, while staying flexible to benefit from future rate increases.
- ✓ Before making investments, staff carefully review key economic indicators like the Consumer Price Index, employment data, and GDP to align with market trends.
- ✓ Ms. Sen also shared that securities yielding below 1% make up only 2% of the \$1.9 billion portfolio.

6. Monthly Revenue Report Mr. Longhi, CFO

- ✓ Mr. Longhi reviewed and presented the Monthly Revenue Report as provided in the packet.
- ✓ Mr. Longhi presented the Interstate Operation Enhancement Program (IOEP) chart and noted that during the October 2024 meeting, Councilmember Snyder requested a comparison between VDOT's projected IOEP revenue and the actual figures. He explained that NVTA staff rely on the most current VDOT estimates available at the time of their projections; however, subsequent updates from VDOT do not necessarily prompt revisions to NVTA projections.

7. Monthly Operating Budget Report Mr. Longhi, CFO

- ✓ Mr. Longhi reviewed and presented the Monthly Operating Budget Report as provided in the packet.

8. NVTA Update (Verbal Report)

Ms. Backmon, CEO

- ✓ Ms. Backmon thanked Mayor Rishell, acknowledging that it was her final meeting, and expressed appreciation for her leadership and service. She also mentioned that the official recognition would take place at the Authority meeting later that evening.

9. Adjournment

- ✓ Mayor Rishell expressed her appreciation to the staff and the members of the Finance Committee for their ongoing support and contributions.
- ✓ Seeing no further questions, discussion, or order of business, Mayor Rishell adjourned the meeting at 6:45 p.m.

DRAFT

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
MEMORANDUM

3.

FOR: Chair David Snyder and Members
Northern Virginia Transportation Authority Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 6, 2025

SUBJECT: FY2026 Local Distribution Fund Budget Guidance

1. **Purpose:** To gather input from the Northern Virginia Transportation Authority (NVTA) Finance Committee (Committee) on development of the FY2026 Local Distribution Fund Budget.
2. **Discussion:** The Local Distribution Fund Budget is where the accounting for monthly Local Distribution Fund, or 30%, disbursements occur. Specific budget lines from the attached report are:
 - A. **Carryforward:** This budget has no carryforward as all funds are fully disbursed annually.
 - B. **Revenue:** The Authority's principal four sources of revenue are shown at 30% of what is expected to be received. CoVa Interest is interest earned on NVTA funds at the Commonwealth prior to their transfer to the Authority's investment and banking accounts. Interest Earnings are the interest earned by NVTA and distributed to members as part of the monthly 30% distribution payments.
 - C. **Distribution to Member Jurisdictions:** This is the amount expected to be transferred to member jurisdictions.
 - D. **Budget Balance:** There is no remaining budget balance anticipated.
 - E. **Continued Budget Guidance:** The funds in the Local Distribution Fund are restricted as required by the Code of Virginia. Distributions will be made monthly regardless of projection variances, subject to compliance by member jurisdictions with the Annual Certification requirements.
3. **Next Steps:** NVTA Policy 10 - Financial Management contains a guideline which calls for the Authority adoption of budgets two months prior to the start of a fiscal year. This effectively results in the budget adoption occurring by April. The following timeline is proposed:
 - A. **February (NLT)** – Base Budget Increases and Initiatives and cost projections presented. The Finance Committee may decide to make a recommendation to the Authority or request changes/information.
 - B. **March** – Additional discussion, if needed, to result in recommendation to the Authority. If the Finance Committee agrees to a recommendation in February, the three budgets could be presented to the Authority in March.
 - C. **April** – Based on Finance Committee direction, present the three budgets to the Authority for adoption.

Attachment: Proposed FY2026 Local Distribution Budget (30%)

Attachment

**Northern Virginia Transportation Authority
Proposed FY2026 Local Distribution Budget (30%)**

	Adopted FY2025 Budget	Proposed FY2026 Budget
Carryforward	\$ -	\$ -
Revenue		
Sales Tax	\$ 100,823,258	\$ 117,741,913
Transfer Interstate Operations & Enhancement Program	6,399,962	7,140,000
Grantor's Tax	15,535,235	9,541,773
Commonwealth NVTD Transfer	6,000,000	6,000,000
CoVa Interest	105,000	314,399
Interest Earnings	-	220,000
Total Revenue	\$ 128,863,455	\$ 140,958,085
Expenditures		
Distribution to Member Jurisdictions	\$ 128,863,455	\$ 140,958,085
Total Expenditures	\$ 128,863,455	\$ 140,958,085
Budget Balance	\$ -	\$ -

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
MEMORANDUM

4.

FOR: Chair David Snyder and Members
Northern Virginia Transportation Authority Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 6, 2025

SUBJECT: FY2026 Regional Revenue Fund Budget Guidance

- 1. Purpose:** To gather input from the Northern Virginia Transportation Authority (NVTA) Finance Committee (Committee) on development of the FY2026 Regional Revenue Fund Budget.

- 2. Discussion:** The Regional Revenue Fund Budget is the source for transportation project funding by the Authority. The budget details are contained in an attached report with indexing in the Notes column to this staff report.
 - A. Revenue:** The Authority's principal four sources of revenue are shown at 70% of what is expected to be received. Additional revenues are:
 - I. CoVa Interest:** This is interest earned on NVTA funds prior to their transfer to the Authority's investment and banking accounts.
 - II. Investment Portfolio Earnings:** This is the estimated earnings (excluding unrealized gains or losses) from the Authority's internally managed investment portfolio.
 - B. Expenditures:**
 - I. Debt Service - Principal:** The principal payment required on the Authority's outstanding bonds.
 - II. Debt Service - Interest:** The interest payment required on the Authority's outstanding bonds.
 - III. Modeling License and Support:** Cost of the software licenses to support the Authority's computer modeling and geographic information system functions.
 - a.** The proposed FY2026 budget includes transferring the development costs of the Project Information, Management and Monitoring System (PIMMS) from the Operating Budget to the Regional Revenue Budget.
 - b.** The next enhancement to PIMMS is proposed to be the inclusion of CMAQ/RSTP. This proposal will allow member jurisdictions to submit applications through PIMMS rather than manually with similar reporting and tracking as currently is available for NVTA projects, with inclusion on the NOVA Gateway. The current CMAQ/RSTP application process is managed manually much like the initial NVTA application processes prior to 2018.
 - c.** Staff is recommending a \$350,000 budget allocation to regionally manage and track CMAQ/RSTP through PIMMS.

- IV. TransAction Update:** Funding for the start of the next update to TransAction, and three Six Year Program funding cycles is included at \$4.5 million to initiate the procurement in FY2026.
- V. Recommended Project Appropriation Requests:** Starting in September of 2024, member jurisdictions and agencies were advised monthly of the opportunity to request FY2026 project appropriations. The deadline for requests was January 31, 2025. The total requested and NVTA staff recommended project funding is for eight projects totaling \$173,330,460. The eight recommended projects are:
- a. Loudoun County:** Route 7 Corridor ITS Implementation Program (2022-315-1) \$2,500,000.
 - b. City of Alexandria:** Alexandria Bike and Pedestrian Trails Construction and Reconstruction: Holmes Run Trail - Dora Kelly Fair-weather Crossing Bridge. (2022-329-1) \$5,000,000.
 - c. City of Alexandria:** West End Transitway Phase 1b: South Van Dorn Street and Bridge Design. (2022-328-1) \$5,000,000.
 - d. City of Manassas:** Liberia Avenue 3rd Lane Eastbound: Route 28 to Euclid Avenue. (2022-314-1) \$8,851,639.
 - e. Virginia Passenger Rail Authority:** Franconia-Springfield Passenger Rail Bypass. (2020-313-1) \$22,958,821.
 - f. Fairfax County:** 8 New Battery Electric Buses - Fairfax Connector Buses for Tysons to Franconia Service (2022-324-1) \$10,000,000.
 - g. Prince William County:** Route 234 and Sudley Manor Drive Interchange. (2024-343-1) \$115,000,000. Note: This is a forward appropriation from the FY2024-2029 program. Prince William County staff have determined the project timing can be accelerated.
 - h. City of Manassas:** Roundabout at Route 28 and Sudley Rd. (2024-342-1) \$4,020,000. Note: This is a forward appropriation from the FY2024-2029 program. City of Manassas staff have determined the project timing can be accelerated.
- VI. Net Revenue-Restricted for the FY2020-FY2027 Six Year Program Commitments:** This represents funding approved in the FY2020/25 and FY2022/27 Six Year programs for which appropriations have not been requested. These are considered restricted funds which can only be used for the Authority approved projects.
- VII. Transfer Out to Operating Fund:** Transfer from the Regional Revenue Fund to support the Authority's FY2026 Operating Budget, as permitted in the Code of Virginia, and in lieu of jurisdictions paying on a per capita basis.
- VIII. Restricted Fund Balance - Carryforward to Six Year Program Update:** When available, these funds represent projected positive revenue variances and investment portfolio income, which is used in future PayGo determinations for updates to the Six Year Program.

- IX. Working Capital Reserve:** This is a NVTA policy required, and credit rating agency monitored reserve to insulate project and operational funding from variances and disruptions in revenues.
- X. Debt Service Reserve:** This reserve is required by the Authority's bond covenants.

3. Next Steps: NVTA Policy 10 - Financial Management contains a guideline which calls for the Authority adoption of budgets two months prior to the start of a fiscal year. This effectively results in the budget adoption occurring by April. The following timeline is proposed:

- A. February (NLT)** – Base Budget Increases and Initiatives and cost projections presented. The Finance Committee may decide to make a recommendation to the Authority or request changes/information.
- B. March** – Additional discussion, if needed, to result in recommendation to the Authority. If the Finance Committee agrees to a recommendation in February, the three budgets could be presented to the Authority in March.
- C. April** – Based on Finance Committee direction, present the three budgets to the Authority for adoption.

**Northern Virginia Transportation Authority
Proposed FY2026 Regional Revenue Fund Budget**

	Adopted FY2025 Budget	Proposed FY2026 Budget	Notes
Revenue 70% Regional Funds			
Sales Tax	\$ 235,254,270	\$ 274,731,130	2.A.
Interstate Operations & Enhancement Program (IOEP) Transfer	14,933,244	16,660,000	2.A.
Grantor's Tax	36,248,882	22,264,138	2.A.
Commonwealth NVTD Transfer	14,000,000	14,000,000	2.A.
CoVa Interest	245,000	733,597	2.A.I.
Bond Proceeds	-	-	
Future Financing/Future Appropriation Finance (if required)	-	-	
Investment Portfolio Earnings	35,000,000	70,000,000	2.A.II.
Total Revenue	\$ 335,681,396	\$ 398,388,865	
Expenditures			
Debt Service - Principal	\$ 3,405,000	\$ 3,575,000	2.B.I.
Debt Service - Interest	2,142,250	1,972,000	2.B.II.
Professional Services - Bond Issuance Costs			
Modeling License, PIMMS & Technical Support	46,645	397,145	2.B.III.
TransAction Update (BRT-PDP, SYP/CRRC/LTB Tech Support)		4,500,000	2.B.IV.
Recommended Project Appropriation Requests	298,800,000	173,330,460	2.B.V.
Total Expenditures / Six Year Program Commitments	\$ 304,393,895	\$ 183,774,605	
Net Revenue-Restricted for the FY2020-FY2027 Six Year Program Commitments	\$ 31,287,501	\$ 214,614,260	2.B.VI.
Transfers & Carryforward			
Transfer Out to Operating Fund	\$ (5,025,647)	\$ (5,650,815)	2.B.VII.
Restricted Fund Balance - Carryforward to Six Year Program			
Update/FWD Appropriations	94,900,000	55,000,000	2.B.VIII.
Total Available for Project Assignments Carryforward	\$ 89,874,353	\$ 49,349,185	
Cumulative Regional Revenue Reserve Balances			
Working Capital Reserve	\$ 120,000,000	\$ 120,000,000	2.B.IX.
Debt Service Reserve (Held by Trustee)	5,551,000	5,551,000	2.B.X.
Cumulative Reserve Balances	\$ 125,551,000	\$ 125,551,000	

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
MEMORANDUM

5.

FOR: Chair David Snyder and Members
Northern Virginia Transportation Authority Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 6, 2025

SUBJECT: FY2026 Operating Budget Guidance

1. **Purpose:** To gather input from the Northern Virginia Transportation Authority (NVRTA) Finance Committee (Committee) on development of the FY2026 Operating Budget.

2. **Discussion:** The Operating Budget is the central accounting point for operating and administrative expenses of the Authority. The proposed Operating Budget is presented in two categories. The first category is base budget escalations triggered by inflation, contract terms and required service extensions, less prior one-time funding. The second category is for new initiatives which will have supporting narratives and estimates. The attached budget report is indexed to this staff report by reference in the Budget Note column.
 - A. **Base Budget Escalations:**
 - I. **Salaries:** Annual performance-based salary increases for staff are targeted to be in line with member jurisdictions. Since jurisdiction budgets are concurrently in development, we present a budget increase of 6% that will not be exceeded on a budget basis, and which may be modified based on member jurisdiction market and performance-based increases once those budgets are finalized.
 - II. **Benefits:** Health insurance and other benefits are based on actual costs such as the Annually Required Contribution determined by the Virginia Retirement System (VRS) and the Commonwealth of Virginia - Local Choice Health Insurance rates.
 - III. **Professional Services:** Following the adoption of the FY2024-2029 Six Year Program, an independent external economic study was conducted in FY2025 to assess the economic impact of the transportation projects funded through the Authority's revenues. As a result, the FY2026 Public Outreach budget reflects a decrease of \$26,800, including a \$5,500 reduction in the cost of preparing the Annual Report and the removal of \$5,050 in one-time purchases. The remaining budget lines reflect contractually mandated adjustments.
 - IV. **Technology/Communication:** Increases reflect annual contractually mandated adjustments, less one-time FY2025 expenses.
 - V. **Office Lease:** The increase reflects annual contractually mandated adjustments under the lease agreement. As a reminder, the new lease for Park Tower Drive included a negotiated lease concession and a commitment to lease hold improvements. The allocation of these funds will not be fully

determined until the Authority expends the remaining funds. Once the lease transition is complete and all related transactions are finalized, NVTa staff will present to the Finance Committee a final reconciliation of the Lease Transition account. The reconciliation will include a staff recommendation for the remaining balance. Transaction activity spans FY2025 and FY2026 will be included in the Authority's annual independent audit.

- VI. Professional Development:** An additional \$5,000 has been allocated to this line item in the FY2026 budget to support enhanced training for the planning technology currently in use.
- VII. Professional Outreach:** As part of the growing recognition of the Authority's impact on regional transportation issues and national recognition for innovation, the Chief Executive Officer and senior staff have more frequently been asked to provide presentations and participate in regional and national transportation venues.

- B. New initiatives:** Project delivery, demands of growth and in-sourcing opportunities are the drivers of the proposed initiatives for FY2026. Preparations for the next TransAction update will occur concurrently with the next Six Year Program update. Those two major events, combined with ongoing efforts to improve project delivery, make it necessary to increase capacity to accomplish the Authority's legislative mandates and provide proactive enhanced levels of coordination for NVTa funded multi-jurisdictional projects and current range of services.

In addition to traditional multimodal infrastructure improvements that reduce congestion, the Authority is increasingly being called upon to emphasize alternative/complementary congestion reducing solutions, creating more demands on staff time, to enable Northern Virginians to reduce their dependency on driving, particularly driving alone.

Details on each position are contained in attachments B, C and D. New initiatives are proposed to include:

- I. Financial Accountant and Regional Transportation Planner:** The need for these positions is based on the increased workload driven in part by FY2025 Project Delivery initiatives, which are proving the need for advanced levels of coordination and further efforts in that area:
 - a.** The Authority has directed staff to analyze the execution of project agreements, progress, reimbursements, and other key aspects to enhance timely project delivery. The Project Information Management and Monitoring System (PIMMS) has enabled staff to conduct deeper analyses of project performance, and findings are now being shared with the RJACC, project sponsors and the Authority. Initial results indicate that further work and additional staffing are required to address delays and improve overall processes.
 - b.** To develop a more comprehensive understanding of the causes of project delays and reimbursement delays, staff will need to:
 - Engage with project sponsors to identify challenges and potential solutions.

- Assess administrative and staffing factors affecting project timelines.
- Develop scorecards to track performance and accountability.
- Implement a process to track the useful economic life of completed projects to ensure SPA compliance.

II. Communications Insourcing: The Authority’s large consulting contracts have significant communication and public engagement components. This initiative proposes less reliance on paid consultants for communications related creative, and oversight tasks with the savings being used to fund an additional communications staff person. This position is largely paid for through contract savings and other insourcing opportunities, while providing an additional 1,260 hours for Authority activities. Attachment D documents proposed savings and increased staff capacity.

III. Commuter Benefits: The Authority’s new office location has resulted in greater use of transit opportunities and has proven beneficial in recruiting new staff. The requested \$4,050 will further encourage transit use, including bike share services. The Authority was recently recognized with a Best Workplace for Commuters award.

IV. FY2026 Potential Mid-Year Requests: The ongoing Preliminary Deployment Plan for a Regional Bus Rapid Transit System (PDP-BRT) progress is not at a point where work on the next phase can be reasonably scoped. The results of the current effort are anticipated to be presented to the Authority in the Spring of 2025. At that time, the Authority may decide to undertake additional work to advance deployment of interconnected BRT projects through additional out of cycle budget action.

Efforts to advance BRT deployments will continue to involve consultants and may require an additional Regional Transportation Planner. Any new staff member will also be utilized to advance the largely dormant transportation technology initiatives and re-energize the Transportation Technology Committee.

3. Next Steps: NVTA Policy 10 - Financial Management contains a guideline which calls for the Authority adoption of budgets two months prior to the start of a fiscal year. This effectively results in the budget adoption occurring by April. The following timeline is proposed:

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Attachments:

- A. Base/Proposed FY2026 Operating Budget
- B. Financial Accountant Proposal Detail
- C. Regional Transportation Planner Proposal Detail
- D. Communication Professional Proposal Detail

**Northern Virginia Transportation Authority
Base/Proposed FY2026 Operating Budget**

INCOME:	Adopted Budget FY2025	DRAFT Base Budget FY2026	Base-Prev Bdg Change \$	Budget Note	Draft Base Budget w/Initiatives	Budget Note	Initiatives+ Base Bdgt Change \$
Budget Carryforward including Operating Reserve	\$ 966,991	\$ 1,132,440	\$ 165,449		\$ 1,132,440		\$ 165,449
330000 Other Income							
Total Income	\$ 966,991	\$ 1,132,440	\$ 165,449		\$ 1,132,440		\$ 165,449
EXPENDITURES:							
410000 Personnel Expenditures							
110 Salaries & Wages	\$ 2,789,052	\$ 2,942,669	\$ 153,617	2.A.I	\$ 3,277,669	2.B.I & II	\$ 488,617
130 Health & Dental Benefits	479,391	471,009	(8,382)	2.A.II	559,809	2.B.I & II	80,418
131 Payroll Taxes	218,222	229,975	11,753	2.A.I	256,332	2.B.I & II	38,110
132 Retirement VRS	221,288	227,710	6,422	2.A.II	241,864	2.B.I & II	20,576
133 Life Insurance	37,372	36,784	(588)	2.A.II	40,972	2.B.I & II	3,600
134 Flex Spending/Dependent Care	1,440	1,440	-	2.A.II	1,657	2.B.I & II	217
135 Workers Comp	3,066	3,238	173	2.A.II	3,607	2.B.I & II	541
137 Disability Insurance	26,770	32,026	5,256	2.A.II	35,026	2.B.I & II	8,256
138 Commuter Benefits	-	-	-		4,050	2.B.III	4,050
Subtotal Personnel Costs	\$ 3,776,601	\$ 3,944,851	\$ 168,250		\$ 4,420,986		\$ 644,385
420000 Professional Service							
210 Audit & Accounting	\$ 61,000	\$ 62,250	\$ 1,250		\$ 62,250		\$ 1,250
220 Bank Service	750	750	-		750		-
230 Insurance	15,145	20,231	5,086		20,231		5,086
240 Payroll & Human Resources Service	8,728	10,600	1,872		13,720	2.B.I & II	4,992
260 Public Outreach & Regional Event Support	68,456	41,610	(26,846)		41,610		(26,846)
261 Legal Services/Bond Counsel	75,000	75,000	-		75,000		-
262 Financial Advisor Services	10,000	10,000	-		10,000		-
263 Bond Trustee Fees	2,800	2,900	100		2,900		100
264 Legislative Services	87,125	89,305	2,180		89,305		2,180
265 Investment Custody Fees	25,000	25,000	-		25,000		-
Subtotal Professional Services	\$ 354,004	\$ 337,646	\$ (16,358)	2.A.III	\$ 340,766		\$ (13,238)
430000 Technology/Communication							
310 GL Financial Rept & Invest Monitoring/Mgt Systems	\$ 83,980	\$ 85,950	\$ 1,970		\$ 85,950		\$ 1,970
330 IT Support Svc Incl Hosting	54,177	55,130	953		62,491	2.B.I & II	8,314
335 GIS/Project Monitoring & Management/Modeling	35,650	39,125	3,475		39,125		3,475
340 Phone Service	20,858	19,205	(1,653)		21,905	2.B.I & II	1,047
350 Web Development & Hosting	8,200	10,950	2,750		10,950		2,750
940 HW SW & Peripheral Purchase	12,575	2,000	(10,575)		13,175	2.B.I & II	600
Subtotal Technology/Communication	\$ 215,440	\$ 212,360	\$ (3,080)	2.A.IV	\$ 233,596		\$ 18,156
440000 Administrative Expenses							
410 Advertisement	\$ 6,400	\$ 2,500	\$ (3,900)		\$ 5,500	2.B.I & II	\$ (900)
405 Building/Office Related Expenses	1,000	1,000	-		1,000		-
411 Memberships & Subscriptions	25,400	26,445	1,045		28,165	2.B.I & II	2,765
412 Duplication & Printing	13,550	15,672	2,122		15,672		2,122
414 Hosted Meetings	6,200	7,515	1,315		7,515		1,315
415 Local Travel	11,300	11,000	(300)		11,450	2.B.I & II	150
416 Misc Expenses	-	-	-		-		-
417 Office Lease	465,769	478,940	13,172	2.A.V	478,940		13,172
418 Office Supplies	6,765	6,765	-		7,515	2.B.I & II	750
419 Postage & Delivery	700	700	-		700		-
420 Professional Development	28,680	31,940	3,260	2.A.VI	34,940	2.B.I & II	6,260
421 Professional Outreach	22,810	24,300	1,490	2.A.VII	24,300		1,490
945 Office Furniture & Fixtures	17,580	-	(17,580)		-		(17,580)
Subtotal Administrative Expenses	\$ 606,154	\$ 606,777	\$ 624		\$ 615,697		\$ 9,544
Expenditure Subtotal	\$ 4,952,198	\$ 5,101,634	149,436		\$ 5,611,045		\$ 658,847
Operating Reserve (20%)	\$ 990,440	\$ 1,020,327	\$ 29,887		\$ 1,122,209		\$ 131,769
Equipment Replacement Reserve & Replenishment	50,000	50,000	-		50,000		-
Reserve Subtotal	\$ 1,040,440	\$ 1,070,327	\$ 29,887		\$ 1,172,209		\$ 131,769
Total Expenditures	\$ 5,992,638	\$ 6,171,961	\$ 179,324		\$ 6,783,254		\$ 790,616
Transfer From Regional Revenue Fund	\$ 5,025,647	\$ 5,039,522	\$ 13,875		\$ 5,650,815		\$ 625,167

One Time Costs of Initiatives: \$ 14,175
Net FY25 to FY26 Base Budget Growth: \$ 776,441

Attachment B - Financial Accountant Proposal

The finalization of NVTA’s office move and the recent Authority directive to prepare a policy to address project cost underestimates, overruns and transfers has exposed a lack of bandwidth within the finance team.

- A. This lack of bandwidth is evidenced by postponed activities such as:
 - i. Build out of grant recipient policies. (FY2023 Budget)
 - ii. Outside legal services options. (FY2024)
 - iii. Procurement of pre-qualified on-call transportation consulting services. (FY2025 Budget)
 - iv. Website Modernization Procurement. (Delayed from FY2024 to FY2025)
 - v. Procurement of economic analyses inclusive of NVTA Core Values. (Timeline Uncertain).
 - vi. Next cycle of duplicate payments audit. (1.5 years overdue)
- B. Many of the demands on the finance team are triggered by successes. Some examples are:
 - i. A 35% increase in reimbursement requests in FY2024. This trend is expected to continue. However, 60% of reimbursement requests required multiple interactions with project sponsor staff to enable payment. These increases also greatly impact the planning team workload.
 - ii. The investment portfolio is expected to double in size from FY2020, from \$1 billion to \$2 billion, by the end of FY2025.
 - iii. Monthly investment transactions have increased from \$40 million to between \$80 million and \$120 million.
 - iv. The increase in the number of securities purchased resulted in a 12% increase in the number of coupon payments processed totaling \$50 million for FY2024 and a 93% increase in the number of maturities processed for the same period.
 - v. Investment purchases have had to be postponed due to the insufficient time available for CFO review. This has resulted in reduced interest earnings of \$92,054 so far in FY2025.
 - vi. These demands have resulted in a significant reduction in the Investment and Debt Manager position’s capacity to be involved in other financial functions such as procurements.

The Financial Accountant position will be responsible for collecting, analyzing and maintaining financial data, detecting trends, tracking key performance measures and forecasting. Much of this work will support project delivery improvement efforts and will be expected to become heavily involved in leading procurements.

Financial Accountant	
Salary & Benefits	\$ 172,805
Recurring Costs	\$ 6,037
Onetime Costs	\$ 4,725
Total Cost FY2026 Budget	\$ 183,567

Attachment C - Regional Transportation Planner Proposal Detail

Preparations for the next TransAction update will occur concurrently with the Six Year Program update. Those two major events, combined with ongoing efforts to improve project delivery, make it necessary to incrementally increase capacity to accomplish the Authority's legislative mandates and current range of services. In addition to traditional multimodal infrastructure improvements, the Authority is increasingly being called to emphasize alternative/complementary congestion reducing solutions that enable Northern Virginians to reduce their dependency on driving, particularly driving alone.

Efforts focusing on project delivery have moved forward and are at a crucial junction. At this point it is critical that Authority staff begin engagement with project sponsor staff to share observations, solicit input to identify barriers, resolutions and circulate best practices and successes.

While substantial improvements in project delivery are needed across the board, just focusing on a problem often brings positive changes. As such many workload measures are increasing.

- 185 Standard Project Agreements (SPAs) representing 139 projects are currently managed across 12 jurisdictions and five agencies, funded by Regional Revenues. This is an 18% increase.
- Six projects have received funding appropriations but have yet to execute SPAs. Two of the SPAs are preparing de-appropriation requests for Authority consideration.
- Three projects have received funding appropriations in FY2025 but have yet to execute a SPA, further work is needed to fully understand why project sponsors request funding, then do not execute the basic steps to access it.
- 63 active SPAs are progressing, with pending reimbursement submissions.
- Reimbursement requests can still take months to complete as project sponsors attempt to appropriately document the requests.
- As of the end of CY2024, only \$444 million (36%) of the expected \$1.25 billion in reimbursements for active SPAs has been submitted.
- Among the 10 jurisdictions/agencies with active SPAs, 7 have submitted less than 50% of their expected reimbursements.
- The number of reimbursement request submissions has increased 35%, year over year and the value of the requests have increased 43%.
- A process to track the useful lives of completed projects needs to be developed.

Regional Transportation Planner	
Salary & Benefits	\$ 144,505
Recurring Costs	\$ 6,257
Onetime Costs	\$ 4,725
Total Cost FY2026 Budget	\$ 155,487

Attachment D – Communications Professional Proposal

The Authority's large consulting contracts have significant communications and public engagement components. This initiative proposes less reliance on paid consultants for communications related creative, and oversight tasks with the savings being used to fund an additional communications staff person. Contracted public engagement, a communications subspecialty, will largely remain unchanged except general oversight to be provided through the new in-house resource rather than paid consultants.

- A.** Experience indicates that while these contracts make provisions for prime and subcontractor oversight, in-house staff still invest significant time maintaining consistency in messaging, format and quality of all external deliverables. When contractors change, staff must reestablish these standards with each new team.
- B.** As prime and subcontractors change, in-house resources must start over to ensure the messaging, format and quality standards are reintegrated with the new consultants.
- C.** Unlike transactional or technical tasks that can be executed by established standards, communications work is an art that requires direct, hands-on oversight to ensure alignment with NVTA's vision and expectations.
- D.** Bringing creative work and oversight in-house will reduce prime and subcontractor costs, while ensuring consistent, high-quality communications. A permanent staff member will take on these responsibilities in addition to providing significant capacity to meet other demands on the current communications team.
- E.** This proposed position will focus on quality control, proactive outreach and the execution of various external deliverables. Some of the deliverables will still be undertaken by contractors but with direct supervision of the new NVTA staff person.
- F.** This proposal recognizes that some contracted functions do not make economic sense for the Authority to staff internally. This is especially important in the areas of public outreach, mass public engagement, surveys, and certain graphic functions.
- G.** A typical employee will work 1,920 hours per year. The analysis below demonstrates that in-sourcing 660 hours will reduce contractor payments to provide funding for the salary of the new position, while also providing 1,260 hours of additional work hours for other duties.

Attachment D – Communications Professional Proposal (Continued)

	Eligible Hours	In-souce %	In-source Hours	Hourly Billing Avg	Contract Savings
Creative Hours	2537.3	22.0%	558.20	\$ 130.00	\$ 72,565.35
Prime Oversight Hours	1857.5	3.5%	65.01	\$ 320.52	\$ 20,837.81
Sub Oversight Hours	370.8	10.0%	37.08	\$ 162.95	\$ 6,041.37
			660.28		\$ 99,444.53
FY2025 AR Insourcing					\$ 5,500.00
				Current Insourcing Savings	\$ 104,944.53
Prior Insourcing Examples:					
			Annual Board Photos	\$	2,350.00
			AR Design	\$	9,405.00
			Editing	\$	2,350.00
				\$	14,105.00

- H. This proposal allows NVTa to significantly reduce reliance on external consultant billable hours, while building internal capacity.
- I. Onboarding this position in FY2025 will allow for the new person to be up to speed as the procurement cycle for the next TransAction update starts in FY2026. There is adequate salary lapse in FY2025 to onboard the position early.

Communications Position	
Salary & Benefits	\$ 155,824
Recurring Costs	\$ 6,807
Onetime Costs	\$ 4,725
Total Cost FY2026 Budget	\$ 167,356

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

6.

FOR: Chair David Snyder and Members
Northern Virginia Transportation Authority Finance Committee

FROM: Dev Priya Sen, Investment & Debt Manager

DATE: February 6, 2024

SUBJECT: Investment Portfolio Report

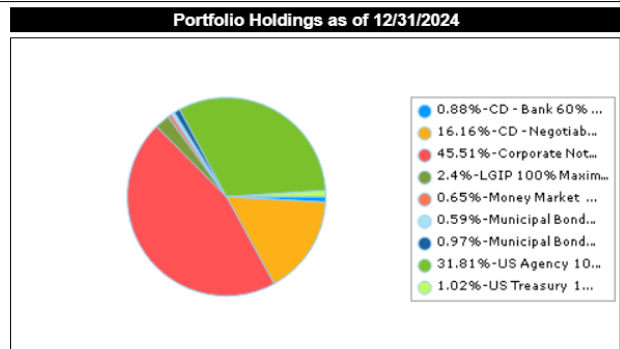
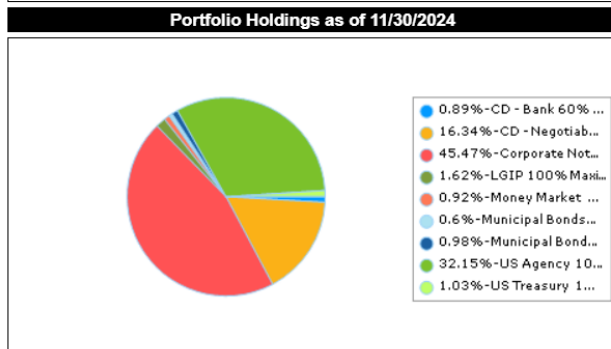
1. **Purpose:** To provide the Northern Virginia Transportation Authority (NVTA) Finance Committee with required reports on investment activities and portfolio performance through December 31, 2024.
2. **Background:** This report is on investment activity through December 31, 2024, and affirms the portfolio’s investments were acquired based on safety, liquidity, and then yield. This report summarizes the portfolio structure and adherence to the NVTA Investment Policy.
3. **Current Period Reports:**
 - A. The safety of the portfolio is reflected in the actual composition of the portfolio as shown below.



Northern Virginia Transportation Authority
Distribution by Asset Category - Book Value
Report Group: Regional Revenue

Begin Date: 11/30/2024, End Date: 12/31/2024

Asset Category Allocation				
Asset Category	Book Value 11/30/2024	% of Portfolio 11/30/2024	Book Value 12/31/2024	% of Portfolio 12/31/2024
CD - Bank 60% Maximum	17,145,895.36	0.89	17,145,895.36	0.88
CD - Negotiable 25% Maximum	316,006,658.63	16.34	316,005,225.17	16.16
Corporate Notes 50% Maximum	879,480,966.67	45.47	889,909,476.28	45.51
LGIP 100% Maximum	31,341,119.35	1.62	46,972,569.92	2.40
Money Market 60% Maximum	17,845,851.46	0.92	12,791,039.33	0.65
Municipal Bonds - US 30% Maximum	11,557,670.37	0.60	11,551,189.93	0.59
Municipal Bonds - Virginia 30% Maximum	18,990,430.65	0.98	18,989,961.95	0.97
US Agency 100% Maximum	621,892,026.22	32.15	621,902,733.41	31.81
US Treasury 100% Maximum	19,978,362.97	1.03	19,982,403.62	1.02
Total / Average	1,934,238,981.68	100.00	1,955,250,494.97	100.00



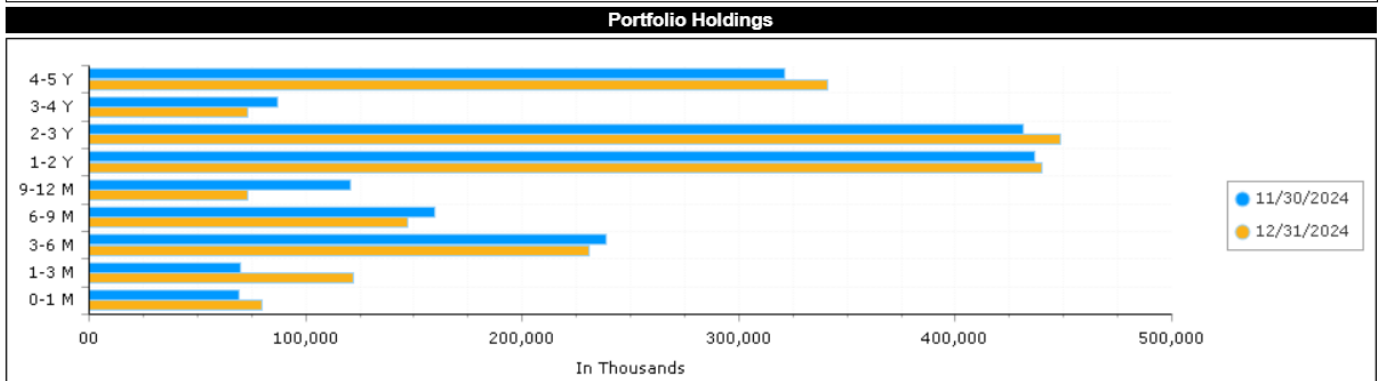
B. The liquidity of the portfolio is reflected in the portfolio’s duration as 1.82 (1.0 = 1 year) and the maturity schedule is shown below.



**Northern Virginia Transportation Authority
Distribution by Maturity Range - Book Value
Report Group: Regional Revenue**

Begin Date: 11/30/2024, End Date: 12/31/2024

Maturity Range Allocation				
Maturity Range	Book Value 11/30/2024	% of Portfolio 11/30/2024	Book Value 12/31/2024	% of Portfolio 12/31/2024
0-1 Month	69,186,970.81	3.58	79,763,016.18	4.08
1-3 Months	69,997,992.70	3.62	121,958,081.95	6.24
3-6 Months	238,551,151.44	12.33	230,634,878.39	11.80
6-9 Months	159,375,521.76	8.24	147,289,520.70	7.53
9-12 Months	121,037,618.12	6.26	73,190,355.62	3.74
1-2 Years	436,947,599.81	22.59	440,249,667.39	22.52
2-3 Years	431,092,909.25	22.29	448,246,063.96	22.93
3-4 Years	87,043,676.70	4.50	72,911,298.54	3.73
4-5 Years	321,005,541.09	16.60	341,007,612.24	17.44
Total / Average	1,934,238,981.68	100.00	1,955,250,494.97	100.00



C. The yield on the portfolio at the end of December 2024 was 4.52%. The policy required benchmarks are shown below for yield performance comparison.

NVTA Investment Benchmarks	Dec-24 Month End
LGIP Extended Maturity Pool	3.94%
ICE BofA 1-3 Year (18-Month Avg)	4.58%
NVTA Performance	4.52%

Source: Bloomberg/NVTA Statements

4. Portfolio Analysis & Statistics Overview:

A. Safety: The portfolio is invested primarily in:

- Local Government Investment Pools (1.62% to 2.40%)
- Collateralized bank money market accounts (1.81% to 1.53%)
- Negotiable CD's (16.34% to 16.16%)
- AAA/AA rated investment grade corporate bonds (45.47% to 45.51%)
- Treasuries and Agencies (33.18% to 32.83%)
- VA & US Municipals (1.58% to 1.56%)

B. Liquidity: The NVTA Portfolio duration is 1.82 in December 2024 (1.0 = 1 year).

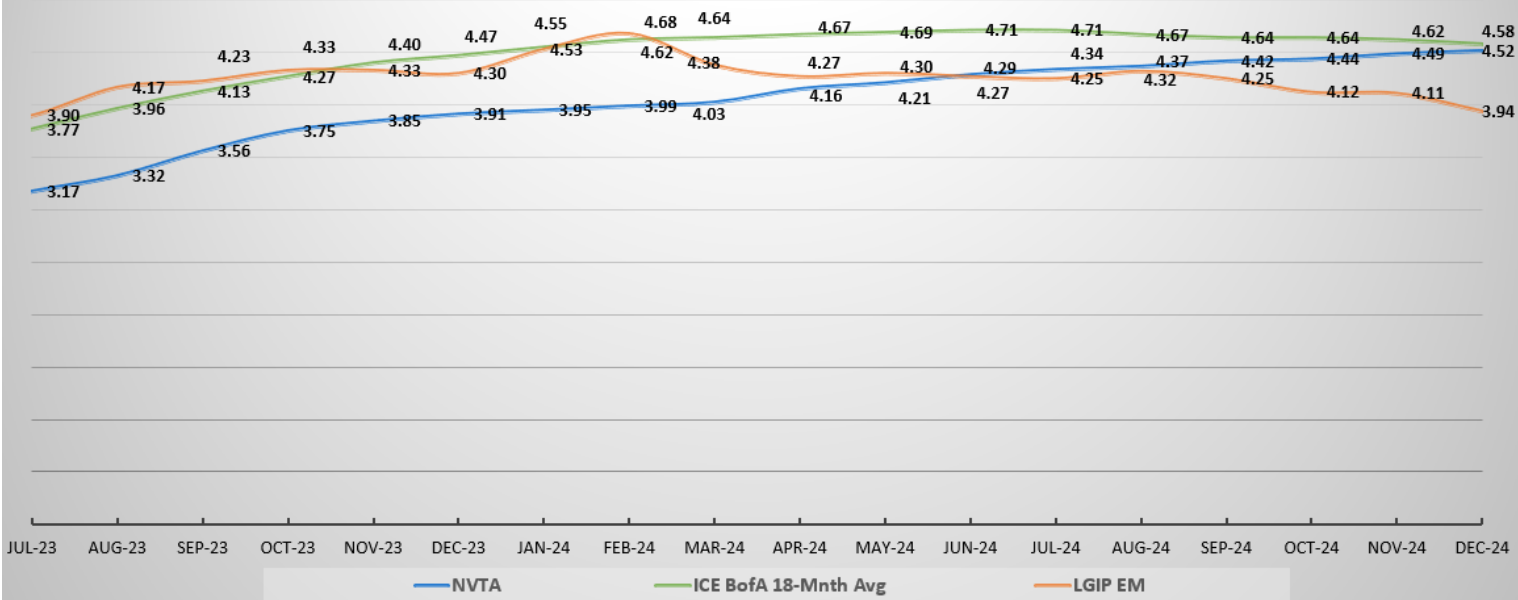
At the final Federal Reserve (Fed) meeting of 2024, the fed lowered the target range for the federal funds rate by 25 basis points (bps) to a new range of 4.25% to 4.50%. The market now expects the Fed to pause rate cuts for several months.

C. Yield: Staff are continuing to ladder the monthly maturity in an upper range of \$80-\$100 million in securities, in addition to managing up to \$20 million per month in positive cash flow under the following strategies:

- Staff ongoing strategy of investing in two, three and greater maturity period with higher yields positions NVTA to benefit from declining market rates. This approach balances strong returns with effective risk management, keeping the portfolio well-positioned for changing market conditions.
- Market rates have begun trending downward following recent rate reductions, and our portfolio is gradually aligning with these market trends at a measured pace to effectively capture these shifts.
- NVTA's portfolio is steadily closing the gap with the ICE BofA index, and we expect it to surpass the ICE BofA 18-month average benchmark in the coming months.
- Our portfolio strategy avoids frequent callable bonds to reduce the risk of them being called when yields are lower. This helps ensure stable returns and prevents the need to reinvest at lower yields if the bonds are called early.
- Staff consistently monitor Federal Reserve actions, market trends, and economic indicators to make informed decisions. This strategic insight helps us position the portfolio effectively, allowing us to seize potential market shifts and emerging opportunities.



NVTA Investment Benchmarks Comparison



5. Custodian Certification: Truist Bank is the custodian of all NVTA’s investment purchases and is where all NVTA’s non-deposit investments are held. Deposit type investments are protected through the Commonwealth of Virginia collateralization program or FDIC Insurance.

6. Policy Required Reports: The attached Compliance - GASB 40 Report addresses specific Investment Policy requirements regarding the purchase and holding of securities. This report is fundamental for the Authority’s Annual Financial Statements and annual audit. The attached report documents:

- **Compliance – Investment Policy, Summary:** The report shows the percentage of the portfolio by each type of investment.
- **Investment Portfolio – By Maturity Range:** The report shows the yield to maturity and percentage of the portfolio which each type of investment represents.
- **Portfolio Holdings by Custodian:** This report shows each depository, investment firm, or custodian holding NVTA securities or cash.

Attachment: Compliance - GASB 40 Report



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

Attachment

Portfolio Holdings Compliance - GASB 40 Report - As of 12/31/2024

Description	CUSIP/Ticker	Face Amount/Shares	Book Value	Market Value	Credit Rating 1	Credit Rating 2	% of Portfolio	Days To Maturity	Days To Cal/Maturity	Maturity Date	Next Call Date	YTM @ Cost	Duration To Maturity
CD - Bank 60% Maximum													
John Marshall Bank 4.29 1/15/2027	JMBDCD011624	10,000,000.00	10,000,000.00	10,000,000.00	None	None	0.51	745	745	1/15/2027		4.290	2.04
John Marshall Bank 4.7 4/19/2027	JMBDCD041924	7,145,895.36	7,145,895.36	7,145,895.36	None	None	0.36	839	839	4/19/2027		4.700	2.30
Sub Total / Average CD - Bank 60% Maximum		17,145,895.36	17,145,895.36	17,145,895.36			0.87	784	784			4.461	2.15
CD - Negotiable 25% Maximum													
Bayerische Landesbank 5.7 4/23/2025	0727MCY27	30,000,000.00	30,005,225.17	30,085,500.00	Fitch-F1	Moody's-P1	1.52	113	113	4/23/2025		5.639	0.31
Credit Agricole 4.32 2/18/2026	22536HPV5	39,000,000.00	39,000,000.00	39,000,000.00	Fitch-AA-	Moody's-Aa3	1.98	414	414	2/18/2026		4.320	1.12
Credit Agricole 4.92 6/22/2026	22536HHY8	25,000,000.00	25,000,000.00	25,000,000.00	S&P-A1	Moody's-P1	1.27	538	538	6/22/2026		4.920	1.44
Credit Agricole 5.62 8/22/2025	22536C3A6	25,000,000.00	25,000,000.00	25,151,250.00	S&P-A1	Moody's-P1	1.27	234	234	8/22/2025		5.620	0.64
Credit Industriel Et Commercial 4.55 9/2/2025	22536WHN9	38,000,000.00	38,000,000.00	38,004,180.00	S&P-A1	Moody's-P1	1.93	245	245	9/2/2025		4.550	0.68
Lloyds Bank 5.17 7/18/2025	53947BZ60	35,000,000.00	35,000,000.00	35,107,450.00	S&P-A1	Moody's-P1	1.78	199	199	7/18/2025		5.170	0.55
Natixis 5.42 4/8/2025	63873Q2H6	25,000,000.00	25,000,000.00	25,050,000.00	S&P-A1	Moody's-P1	1.27	98	98	4/8/2025		5.420	0.27
Natixis 5.56 5/2/2025	63873Q2W3	29,000,000.00	29,000,000.00	29,090,190.00	S&P-A1	Moody's-P1	1.47	122	122	5/2/2025		5.560	0.34
Natixis 5.83 9/8/2025	63873QN83	20,000,000.00	20,000,000.00	20,162,800.00	S&P-A1	Moody's-P1	1.02	251	251	9/8/2025		5.830	0.70
Standard Chartered Bank 5.51 4/17/2025	85325VMK3	25,000,000.00	25,000,000.00	25,054,750.00	S&P-A1	Moody's-P1	1.27	107	107	4/17/2025		5.510	0.30
Standard Chartered Bank 5.82 2/24/2025	85325VHE3	25,000,000.00	25,000,000.00	25,031,000.00	S&P-A1	Moody's-P1	1.27	55	55	2/24/2025		5.820	0.15
Sub Total / Average CD - Negotiable 25% Maximum		316,000,000.00	316,005,225.17	316,737,120.00			16.05	222	222			5.227	0.61
Corporate Notes 50% Maximum													
Amazon.com, Inc. 3.15 8/22/2027-27	023135BC9	30,000,000.00	29,182,703.59	28,965,600.00	S&P-AA	Fitch-AA-	1.52	964	872	8/22/2027	5/22/2027	4.260	2.53
Amazon.com, Inc. 4.55 12/1/2027-27	023135CP9	20,000,000.00	19,977,790.04	20,120,200.00	S&P-AA	Fitch-AA-	1.02	1,065	1,035	12/1/2027	11/1/2027	4.590	2.76
Amazon.com, Inc. 4.55 12/1/2027-27	023135CP9	26,000,000.00	25,957,259.76	26,156,260.00	S&P-AA	Fitch-AA-	1.32	1,065	1,035	12/1/2027	11/1/2027	4.610	2.76
Apple 1.2 8/2028-27	037833ECO	22,500,000.00	20,398,815.81	20,347,425.00	S&P-AA+	Moody's-Aaa	1.14	1,134	1,072	2/8/2028	12/8/2027	4.520	3.04
BlackRock Funding 3.2 3/15/2027-27	09247XAN1	15,000,000.00	14,592,630.25	14,611,050.00	S&P-AA-	Moody's-Aa3	0.76	804	776	3/15/2027	2/15/2027	4.520	2.13
BlackRock Funding 4.6 7/26/2027-27	09290DAH4	15,000,000.00	15,035,118.25	15,034,200.00	S&P-AA-	Moody's-Aa3	0.76	937	907	7/26/2027	6/26/2027	4.502	2.41
Exxon Mobil 2.709 3/6/2025-24	30231GAF9	9,500,000.00	9,485,429.64	9,469,790.00	S&P-AA-	Moody's-Aa2	0.48	65	65	3/6/2025		3.619	0.18
Exxon Mobil 2.992 3/19/2025	30231GBH4	20,000,000.00	19,995,167.06	19,937,800.00	S&P-AA-	Moody's-Aa2	1.02	78	78	3/19/2025		3.110	0.22
Guardian Life 1.1 6/23/2025	40139LAG8	13,000,000.00	12,870,383.17	12,783,680.00	S&P-AA+	Moody's-Aa2	0.66	174	174	6/23/2025		3.320	0.48
Guardian Life 1.1 6/23/2025	40139LAG8	9,456,000.00	9,340,886.24	9,298,652.16	S&P-AA+	Moody's-Aa2	0.48	174	174	6/23/2025		3.829	0.48
Guardian Life 3.246 3/29/2027	40139LBF9	11,000,000.00	10,695,657.24	10,663,840.00	S&P-AA+	Moody's-Aa1	0.56	818	818	3/29/2027		4.585	2.16
Guardian Life 3.246 3/29/2027	40139LBF9	25,000,000.00	24,243,530.81	24,236,000.00	S&P-AA+	Moody's-Aa1	1.27	818	818	3/29/2027		4.710	2.16
Hanwha Q Cells 5 7/27/2028	41136TAA5	11,580,000.00	11,659,863.91	11,534,838.00	S&P-AA	Moody's-Aa2	0.59	1,304	1,304	7/27/2028		4.785	3.25
Mass Mutual Global Funding 3.4 3/8/2026	57629WCH1	25,000,000.00	24,495,013.11	24,671,250.00	S&P-AA+	Moody's-Aa3	1.27	432	432	3/8/2026		5.230	1.16
Mass Mutual Global Funding 3.4 3/8/2026	57629WCH1	10,000,000.00	9,806,459.83	9,868,500.00	S&P-AA+	Moody's-Aa3	0.51	432	432	3/8/2026		5.150	1.16
Mass Mutual Global Funding 4.5 4/10/2026	57629WF62	9,000,000.00	8,929,601.80	8,992,710.00	S&P-AA+	Moody's-Aa3	0.46	465	465	4/10/2026		5.157	1.24
Mass Mutual Global Funding 4.5 4/10/2026	57629WF62	16,000,000.00	15,964,945.28	15,987,040.00	S&P-AA+	Moody's-Aa3	0.81	465	465	4/10/2026		4.680	1.24
Mass Mutual Global Funding 5.05 12/7/2027	57629WDL1	14,000,000.00	14,185,895.55	14,164,920.00	S&P-AA+	Moody's-Aa3	0.71	1,071	1,071	12/7/2027		4.550	2.76
Mass Mutual Global Funding 5.1 4/9/2027	57629W4S6	15,000,000.00	15,140,825.75	15,175,950.00	S&P-AA+	Moody's-Aa3	0.76	829	829	4/9/2027		4.652	2.15
Met Tower Global Funding 4 10/1/2027	58989V2J2	31,100,000.00	30,778,834.74	30,575,654.00	S&P-AA-	Moody's-Aa3	1.58	1,004	1,004	10/1/2027		4.401	2.61
MetLife 2.8 3/21/2025	59217GEW5	17,500,000.00	17,477,485.25	17,433,325.00	S&P-AA-	Moody's-Aa3	0.89	80	80	3/21/2025		3.420	0.22
MetLife 3.45 12/18/2026	59217GBY4	14,899,000.00	14,323,259.01	14,589,100.80	S&P-AA-	Moody's-Aa3	0.76	717	717	12/18/2026		5.620	1.91
MetLife 3.45 12/18/2026	59217GBY4	14,088,000.00	13,760,637.39	13,794,969.60	S&P-AA-	Moody's-Aa3	0.72	717	717	12/18/2026		4.730	1.91
MetLife 4.4 6/30/2027	59217GFB0	15,000,000.00	14,815,676.46	14,910,600.00	S&P-AA-	Moody's-Aa3	0.76	911	911	6/30/2027		4.942	2.39
MetLife 4.85 1/16/2027	58989V2G8	25,000,000.00	25,042,090.82	25,093,250.00	S&P-AA-	Moody's-Aa3	1.27	746	746	1/16/2027		4.760	1.93
Morgan Stanley 4.754 4/21/2026	61690U4T4	10,000,000.00	9,877,037.71	10,010,700.00	Fitch-AA-	Moody's-Aa3	0.51	476	476	4/21/2026		5.780	1.27
Morgan Stanley 5.882 10/30/2026-26	61690U7W4	15,000,000.00	15,284,186.29	15,315,000.00	Fitch-AA-	Moody's-Aa3	0.76	668	638	10/30/2026	9/30/2026	4.759	1.75
Morgan Stanley 5.882 10/30/2026-26	61690U7W4	20,000,000.00	20,367,176.27	20,420,000.00	Fitch-AA-	Moody's-Aa3	1.02	668	638	10/30/2026	9/30/2026	4.793	1.75
Nestle Holdings 1.15 1/14/2027-26	641062AV6	8,000,000.00	7,476,368.05	7,473,360.00	S&P-AA-	Moody's-Aa3	0.41	744	713	1/14/2027	12/14/2026	4.590	2.01
New York Life 4.7 4/2/2026	64952WFB4	10,000,000.00	9,913,328.44	10,017,800.00	S&P-AA+	Moody's-Aaa	0.51	457	457	4/2/2026		5.450	1.22
New York Life 4.7 4/2/2026	64952WFB4	11,890,000.00	11,779,891.67	11,911,164.20	S&P-AA+	Moody's-Aaa	0.60	457	457	4/2/2026		5.501	1.22
New York Life 4.9 4/2/2027	64953BBM9	20,000,000.00	20,000,000.00	20,118,000.00	Fitch-AA	Moody's-Aaa	1.02	822	822	4/2/2027		4.900	2.14
New York Life 5.45 9/18/2026	64953BBF4	11,000,000.00	11,005,801.39	11,164,450.00	S&P-AA+	Moody's-Aaa	0.56	626	626	9/18/2026		5.416	1.64
New York Life 5.45 9/18/2026	64953BBF4	12,500,000.00	12,598,301.56	12,686,875.00	S&P-AA+	Moody's-Aaa	0.64	626	626	9/18/2026		4.950	1.64

Description	CUSIP/Ticker	Face Amount/Shares	Book Value	Market Value	Credit Rating 1	Credit Rating 2	% of Portfolio	Days To Maturity	Days To Cal/Maturity	Maturity Date	Next Call Date	YTM @ Cost	Duration To Maturity
Northwestern Mutual Global 1.75 11/11/2027	66815L2F5	25,000,000.00	23,603,851.85	23,626,250.00	S&P-AA+	Moody's-Aaa	1.27	741	741	1/11/2027		4.726	1.98
Northwestern Mutual Global 4.11 9/12/2027	66815L2T5	5,650,000.00	5,593,082.18	5,573,103.50	S&P-AA+	Moody's-Aaa	0.29	985	985	9/12/2027		4.510	2.55
Northwestern Mutual Global 4.35 9/15/2027	66815L2K4	9,354,000.00	9,315,923.27	9,278,793.84	S&P-AA+	Moody's-Aaa	0.48	988	988	9/15/2027		4.510	2.55
Northwestern Mutual Global 4.35 9/15/2027	66815L2K4	15,000,000.00	14,946,969.05	14,879,400.00	S&P-AA+	Moody's-Aaa	0.76	988	988	9/15/2027		4.488	2.55
Northwestern Mutual Global 5.07 3/25/2027	66815L2R9	21,000,000.00	21,029,068.06	21,180,180.00	S&P-AA+	Moody's-Aaa	1.07	814	814	3/25/2027		5.000	2.11
Northwestern Mutual Global 5.07 3/25/2027	66815L2R9	15,000,000.00	15,154,901.12	15,128,700.00	S&P-AA+	Moody's-Aaa	0.76	814	814	3/25/2027		4.570	2.11
Pacific Life 1.2 6/24/2025	6944PL2B4	5,000,000.00	4,936,242.98	4,917,650.00	S&P-AA-	Moody's-Aa3	0.25	175	175	6/24/2025		4.050	0.48
Pacific Life 1.375 4/14/2026	6944PL2E8	20,000,000.00	18,966,648.73	19,199,600.00	S&P-AA-	Moody's-Aa3	1.02	469	469	4/14/2026		5.750	1.28
Pacific Life 1.375 4/14/2026	6944PL2E8	20,000,000.00	18,955,385.51	19,199,600.00	S&P-AA-	Moody's-Aa3	1.02	469	469	4/14/2026		5.800	1.28
Pacific Life 5.5 8/28/2026	6944PL2W8	17,000,000.00	16,989,323.19	17,231,030.00	S&P-AA-	Moody's-Aa3	0.86	605	605	8/28/2026		5.539	1.58
Pricoa Global Funding 4.2 8/28/2025	74153WCR8	15,000,000.00	14,861,420.93	14,960,400.00	S&P-AA-	Moody's-Aa3	0.76	240	240	8/28/2025		5.696	0.65
Pricoa Global Funding 5.55 8/28/2026	74153WCT4	10,000,000.00	10,122,726.81	10,150,500.00	S&P-AA-	Moody's-Aa3	0.51	605	605	8/28/2026		4.747	1.58
Protective Global Life 1.303 9/20/2026	74368CBH6	10,000,000.00	9,296,428.25	9,438,200.00	S&P-AA-	Fitch-AA-	0.51	628	628	9/20/2026		5.800	1.70
Protective Global Life 4.714 7/6/2027	74368CBP8	7,655,000.00	7,432,579.64	7,645,431.25	S&P-AA-	Fitch-AA-	0.39	917	917	7/6/2027		6.019	2.35
Protective Global Life 4.714 7/6/2027	74368CBP8	6,000,000.00	5,825,666.60	5,992,500.00	S&P-AA-	Fitch-AA-	0.30	917	917	7/6/2027		6.019	2.35
Protective Global Life 4.714 7/6/2027	74368CBP8	14,000,000.00	14,028,948.63	13,982,500.00	S&P-AA-	Fitch-AA-	0.71	917	917	7/6/2027		4.624	2.35
Protective Global Life 5.366 1/6/2026	74368CBQ6	17,295,000.00	17,202,778.55	17,401,883.10	S&P-AA-	Fitch-AA-	0.88	371	371	1/6/2026		5.930	0.98
Protective Global Life 5.366 1/6/2026	74368CBQ6	10,000,000.00	9,957,876.52	10,061,800.00	S&P-AA-	Fitch-AA-	0.51	371	371	1/6/2026		5.810	0.98
Protective Global Life 5.366 1/6/2026	74368CBQ6	15,016,000.00	14,961,124.20	15,108,798.88	S&P-AA-	Fitch-AA-	0.76	371	371	1/6/2026		5.750	0.98
Roche Holdings 2.314 3/10/2027	771196BV3	15,440,000.00	14,691,459.11	14,730,223.20	S&P-AA	Moody's-Aa2	0.78	799	799	3/10/2027		4.716	2.13
Roche Holdings 2.375 1/28/2027-26	771196BL5	11,725,000.00	11,241,254.13	11,230,791.25	S&P-AA	Moody's-Aa2	0.60	758	666	1/28/2027	10/28/2026	4.524	2.02
Roche Holdings 5.265 11/13/2026-26	771196CE0	10,000,000.00	10,059,864.44	10,140,200.00	S&P-AA	Moody's-Aa2	0.51	682	651	11/13/2026	10/13/2026	4.916	1.79
Roche Holdings 5.265 11/13/2026-26	771196CE0	10,000,000.00	10,125,288.39	10,140,200.00	S&P-AA	Moody's-Aa2	0.51	682	651	11/13/2026	10/13/2026	4.540	1.79
Southern California Gas Co. 3.2 6/15/2025-25	842434CP5	17,000,000.00	16,875,245.81	16,867,230.00	Fitch-AA-	Moody's-Aa3	0.86	166	74	6/15/2025	3/15/2025	4.919	0.46
USAA Capital 3.375 5/1/2025	90327QD89	10,000,000.00	9,992,952.49	9,962,600.00	S&P-AA	Moody's-Aa1	0.51	121	121	5/1/2025		3.600	0.33
Walmart 3.95 9/9/2027-27	931142EX7	17,500,000.00	17,284,413.70	17,328,325.00	S&P-AA	Moody's-Aa2	0.89	982	973	9/9/2027	8/31/2027	4.450	2.55
Sub Total / Average Corporate Notes 50% Maximum		902,648,000.00	889,909,476.28	892,889,843.78			45.86	682	670			4.796	1.79
LGIP 100% Maximum													
Commonwealth of Virginia LGIP	LGIP0549	46,972,569.92	46,972,569.92	46,972,569.92	S&P-AAA	NR	2.39	1	1	N/A	N/A	4.720	0.00
Sub Total / Average LGIP 100% Maximum		46,972,569.92	46,972,569.92	46,972,569.92			2.39	1	1			4.720	0.00
Money Market60% Maximum													
Freedom Bank ICS MM	MM2554	5,505,567.76	5,505,567.76	5,505,567.76	NR	NR	0.28	1	1	N/A	N/A	4.480	0.00
Truist MM	MM1006	3,557,377.91	3,557,377.91	3,557,377.91	NR	NR	0.18	1	1	N/A	N/A	4.420	0.00
United Bank MM	MM3272	3,728,093.66	3,728,093.66	3,728,093.66	NR	NR	0.19	1	1	N/A	N/A	4.740	0.00
Sub Total / Average Money Market60% Maximum		12,791,039.33	12,791,039.33	12,791,039.33			0.65	1	1			4.539	0.00
Municipal Bonds - US 30% Maximum													
Calvert County MD 2 5/1/2025	131537T69	2,620,000.00	2,631,538.91	2,600,585.80	S&P-AAA	Fitch-AAA	0.13	121	121	5/1/2025		0.650	0.33
Carroll CNTY MD 2 11/1/2025	144880CL3	1,890,000.00	1,912,219.35	1,856,074.50	S&P-AAA	Moody's-Aaa	0.10	305	305	11/1/2025		0.570	0.83
Florida State Revenue Bonds 1.258 7/1/2025	341271AD6	7,000,000.00	7,007,431.67	6,883,240.00	S&P-AA	Fitch-AA	0.36	182	182	7/1/2025		1.039	0.50
Sub Total / Average Municipal Bonds - US 30% Maximum		11,510,000.00	11,551,189.93	11,339,900.30			0.58	188	188			0.874	0.51
Municipal Bonds - Virginia 30% Maximum													
Arlington County 0.79 8/1/2025	041431VG9	7,000,000.00	7,007,632.81	6,860,560.00	S&P-AAA	Moody's-Aaa	0.36	213	213	8/1/2025		0.600	0.58
City Richmond GO 2 7/15/2025	76541VWV5	410,000.00	413,035.29	404,944.70	S&P-AA+	Moody's-Aa1	0.02	196	196	7/15/2025		0.600	0.53
FFX CNTY VA GO 0.645 10/1/2025	30382AKC5	5,000,000.00	5,006,474.20	4,870,150.00	S&P-AAA	Moody's-Aaa	0.25	274	274	10/1/2025		0.470	0.75
Loudoun County Economic Development 3.75 6/1/2026	54589SDQ4	1,500,000.00	1,555,149.70	1,486,380.00	Fitch-AA+	Moody's-Aa1	0.08	517	517	6/1/2026		1.080	1.39
VA Resources Auth Infrastructure Rev 0.736 11/1/20	92818NVC9	1,180,000.00	1,180,000.00	1,147,054.40	S&P-AA	Moody's-Aaa	0.06	305	305	11/1/2025		0.736	0.83
VA St Resources Authority 2.45 11/1/2027	92818NHN1	4,000,000.00	3,827,669.95	3,795,720.00	S&P-AAA	Moody's-Aaa	0.20	1,035	1,035	11/1/2027		4.131	2.74
Sub Total / Average Municipal Bonds - Virginia 30% Maximum		19,090,000.00	18,989,961.95	18,564,809.10			0.97	430	430			1.352	1.16
US Agency100% Maximum													
FFCB 0.6 11/24/2025-21	3133EMHF2	19,100,000.00	19,098,283.62	18,485,935.00	S&P-AA+	Moody's-Aaa	0.97	328	328	11/24/2025		0.610	0.90
FFCB 3.875 10/23/2029	3133ERYH8	20,125,000.00	20,007,612.24	19,638,377.50	S&P-AA+	Moody's-Aaa	1.02	1,757	1,757	10/23/2029		4.010	4.40
FFCB 4.5 3/28/2025	3133EPLF0	25,000,000.00	25,000,000.00	25,007,750.00	S&P-AA+	Moody's-Aaa	1.27	87	87	3/28/2025		4.500	0.24
FFCB 4.5 9/22/2028	3133EPWK7	10,000,000.00	9,852,618.82	10,049,700.00	S&P-AA+	Moody's-Aaa	0.51	1,361	1,361	9/22/2028		4.950	3.43
FFCB 4.75 5/28/2026	3133EPUJ5	20,000,000.00	19,978,767.79	20,140,000.00	S&P-AA+	Moody's-Aaa	1.02	513	513	5/28/2026		4.834	1.37
FFCB 4.75 7/8/2026	3133EPPV7	20,000,000.00	19,991,706.07	20,147,400.00	S&P-AA+	Moody's-Aaa	1.02	554	554	7/8/2026		4.782	1.45
FFCB 4.875 4/20/2026	3133EPWD3	20,000,000.00	19,980,959.49	20,152,600.00	S&P-AA+	Moody's-Aaa	1.02	475	475	4/20/2026		4.955	1.27
FFCB 5 10/1/2025	3133EJRJ3	21,000,000.00	20,994,871.43	21,105,840.00	S&P-AA+	Moody's-Aaa	1.07	274	274	10/1/2025		5.040	0.74
FHLB 1.1 1/13/2025-23	3130AQGT4	20,000,000.00	19,999,406.93	19,980,200.00	S&P-AA+	Moody's-Aaa	1.02	13	13	1/13/2025		1.185	0.03
FHLB 1.28 6/11/2025-22	3130AQKY8	20,000,000.00	20,000,000.00	19,739,800.00	S&P-AA+	Moody's-Aaa	1.02	162	11	6/11/2025	1/11/2025	1.280	0.44
FHLB 1.3 12/15/2025-22	3130AQSU3	25,000,000.00	24,998,507.02	24,297,750.00	S&P-AA+	Moody's-Aaa	1.27	349	349	12/15/2025		1.306	0.95
FHLB 1.4 2/18/2025-22	3130AQXQ4	25,000,000.00	25,000,000.00	24,903,000.00	S&P-AA+	Moody's-Aaa	1.27	49	49	2/18/2025		1.400	0.13

Description	CUSIP/Ticker	Face Amount/Shares	Book Value	Market Value	Credit Rating 1	Credit Rating 2	% of Portfolio	Days To Maturity	Days To Call/Maturity	Maturity Date	Next Call Date	YTM @ Cost	Duration To Maturity
FHLB 3.77 9/18/2029-27	3130B2QY4	19,000,000.00	19,000,000.00	18,373,570.00	S&P-AA+	Moody's-Aaa	0.97	1,722	779	9/18/2029	2/18/2027	3.770	4.31
FHLB 3.95 10/2/2029-26	3130B32F9	22,500,000.00	22,500,000.00	21,939,750.00	S&P-AA+	Moody's-Aaa	1.14	1,736	640	10/2/2029	10/2/2026	3.950	4.33
FHLB 4.09 9/4/2029-26	3130B2M36	23,000,000.00	23,000,000.00	22,550,350.00	S&P-AA+	Moody's-Aaa	1.17	1,708	612	9/4/2029	9/4/2026	4.090	4.24
FHLB 4.1 8/28/2029-26	3130B2K95	38,000,000.00	38,000,000.00	37,252,540.00	S&P-AA+	Moody's-Aaa	1.93	1,701	605	8/28/2029	8/28/2026	4.100	4.15
FHLB 4.32 10/2/2029-25	3130B32E2	22,500,000.00	22,500,000.00	22,205,025.00	S&P-AA+	Moody's-Aaa	1.14	1,736	275	10/2/2029	10/2/2025	4.320	4.30
FHLB 4.33 10/23/2029-26	3130B3FM0	20,000,000.00	20,000,000.00	19,792,000.00	S&P-AA+	Moody's-Aaa	1.02	1,757	661	10/23/2029	10/23/2026	4.330	4.36
FHLB 4.52 3/15/2029-27	3130B0GZ6	25,000,000.00	25,000,000.00	24,758,500.00	S&P-AA+	Moody's-Aaa	1.27	1,535	804	3/15/2029	3/15/2027	4.520	3.83
FHLB 4.65 4/2/2029-27	3130B0PZ6	27,000,000.00	27,000,000.00	26,926,290.00	S&P-AA+	Moody's-Aaa	1.37	1,553	822	4/2/2029	4/2/2027	4.650	3.86
FHLB 4.7 3/22/2029-27	3130B0L64	30,000,000.00	30,000,000.00	29,948,700.00	S&P-AA+	Moody's-Aaa	1.52	1,542	811	3/22/2029	3/22/2027	4.700	3.83
FHLB 4.83 6/22/2028	3130B1SX6	31,000,000.00	31,000,000.00	31,050,840.00	S&P-AA+	Moody's-Aaa	1.57	1,269	1,269	6/22/2028		4.830	3.24
FHLB 4.87 12/17/2029	3130B45N7	20,000,000.00	20,000,000.00	19,973,000.00	S&P-AA+	Moody's-Aaa	1.02	1,812	1,812	12/17/2029		4.870	4.18
FHLB 4.92 4/19/2029-27	3130B0VM8	25,000,000.00	25,000,000.00	24,943,000.00	S&P-AA+	Moody's-Aaa	1.27	1,570	839	4/19/2029	4/19/2027	4.920	3.89
FHLB 5.03 6/26/2029-25	3130B1SW8	25,000,000.00	25,000,000.00	24,964,250.00	S&P-AA+	Moody's-Aaa	1.27	1,638	360	6/26/2029	12/26/2025	5.030	4.07
FHLB 5.04 4/20/2029-27	3130B15S2	24,000,000.00	24,000,000.00	24,096,240.00	S&P-AA+	Moody's-Aaa	1.22	1,571	840	4/20/2029	4/20/2027	5.040	3.89
FHLMC 4.03 5/28/2025-22	3134GXT95	25,000,000.00	25,000,000.00	24,957,000.00	S&P-AA+	Moody's-Aaa	1.27	148	59	5/28/2025	2/28/2025	4.030	0.41
Sub Total / Average US Agency100% Maximum		622,225,000.00	621,902,733.41	617,379,407.50			31.61	1,095	617			3.953	2.73
US Treasury100% Maximum													
T-Note 2.75 5/15/2025	91282CEQ0	20,000,000.00	19,982,403.62	19,890,000.00	Fitch-AA+	Moody's-Aaa	1.02	135	135	5/15/2025		3.000	0.37
Sub Total / Average US Treasury100% Maximum		20,000,000.00	19,982,403.62	19,890,000.00			1.02	135	135			3.000	0.37
Total / Average		1,968,382,504.61	1,955,250,494.97	1,953,710,585.29			100	708	551			4.518	1.82

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
MEMORANDUM

7.

FOR: Chair David Snyder and Members
Northern Virginia Transportation Authority Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 6, 2025

SUBJECT: Monthly Revenue Report

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on monthly revenue receipts and 30% funds distributed to member localities.
2. **Background:** The attached reports reflect funding received and distributed through January 31, 2025.
3. **Comments:**
 - A. **FY2025 Revenues (Attachment A):**
 - I. The Authority has received approximately \$196.7 million through January 31, 2025, transfers from the Commonwealth.
 1. \$19.3 million in Regional Congestion Relief Fees (Grantor's Tax).
 2. \$150.7 million in Regional Sales Tax.
 3. \$10 million from the Northern Virginia Transportation district fund transfer.
 4. \$16.7 million from the Interstate Operation Enhancement Program (IOEP)
 - II. January 2025 represents the fifth month of sales tax receipts for FY2025. Attachment A shows a 7.6% positive variance between the budgeted sales tax receipts compared to the annualized actual sales tax receipts.
 - III. The amount of funds received from the Commonwealth for the Interstate Operations Enhancement Program (IOEP) of \$16.7 million is expected to be the total amount for FY2025. This amount falls short of the Commonwealth's projection by just under \$4.6 million.
 - IV. As of January 2025, the FY2025 Regional Congestion Relief Fees (Grantor's Tax) reflect a negative variance of 25.5% when compared to the FY2025 budget projections. Member localities have been experiencing similar trends. NVTA staff will continue to monitor the receipts and economic trends.
 - B. **FY2025 Distribution to localities (Attachment B)**
 - I. As of the January 2025 monthly transfers, eight member jurisdictions have completed the *Code of Virginia* Section 33.2-2510 required annual certification to receive FY2025 Local Distribution Funds (30%).
 - II. If the annual certification is not filed by August 1st, Local Distribution Fund Transfers are suspended. Subsequently, if the certification is not received, in

acceptable form, by March 1st of the current fiscal year, the jurisdiction's share of the Local Distribution Fund will be irrevocably transferred to the Regional Revenue Fund.

- III. Postponements of transfers have been discussed with jurisdictional staff where appropriate, and reminders are sent monthly.
- IV. As of January 2025, \$55.4 million has been distributed in FY2025 Local Distribution funds to members jurisdictions, with \$3.9 million being held pending the completion of the annual certification.

C. FY2020 to FY2025 Year over Year Revenue Comparison (Attachment C).

- I. The first chart on the attachment provides a year-to-year Sales Tax comparison.
- II. The second chart shows, by fiscal month, the portfolio's Market Value, Book Value and income. The Investment Income-BV line shows the portfolio earned \$42 million through December 2024. This is actual interest earned, inclusive of accrued earnings, coupon payments and purchase discounts/premiums. Not included in this figure is the impact of Mark to Market valuations which will result in unrealized gains or losses in the year-end financial statements.
- III. The third chart provides a year-to-year Grantor's Tax comparison.

Attachments:

- A. FY2025 Revenues Received by Tax Type Compared to NVTA Estimates, through January 2025
- B. FY2025 30% Distribution by Jurisdiction, as of January 2025
- C. Sales Tax Revenue, Portfolio Income and Grantors Tax Receipts Monthly Yearly Comparisons

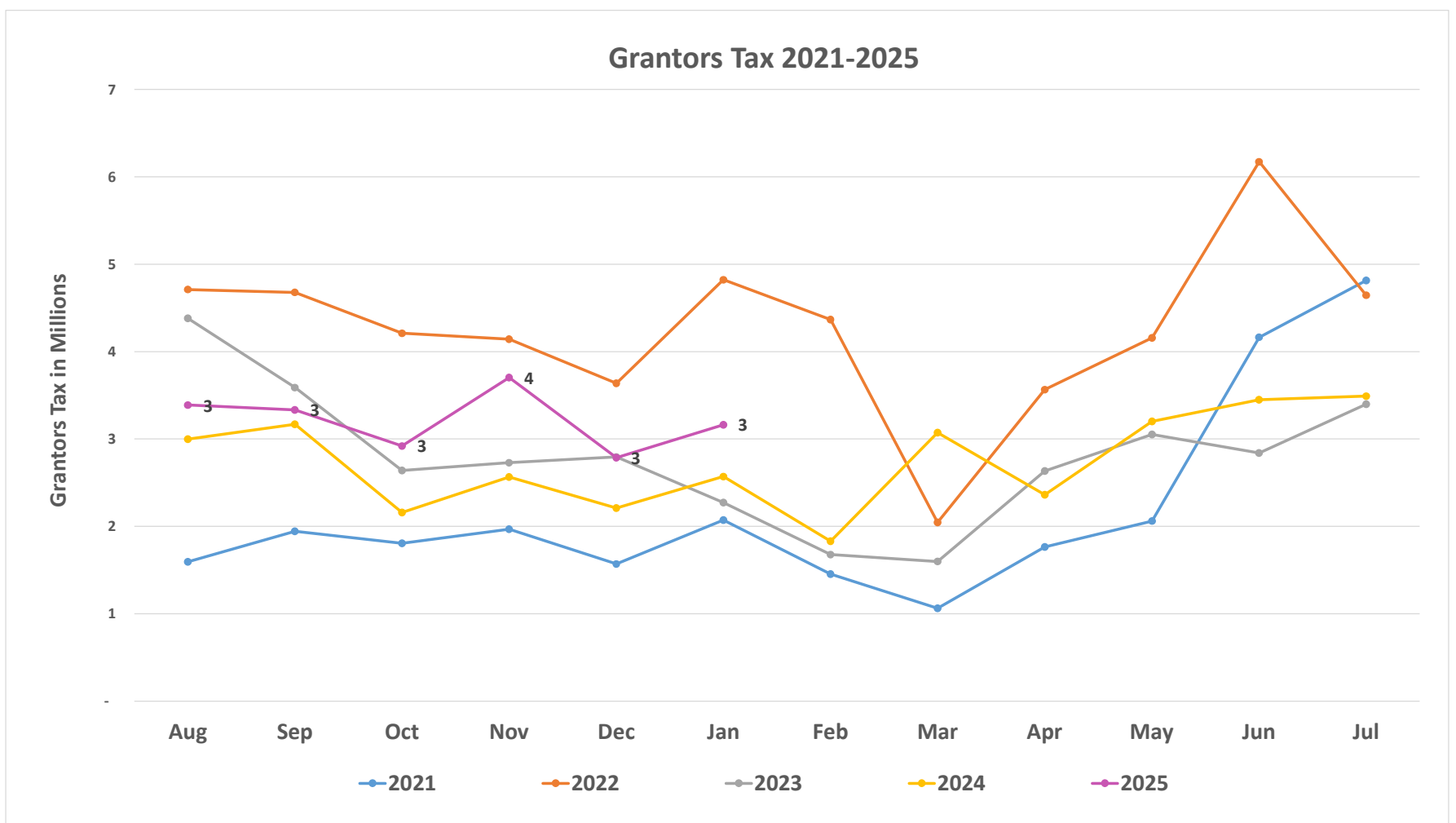
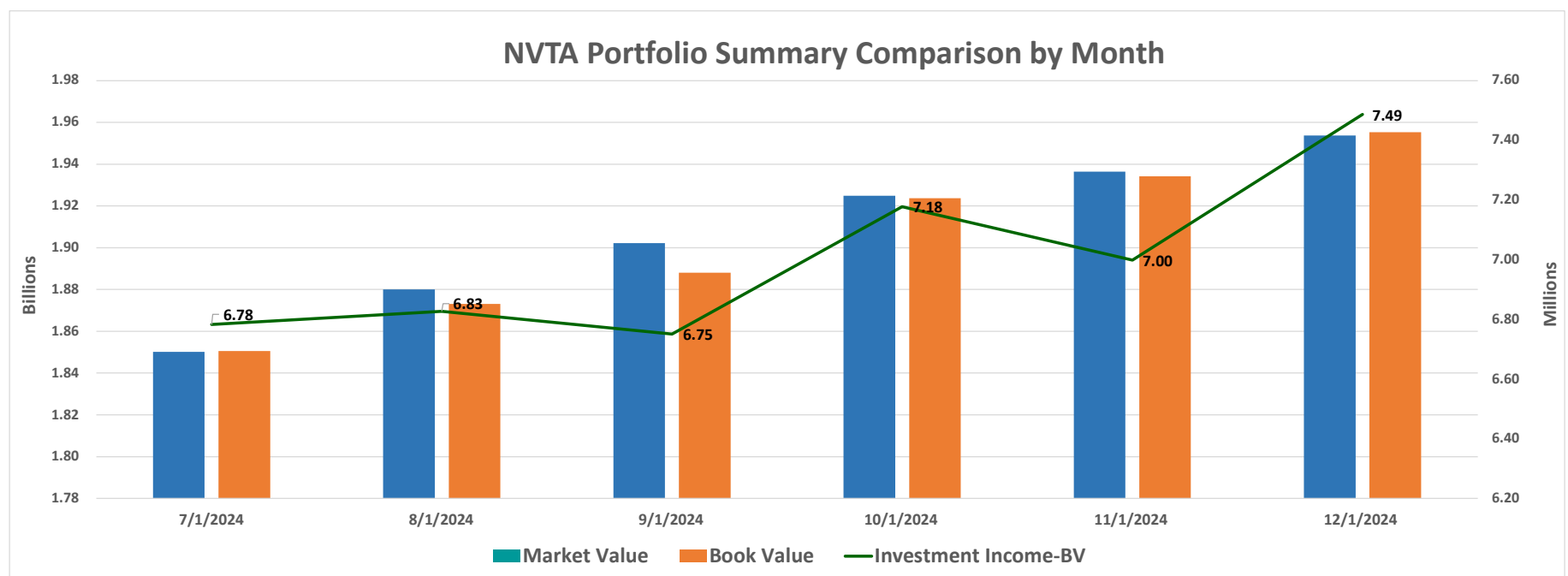
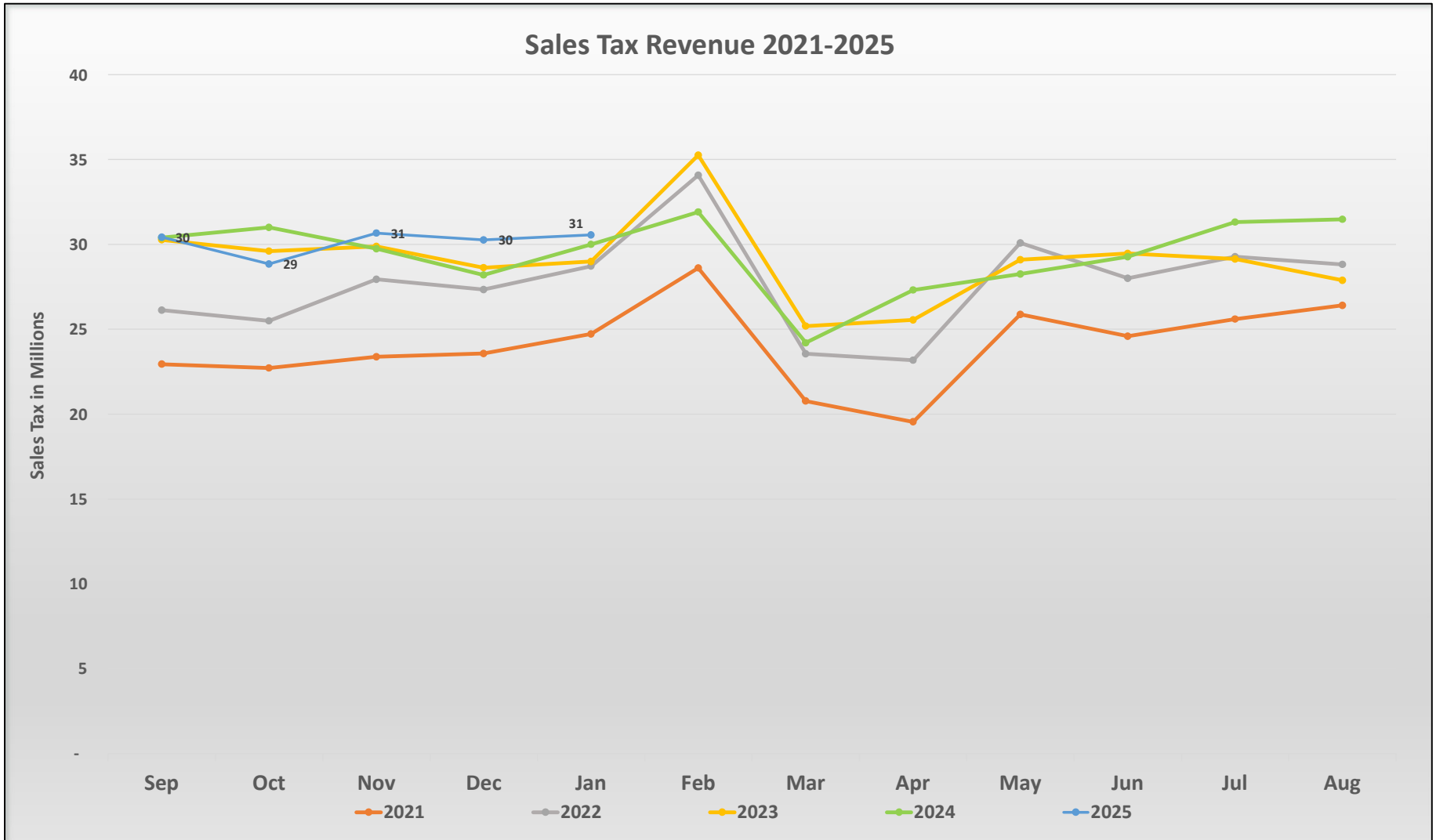
Attachment A

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
SALES TAX REVENUES RECEIVED BY JURISDICTION, COMPARED TO NVTA ESTIMATES
 Based on: Revenue Data Through January 2025
 FYE June 30, 2025

		Received	Annualized	FY2025	Annualized	
		To Date	Revenue based	Budget	Actual To Budget	
			on YTD Receipts			
Regional Sales Tax	5					
Transaction Months						
Total Sales Tax Revenue		\$ 150,744,053	\$ 361,785,727	\$ 336,077,528	\$ 25,708,199	7.6%
			Annualized		Annualized	
			Revenue based	FY2025	Actual To Budget	
			on YTD Receipts	Budget		
Interstate Operation Enhance Program	1					
Transaction Months						
Interstate Operation Enhance Program		\$ 16,744,248	16,744,248	\$ 21,333,206	\$ (4,588,958)	-21.5%
			Annualized		Annualized	
			Revenue based	FY2025	Actual To Budget	
			on YTD Receipts	Budget		
Regional Congestion Relief Fee	6					
Transaction Months						
Total Regional Congestion Relief Fee		\$ 19,300,464	\$ 38,600,928	\$ 51,784,117	(13,183,189)	-25.5%
			Annualized		Annualized	
			Revenue based	FY2025	Actual To Budget	
			on YTD Receipts	Budget		
NVTD Transfer from COVA						
Transaction Months	2					
Total NVTD Transfer from COVA		\$ 10,000,000	\$ 20,000,000	\$ 20,000,000	\$ -	0.0%
Total Revenue Received		\$ 196,788,765	437,130,903	\$ 429,194,851	\$ 7,936,052	1.85%

Attachment B

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY FY2024 30% DISTRIBUTION BY JURISDICTION											
Based on: Revenue Data Through January 2025											
Jurisdiction	Interstate Operat Enhance Program	Regional Sales Tax	Regional Congestion Relief Fee	NVTD Transfer From COVA	CoVa NVTA Interest	Cumulative Total	30% Funds	Interest 12/31/2024	As of 12/31/2024	Current Month Distribution	Total Funds Transferred
								Accrued Interest (1)	Prior Distributions		
								(+)			
City of Alexandria	\$ 1,128,863.62	\$ 9,941,467.89	\$ 1,370,443.80	\$ 679,103	\$ 23,285.49	\$ 13,143,163.35	\$ 3,942,949.01	\$ 15,505.91	\$ -	\$ 3,958,454.92	\$ -
Arlington County	\$ 1,601,250.37	\$ 14,100,277.88	\$ 1,568,308.20	\$ 966,201	\$ 32,628.02	\$ 18,268,665.60	\$ 5,480,599.68	\$ 21,552.83	\$ 4,579,065.13	\$ 923,087.38	\$ 5,502,152.51
City of Fairfax	\$ 382,945.47	\$ 3,269,566.43	\$ 267,479.30	\$ 228,843	\$ 7,490.86	\$ 4,156,324.81	\$ 1,246,897.44	\$ 4,903.51	\$ -	\$ 1,251,800.95	\$ 1,251,800.95
Fairfax County	\$ 7,004,043.82	\$ 61,976,737.18	\$ 8,598,235.75	\$ 4,188,604	\$ 144,953.99	\$ 81,912,575.13	\$ 24,573,772.54	\$ 96,638.03	\$ 20,568,355.67	\$ 4,102,054.90	\$ 24,670,410.57
City of Falls Church	\$ 183,321.63	\$ 1,567,497.73	\$ 101,785.40	\$ 110,172	\$ 3,256.70	\$ 1,966,033.42	\$ 589,810.03	\$ 2,319.47	\$ 496,529.32	\$ 95,600.18	\$ 592,129.50
Loudoun County	\$ 3,300,902.96	\$ 30,982,820.74	\$ 4,187,040.35	\$ 1,952,834	\$ 73,756.85	\$ 40,497,354.99	\$ 12,149,206.50	\$ 47,777.58	\$ 9,942,428.92	\$ 2,254,555.16	\$ 12,196,984.08
City of Manassas	\$ 397,592.84	\$ 3,816,108.22	\$ 305,705.70	\$ 235,287	\$ 8,123.52	\$ 4,762,817.11	\$ 1,428,845.13	\$ 5,619.03	\$ 1,193,520.01	\$ 240,944.15	\$ 1,434,464.16
City of Manassas Park	\$ 85,371.43	\$ 785,571.79	\$ 92,892.50	\$ 51,367	\$ 1,892.55	\$ 1,017,095.75	\$ 305,128.73	\$ 1,199.94	\$ 263,195.48	\$ 43,133.19	\$ 306,328.67
Prince William County	\$ 2,659,955.86	\$ 24,304,005.17	\$ 2,808,572.90	\$ 1,587,589	\$ 53,943.87	\$ 31,414,066.62	\$ 9,424,219.99	\$ 37,061.38	\$ 7,889,286.95	\$ 1,571,994.42	\$ 9,461,281.37
Total Revenue	\$ 16,744,248.00	\$ 150,744,053.03	\$ 19,300,463.90	\$ 10,000,000.00	\$ 349,331.85	\$ 197,138,096.78	\$ 59,141,429.05	\$ 232,577.68	\$ 44,932,381.48	\$ 14,441,625.25	\$ 55,415,551.81
Interest 12/31/2024						\$ 197,138,096.78	\$ 59,141,429.05				\$ 59,374,006.73



NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
MEMORANDUM

8.

FOR: Chair David Snyder and Members
Northern Virginia Transportation Authority Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 6, 2025

SUBJECT: Monthly Operating Budget Report

- 1. Purpose:** To update the Northern Virginia Transportation Authority (NVTa) Finance Committee on the Authority's Operating Budget for FY2025.
- 2. Background:** The Authority elected to fund the Operating Budget for FY2025 through transfers from the Regional Revenue Fund.
- 3. Monthly Operating Budget Report:** Through December 31, 2024, the FY2025 Operating Budget has produced the following:
 - A.** The Operating Budget was fully funded through transfers from the Regional Revenue Fund.
 - B.** As of December 31, 2024, the attached Income Statement shows the Authority has utilized 40% of its FY2025 expenditure budget through 50% of the fiscal year.
 - C.** Certain large FY2025 budgeted expenses, such as the \$250,000 Website Modernization project, are expected to continue to incur costs during the fiscal year. The Authority approved the contract for this project at its June 2024 meeting.
 - D.** The FY2025 December budget report includes \$121,895 of office transition costs, such as deposits for furniture and Audio/Visual equipment for the new suite. These expenses will be reimbursed by the landlord as part of the tenant improvement allowance, significantly reducing the cost to the Authority.
 - E.** During the second quarter of the fiscal year, the Authority earned \$90,231 in investment income from interest accrued on allocated budgeted funds deposited in the Local Government Investment Pool (LGIP).
 - F.** As of December 31, 2024, all expense categories remained within the approved budget.
 - G.** The attached statement provides a summary of total Operating Budget income and expenditure activity through December 31, 2024.

Attachment: FY2025 Monthly Operating Budget through December 31, 2024

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NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
Income Statement
For the Accounting Period: 12 / 24

Page: 1 of 2
Report ID: LB170A

1000 General Fund

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
Expenses						
410000	Personnel Expenses					
110	Salaries-Regular Pay	183,404.80	1,127,690.96	2,789,052.00	1,661,361.04	40
130	Health, Dental & Vision Benefits	16,268.78	116,242.87	479,391.00	363,148.13	24
131	Payroll Taxes	9,832.73	71,466.62	218,222.00	146,755.38	33
132	Retirement VRS	3,856.43	64,958.01	221,288.00	156,329.99	29
133	Life Insurance		10,966.08	37,372.00	26,405.92	29
134	FSA/DCA	41.33	185.65	1,440.00	1,254.35	13
135	Workers Comp		1,394.00	3,066.00	1,672.00	45
137	Disability Insurance	4,646.32	16,508.04	26,770.00	10,261.96	62
	Total Account	218,050.39	1,409,412.23	3,776,601.00	2,367,188.77	37
420000	Professional Services					
210	Audit & Accounting Services	8,000.00	29,250.00	61,000.00	31,750.00	48
220	Bank Service			750.00	750.00	
230	Insurance		14,791.00	15,145.00	354.00	98
240	Payroll & Human Resoueces Services	381.41	2,620.95	8,728.00	6,107.05	30
260	Public Outreach & Regional Event Support	16,244.42	23,531.15	68,456.00	44,924.85	34
261	Legal/Bond Counsel Services			75,000.00	75,000.00	
262	Financial Advisor Services		5,740.00	10,000.00	4,260.00	57
263	Bond Trustee Fees		2,687.50	2,800.00	112.50	96
264	Legislative Services	11,248.48	41,580.65	87,125.00	45,544.35	48
265	Investment Custody Fees		5,000.00	25,000.00	20,000.00	20
	Total Account	35,874.31	125,201.25	354,004.00	228,802.75	35
430000	Technology/Communication					
310	Financial Reporting & Invest Monitoring/Mgt		39,788.00	83,980.00	44,192.00	47
330	IT Support Svc Incl Hosting	4,254.32	20,019.64	54,177.00	34,157.36	37
335	GIS/Project Mgt/Modeling	2,200.00	61,543.18	166,250.00	104,706.82	37
340	Phone Service & Video Srvc Chgs	1,477.22	7,765.41	20,858.00	13,092.59	37
350	Web Develop & Hosting	19,510.22	78,206.08	268,200.00	189,993.92	29
940	Equip/Computer HW SW & Peripheral	1,792.00	52,865.44	12,575.00	-40,290.44	420
	Total Account	29,233.76	260,187.75	606,040.00	345,852.25	43
440000	Administrative Expenses					
405	Building/Office Related Expenses	91.20	1,233.69	1,000.00	-233.69	123
410	Advertisement		1,324.00	6,400.00	5,076.00	21
411	Memberships & Subscriptions	356.35	8,081.69	25,400.00	17,318.31	32
412	Duplication & Printing	1,205.36	6,515.76	13,550.00	7,034.24	48
414	Hosted Meeting Expenses	315.19	4,927.40	6,200.00	1,272.60	79
415	Local Travel/Commuter Benefits	670.87	3,047.98	11,300.00	8,252.02	27
416	Office Transition Costs	4,653.00	22,348.31		-22,348.31	
417	Office Lease	39,153.10	215,326.92	465,769.00	250,442.08	46
418	Office Supplies	146.16	2,543.79	6,765.00	4,221.21	38
419	Postage & Delivery	3.43	13.72	700.00	686.28	2
420	Professional Development		1,692.86	28,680.00	26,987.14	6
421	Professional Outreach	-34.75	7,848.03	22,810.00	14,961.97	34

1000 General Fund

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
945	Office Furniture & Fixtures	-1,422.03	50,544.18	17,580.00	-32,964.18	288
	Total Account	45,137.88	325,448.33	606,154.00	280,705.67	54
	Total Expenses	328,296.34	2,120,249.56	5,342,799.00	3,222,549.44	40
	Net Income from Operations	-328,296.34	-2,120,249.56			
	Other Revenue					
370000	Investment Earnings	23,216.07	90,230.73		90,230.73	
383000	Transfer Operating Budget from Regional		5,025,647.00	5,025,647.00		100
	Total Other Revenue	23,216.07	5,115,877.73	5,025,647.00	90,230.73	102
	Other Expenses					
521000	Transfers					
820	Transfer to Operating Reserve			990,440.00	990,440.00	
825	Transf to Equip Reserve			50,000.00	50,000.00	
	Total Account			1,040,440.00	1,040,440.00	
	Total Other Expenses	0.00	0.00	1,040,440.00	1,040,440.00	
	Net Income	-305,080.27	2,995,628.17			

Note: Formula for % columns = revenue*100/total expense for Fund.