



Northern Virginia Transportation Authority
The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE
Thursday, February 16, 2017 1:00PM
3040 Williams Drive, Suite 200
Fairfax, VA 22031

AGENDA

- I. Call to Order/Welcome** Chairman Parrish
- II. Summary Minutes of the December 15, 2016 Meeting**
Recommended action: Approval [with abstentions from those who were not present]

Action Items

- III. Financial Statement Audit Services** Mr. Longhi, CFO
Recommended Action: Recommend Authority Approval of Financial Statement Audit Services Contract
- IV. Budget Transfer to Advance the FY2018 Planning Technology Project** Mr. Longhi, CFO
Recommended Action: Recommend Authority Approval of Budget Transfer
- V. 2017 Finance Committee Meeting Schedule** Chairman Parrish
Recommended Action: Adopt Finance Committee Meeting Schedule for the next twelve months

Information/Discussion Items

- VI. Financial Advisory Services** Mr. Longhi, CFO
- VII. Sole Source Purchase Declaration** Mr. Longhi, CFO
- VIII. Investment Portfolio Implementation** Mr. Longhi, CFO
- IX. Monthly Revenue Report** Mr. Longhi, CFO
- X. Operating Budget Report** Mr. Longhi, CFO
- XI. Financial Activities (Verbal Report)** Mr. Longhi, CFO

Adjournment

- XII. Adjournment**

Next Meeting: To Be Determined
3040 Williams Drive, Suite 200, Fairfax, Virginia



Northern Virginia Transportation Authority

The Authority for Transportation in Northern Virginia

FINANCE COMMITTEE

Thursday, December 15, 2016 1:00PM

3040 Williams Drive, Suite 200

Fairfax, VA 22031

MEETING SUMMARY

I. Call to Order/Welcome

Chairman Parrish

- Chairman Parrish called the meeting to order at 1:02pm.
- Attendees:
 - ✓ Members: Chairman Parrish; Council Member Rishell; Chairman Bulova; Chair Randall; Mayor Silberberg (arrived 1:10pm).
 - ✓ Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Carl Hampton (Investment & Debt Manager); Peggy Teal (Assistant Finance Officer).
 - ✓ Council of Counsels: Ellen Posner (Fairfax County).
 - ✓ Other Attendees: Tom Biesiadny (Fairfax County); Paul Doku (Fairfax County); Peter Malgieri (Loudoun); Pierre Holloman (Alexandria); JoAnne Carter (PFM); Kristie Choi (PFM).

II. Summary Minutes of the November 17, 2016 Meeting

- Chairman Bulova moved approval of the minutes of November 17, 2016; seconded by Council Member Rishell. Motion carried with three (3) yeas and one (1) abstention [with Chairman Bulova abstaining as she was not at the November 17, 2016 meeting].

Action Items

III. IRS Section 125 Premium Only Plan

Mr. Longhi, CFO

- Mr. Longhi briefed the Committee on the IRS Section 125 Premium Only Plan, explaining this is commonly known as a cafeteria plan for employee benefits. He noted that having this plan in place allows the organization to pay for employee health insurance costs, and for employees to pay for their share of the health insurance costs, on a pre-tax basis. He added that when the insurance programs were implemented, they were done through the Commonwealth's The Local Choice Program and we have been operating under their Premium Only plan. Most jurisdictions would have implemented their plans in the 1970's or 1980's and the NVTa need to establish a plan is indicative of its recent organizational growth.
- Mr. Longhi stated that with ongoing process of interpreting and implementing the Affordable Care Act (ACA) and potential developments with the ACA in January, it is prudent for the NVTa to establish its own plan. He noted that setting up a plan requires

establishment of the plan documentation and annual verification, adding that this can be done through our payroll company, ADP, for an annual fee of \$350. Mr. Longhi stated that it would take substantially more in terms of staff resources (including participation of the Council of Counsels) to develop and implement the plan internally.

- Chairman Bulova moved the Finance Committee recommend Authority approval of the ADP Premium Only Plan IRS Section 125 Compliance Service with resolution, and authorize the Chief Financial Officer to sign related service documents; seconded by Chair Randall. Motion carried unanimously.

IV. Investment Safekeeping and Custody Service Agreement

Mr. Longhi, CFO

- Mr. Longhi stated that an Investment Safekeeping and Custody Service Agreement is necessary to maintain compliance with the NVTA's investment policy, follow best practices, and meet audit and financial accounting requirements. This service will be used to track NVTA investments. He noted that the NVTA anticipates an investment portfolio of up to approximately \$600 million, tapering to approximately \$450 million as projects become more active. He summarized the Request for Proposal (RFP) process:
 - ✓ Competitive procurement.
 - ✓ Prince William, Arlington, Fairfax and Loudoun Counties assisted in preparation of the RFP.
 - ✓ Proposal evaluation team was comprised of NVTA staff, with representatives from Fairfax and Loudoun Counties.
 - ✓ Negotiations reduced service level cost by approximately \$100,000.
 - ✓ Annual anticipated costs include a \$20,000 service fee and \$5,000 in transaction fees. This year, anticipating implementation in January, costs for FY2017 will be approximately \$12,500.
 - ✓ The evaluation committee unanimously recommended BB&T to provide these services.
- Mr. Longhi noted that there is a budget adjustment included in the motion to cover this year's costs. NVTA staff recommends using unexpended bond council fees of \$12,500. He added that these fees are over budgeted and are not anticipated to be needed this year.
- Chairman Parrish clarified that the budget adjustment is part of the suggested motion for the approval of this agreement.
- Based on a question regarding bond council fees, Mr. Longhi stated that the original estimate for these fees was \$50,000 and noted the FY2018 proposed budget reduces them to \$25,000. He added that when the NVTA does a bond issuance, those bond council fees would be reimbursed from the bond issuance.
- The Committee thanked Mr. Longhi for his clear explanation and the information provided for this agreement.
- Council Member Rishell moved the Finance Committee recommend Authority approval of the selection of BB&T for Investment Safekeeping and Custody Services, and related FY2017 budget adjustment, and authorization for the Chief Financial Officer to sign related banking documents; seconded by Chairman Bulova.

- Chairman Parrish disclosed that he sits on the local Advisory Board to BB&T for the Manassas/Prince William County area. He offered to sign any documentation required for full disclosure. Since no disclosure documents were readily available, Chairman Parrish stated he supported the motion however would abstain from the vote out of an abundance of caution.

(Mayor Silberberg arrived.)

- Motion carried with four (4) yeas and one (1) abstention [with Chairman Parrish abstaining].

Information/Discussion Items

V. FY2018 – Proposed Local Distribution Fund Budget

Mr. Longhi, CFO

- Chairman Parrish requested that during upcoming discussions Committee members consider recommending budget items III – VII for approval on the consent agenda for the January Authority meeting, as has been done in the past.
- Mr. Longhi briefed the Committee on the Proposed FY2018 Local Distribution Fund Budget. He noted this is the budget that sets the amount of funding to be distributed to the localities in FY2018. The estimated revenue for FY2018 is \$98.1 million.
- **Mr. Longhi noted the budget language which ensures the distribution to localities is based on the actual amounts received from the Commonwealth and not confined to the estimated revenue.**
- Mr. Longhi noted the estimated revenue increase from the FY2017 revenue amount of \$95.8 million to \$98.1 million due to growth in the revenue base.

VI. FY2018 – Proposed Regional Revenue Fund Budget

Mr. Longhi, CFO

- Mr. Longhi briefed the Committee on the FY2018 Regional Revenue Fund Budget. He noted this budget determines the level of PayGo available for FY2018 and reviewed the revenue categories, expenditures and reserve balances that contribute to this budget. Mr. Longhi stepped through the budget document noting, the revenue projection for FY2018 is \$234.5 million, the only expenditures at this point is for debt service and there is a credit adjustment for the Working Capital Reserve resulting in \$248.8 million being available for project funding. He noted this does not include any adjustment for the I-66/Route 28 Interchange Project. It was noted this is anticipated to return \$100 million to available PayGo. Mr. Longhi stated that the expenditure programming element of this budget is the Project Program adoption process.
- Mr. Longhi noted that with the approval of an Investment and Debt Manager position in FY2017 Interest Earned revenue was increased from \$1.9 million to \$3.5 million for FY2017. Additionally, as presented earlier with the services approved by the Finance Committee this revenue is expected to further increase to \$4.5 million. He also noted the FY2018 revenue is currently estimated at \$5.5 million as shown on the proposed budget.

- Mr. Longhi noted that Interest Earned may increase further with additional data subscription services and that the value of those services will be analyzed after the implementation of the current program.
- In response to a question regarding carry forward/released project funds, Mr. Longhi explained that this is revenue that was above projections from prior years and funds from projects that closed out without spending all of their programmed budget. He further noted that the revenue estimation process has been expressly directed to maintain a conservative posture.

VII. FY2018 – Proposed Authority Operating Budget Ms. Backmon, Executive Director

- Ms. Backmon briefed the Committee on the Proposed FY2018 Operating Budget, noting that this is largely the same information presented in November with some fine tuning of the estimates and full fiscal impacts of the base budget changes. The new budget proposals were presented individually for transparency.
- Ms. Backmon noted that most member jurisdictions opt to have their share of the Operating Budget paid from their 30% distributions, however, some jurisdictions do send payments in directly. She stated that for FY2018 the Authority is estimated to receive \$327.1 million in revenue, with \$228.9 million going to the Regional Revenue Fund and approximately \$98.1 million to the member jurisdictions as 30% funds. This represents an estimated net increase in 30% funds from FY2017 to FY2018 of \$2.28 million. Ms. Backmon stated increases to the FY2017 base budget are presented separately from new initiatives in the Proposed FY2018 Operating Budget. She reviewed the base budget increases.
- In response to questions regarding the certain base budget increases, Ms. Backmon clarified:
 - ✓ 4% staff compensation increase is an assumption until FY2018 jurisdictional budgets are available as in prior years, actual compensation changes will be based on the average of the member localities, agencies and similar organizations in the region.
 - ✓ Office lease escalation is an automatic increase based on the NVTA lease with NVRC.
 - ✓ Each of the base budget changes, increases and decreases were discussed in detail.
 - ✓ It was noted that the table on the last page of the staff report showed the base budget and the new initiatives separately. In addition, the base budget increase or decrease was indexed to the written report for full transparency.
- Committee members were complimentary of the base budget transparency and the organization of the presentation.
- Mr. Longhi reviewed the proposed budget initiatives for FY2018, noting that the base budget is what the Authority needs to maintain status quo. The new budget additions all have functional purposes to support the suggested increase. He further noted that each proposed change is presented in the table at the end of the staff report, indexed to the written report. For transparency, each proposed budget item has a table showing the jurisdictional impact of the individual change.
 - ✓ Communications/Public Outreach

- There was a general discussion about the amount of communications and public outreach product that is expected to get the Authority's message out professionally. These communications products include:
 - Annual Reports and the annual report to the General Assembly - Joint Commission on Transportation Accountability
 - Editorials and Speaker's Notes, presentations for Authority Members with audiences being the general public, interest and advocacy groups, media outlets, editorial screeners as well as coordination with member jurisdiction and agency communications teams.
 - Currently this effort is supported through the NVTAs administrative assistant/clerk to the board, the CFO (sometimes as much as 30% of a work week) and the Executive Director.
- Mr. Longhi noted the prior Committee discussion where it was requested the Executive Director be allowed to implement this proposal through either the direct hire of a part time employee or a competitively procured service contract. He noted the cost is basically equal under either approach. However, the direct hire would provide more direct and focused attention and a greater customized product.
- The Committee discussed the benefits of a direct hire over a contract service and it was generally agreed this approach is contingent upon being able to find the right person.
- The Committee questioned why the costs for either approach would be the same. Mr. Longhi responded that a contract is a single cost whereas a direct hired would encounter costs for office space and equipment, noting that the majority of these costs (compensation, space) will be repetitive.
- In response to further questions, Mr. Longhi responded:
 - Current preference is to hire a part-time individual for up to 29 hours per week.
 - Recommendation for communications/public outreach individual or contract will come back to the Finance Committee, once the Executive Director has determine the best approach after seeking a qualified staff hire.
 - The Committee had further discussion that this could be an ideal position for a person with existing experience who was also pursuing graduate studies, or a person undergoing a career transition. It was agreed if a direct hire approach was used, a three year commitment should be sought.
 - All anticipated expenses for either individual or contractual agreement are included in budget estimate.
- At this point, 29 hours per week of effort are anticipated to be adequate. However, based on need and benefit, the hours could be expanded. It was agreed that this initiative is necessary and will require whomever is handling communications to learn the NVTAs culture.
- ✓ Multimodal Transportation Trends in Northern Virginia, Supplement to the Annual Report. This item was discussed as forming a baseline of multimodal transportation trends in Northern Virginia, drawing on existing available data sources including member jurisdictions. The reporting will focus on the region as a whole, TransAction

- corridors and member jurisdictions. The costs are primarily related to data consolidation and presentation in the NVTAs Annual Report.
- ✓ Custody and Safekeeping Services. It was noted this is a proposed new initiative, but effectively becomes adopted as part of the Committee approval of Agenda Item IV as previously discussed under Action Items.
 - ✓ Portfolio Tracking Software. The importance of this software was discussed as it relates to the NVTAs Investment Policy compliance, compliance with the State Code and regulatory requirements as well as the annual financial statement audit.
 - There was consensus that this is important, especially for the Finance Committee in its oversight role of investment activity.
 - ✓ Planning Technology (Technology Plan). This proposal was described as equipping NVTAs staff (who currently have the required technical skills and experience) with GIS mapping tools to include limited modelling and analysis. It was noted this will be part of a multi-year technology plan which will seek to continue the use of data captured through the TransAction update process and make it available for subsequent use in future fiscal years.
 - It was agreed that better mapping capabilities, particularly interactive mapping, are necessary and valuable to members and constituents.
 - ✓ Transportation Planning Intern Program. It was noted that this item was presented verbally at the last meeting. In response to Committee requests as to what this program would look like and especially addressing concerns that it be additive to staffing resources not distracting the NVTAs planners from their core duties. Specific items discussed:
 - Firm cost figures
 - Support to be provided by the interns for various committee meetings
 - Opportunities to reduce staff workload through the interns while at the same time giving those same individuals an opportunity to have a front row seat to regional transportation planning and to see the chief elected officials working in close collaboration.
- Ms. Backmon stated that NVTAs staff will meet with jurisdictional staff in coming weeks to review the proposed FY2018 Operating Budget. It was suggested this was important and needed to be done prior to the January Authority meeting.
 - Appreciation was expressed for the detail, clarity and transparency of the budget proposal. With special appreciation expressed for noting the jurisdictional cost impact of each budget proposal as well as changes to the base budget.
 - There was Committee consensus that the FY2018 Operating Budget item not be placed on the Consent Agenda at the January Authority meeting, to allow for complete transparency and to show the level of detail presented, discussed and acted upon by the Finance Committee.
 - Mr. Longhi concluded that the FY2018 Operating Budget new initiatives increase totals \$191,000.
 - There was Committee consensus to recommend approval of the Proposed FY2018 Operating budget as presented.

- Chairman Parrish as noted earlier proposed items III, IV, V, VI be placed on Consent with Item VII as an Action on the agenda for the January Authority meeting. There was Committee consensus to do this.

VIII. Financial Statement Audit Services

Mr. Longhi, CFO

- Mr. Longhi stated that the Authority's financial statement audit services with PBMares had previously been contracted through a rider on the Fairfax Water Authority contract. This contract rider expires at the end of this fiscal year. He noted that in February 2015, the Northern Virginia Transportation Commission (NVTC), the Potomac and Rappahannock Transportation Commission (PRTC) and the Virginia Railway Express (VRE) jointly issued a competitive RFP for financial statement auditing services and Mr. Longhi served on the selection committee for this process. Mr. Longhi proposed that NVRTA ride this contract, specifically with VRE, instead of issuing a new RFP and duplicating this process. He outlined the advantages to this recommendation:
 - ✓ Staff time savings.
 - ✓ Meets requirements for public procurement.
 - ✓ Allows NVRTA to be in the same contractual cycle as PRTC, VRE and NVTC, therefore the competitive procurement process will be done for all four organizations the next time contracts are up for renewal.
- Mr. Longhi stated that PBMares has provided a cost quote for the audit services. He noted that the budgeted amount for these services is approximately \$3,000 more than this quote, explaining that staff always over budgets for audit fees to allow additional funding in the event that the Finance Committee in its role as audit committee has a question it wants the auditors to examine.
- Mr. Longhi concluded that the budgeted amount for these services in FY2018 is \$28,000 adding that with the Committee's recommendation we can either proceed with an independent procurement, or bring a contract rider to the Committee for approval.
- A question was raised as to the anticipated contract costs should the NVRTA do its own competitive procurement. Mr. Longhi responded that the PBMares proposal is significantly less than the other cost proposals received through the recent transportation agency RFP. He suggested that in a new competitive procurement process, PBMares would likely submit the same cost proposal, but we do not know what other firms would propose. He added that we do not have complex audit needs, noting that the price structure in the transportation agency contracts was done on a component basis that allows the NVRTA pricing to occur.
- There was consensus from the Committee to ride the existing contract with VRE with the expectation that an Action Item would be presented at the next Finance Committee meeting.

IX. Call/Defeasance Options for Series 2014 Bonds

Mr. Longhi, CFO

- Mr. Longhi stated that the I-66/Route 28 Interchange Project is anticipated to not require the NVRTA funds allocated to it, which will be confirmed in July 2017 when the Commonwealth reaches financial close. This results in \$100 million being returned to the Regional Revenue Fund to become part of available PayGo. It also negates the need

to issue \$200 million in bonds. He emphasized the State has requested the Authority not take action on the project funding until it reaches financial close, scheduled for July 2017. Mr. Longhi stated that there are two potential uses for the \$100 million anticipated to be released. It can either go into the PayGo funds to be used for future funding programs, or a portion of these funds can be set aside and held to preserve options to call, or defease, the Series 2014 bonds at a later date and time. He noted that several defeasance options were considered by NVTAs staff and PFM. Mr. Longhi presented the three most beneficial options to the Committee.

- ✓ Scenario 1 – Refinance the 2014 bonds at the call date of June 1, 2024, by issuing new 2024 refunding bonds to refinance the outstanding amount of the Series 2014 bonds. This can be done without reserving funds. This option is estimated to generate \$5.7 million, or 13.3% net present value (NPV) savings, well above the NVTAs policy of 3%. It would also generate \$7.4 million in gross savings.
 - Mr. Longhi added that this scenario is for comparison only, no decision on the released \$100 million will preclude the Authority’s ability to do this when the time comes.
 - Mr. Longhi clarified that this option would only be executed if the interest rates at the time were favorable. This is an option if interest rates are lower, but not if they are higher.
- ✓ Scenario 2 – Place approximately \$51.5 million in an irrevocable escrow account to affect a legal defeasance of all the callable bonds. At that point, the \$51.5 million is committed. This option is estimated to:
 - Generate \$4.3 million in NPV savings, or 10%, and \$20 million in gross savings.
 - Eliminate any other options for the use of the \$51.5 million and is an irrevocable decision.
- ✓ Scenario 3 – This option is the NVTAs staff preferred recommendation. Hold \$42.8 million of the released cash for the potential to perform a cash call in 2024. This means we do not make any statement that obligates the Authority to call the bonds until we get close to June 1, 2024, but we have the money in reserve to do so. It is expected that during this time period the NVTAs will have at least potentially two or more new debt issuances. This option is estimated to:
 - Generate interest earnings on the \$42.8 million for approximately 7.5 years of \$6.4 million
 - Completely pay off Series 2014 bonds and increase our debt capacity
 - Generate a debt service savings of \$4.9 million NPV savings, or 11.5%, representing \$12.6 million in gross savings
 - Generate a minimum overall gross benefit of \$19 million.
- ✓ This \$42.8 million set aside will be for a potential cash call, but if it is needed for any other purpose the Authority still has full access to these funds. As an example, should we be in a higher interest rate environment in 2024 it may make sense to leave Series 2014 bonds alone and use this money to offset the amount of new debt that we would be looking at issuing.
 - Mr. Longhi noted that the interest rate on the Series 2014 bonds is 3.07%.
 - A question was raised as to whether the best solution for reducing congestion is to put this money in PayGo. Mr. Longhi responded that option definitely needs to

be discussed, but the finance team will bring options to the Committee for consideration.

- There was a brief conversation regarding timing and options for funding projects, as well as timing for providing the set aside for Scenario 3. Ms. Backmon clarified that this is only a Committee discussion, there is plenty of time before a decision needs to be made. There was agreement that this is a good discussion to have and that it needs to continue.
- Chairman Parrish asked that there be further discussion on this item.
- Mr. Longhi concluded that the first decision is whether make the funds available immediately for PayGo, or whether to set a portion of the funds as a reserve. He stated that if there are enough eligible projects for the FY2018 Program to benefit from the whole \$350 million, then there is no question, this is how the funds should be used. It was noted that project funds need to be spent, and there needs to be evidence of this, but there also needs to be projects that are ready to use the funds. Mr. Longhi stated that this discussion is complex, adding that there is an opportunity to make \$19 million on a \$42.8 million investment. However, we do not want to see projects that are eligible and ready not get funded.
- Chairman Parrish suggested this conversation be continued in July. Mr. Longhi offered to provide some if/then scenarios for these options to the Committee.
- Mr. Longhi and Ms. Backmon offered to speak to jurisdictional staff directly regarding any questions on this matter.
- Chairman Parrish suggested this conversation could be added to the ongoing FY2018 budget discussions with jurisdictional staff.

X. NVTA Monthly Revenue Report

Mr. Longhi, CFO

- Mr. Longhi reported revenues are currently 2.34% above budget estimates, with no adjustments projected at this time.

XI. NVTA Operating Budget Report

Mr. Longhi, CFO

- Mr. Longhi stated that all Operating Budget revenue has been collected, noting that as of November we are 42% through the year and have used 36% of the budget.

Other Discussions:

- Mayor Silberberg stated that she has a conflict with the January 19, 2017 Finance Committee meeting. Chairman Parrish directed staff to consider whether there was a need to reschedule the January meeting and report back to the Committee.
- The Committee engaged in a conversation regarding the I-66 Outside the Beltway Project agreement and the concession allowing for trucks to use the Express Lanes. Multiple concerns were voiced.
- Chairman Parrish clarified that the Finance Committee recommended adoption of the FY2018 Operating Budget and requested it be placed as a regular action item on the Authority's January agenda. It was noted that jurisdictional staff still need an opportunity to review.

Adjournment

XII. Adjournment

- Meeting adjourned at 2:45pm.

DRAFT



NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members of the NVTA Finance Committee
FROM: Michael Longhi, Chief Financial Officer
DATE: February 9, 2017
SUBJECT: Contract for Financial Audit Services

1. **Purpose:** Presentation of the Financial Audit Service Agreement Proposal to ride the Virginia Railway Express contract.
2. **Suggested motion:** *I move Finance Committee recommendation of Authority approval to renew the Audit Service agreement with PBMares LLP for fiscal year 2017 with options for two additional two-year periods through fiscal year 2021.*
3. **Background:** The Audit Committee is responsible for approving the selection of an audit firm and audit plan supporting the preparation of annual financial statements. (NVTA Bylaws – Article V. Section B.1.(g))
 - a. Transparency and Competition - Services obtained through public funds are most often best procured in a transparent and competitive environment.
 - i. On February 2, 2015, a joint Request for Proposals (RFP) for financial auditing services was issued by Northern Virginia Transportation Commission (NVTC), Potomac and Rappahannock Transportation Commission (PRTC) and Virginia Railway Express (VRE) for a base period of three years beginning with FY2015, with options for two additional two-year periods. The RFP was issued in accordance with Section 2.2-4303 of the Virginia Procurement Act.
 - ii. Five proposals were received and ranked by the selection committee in accordance with the guidelines specified in the RFP. The selection committee was made up of financial staff from NVTC, PRTC, VRE, and the Authority's Chief Financial Officer.
 - iii. The selection committee recommended the contract be awarded to PBMares, LLP, the highest ranked proposing firm.
 - b. Continuity – PBMares, LLP has served as the financial auditors for the Authority since FY2014 and the auditors for NVTC and VRE since 2003.
 - c. Procurement Method – The Authority can utilize a contract rider option contained in the Financial Audit Services contract between PBMares, LLP and Virginia Railway Express.
4. **Fiscal Impact:** Within the expected scope of activities, the cost of audit services for FY2017 through FY2021 is not expected to exceed \$27,500.00/year. This amount includes the base audit functions as priced in the attached fee proposal and services based on an hourly rate

for consulting and potential debt issuance activities. This amount is consistent with the FY2017 and FY2018 budgets.

Attachment: PBMares, LLP Non-Binding Audit Fee Proposal dated October 24, 2016

PBMARES, LLP

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY*

OCTOBER 24, 2016

NON-BINDING AUDIT FEE PROPOSAL:

Year Ending	Audit Fee
June 30, 2017	\$ 24,500
June 30, 2018	25,500
June 30, 2019	26,500
June 30, 2020	27,500
June 30, 2021	27,500

These fees includes all out-of-pocket travel costs and report preparation costs.

The fees do not include costs associated with the implementation of, or audit proced required for new GASB pronouncements or APA requirements.

The fees above do not include the review of any POS or OS in conjunction with the issuance of debt or providing any "comfort letters."

*Procurement based on Northern Virginia Transportation Commission RFP 15-01 "Financial Auditing Services"

	Hourly Rates
Consulting as requested:	
Partner	\$ 275
Manager	200
Staff	165
Administrative	100

Signed on behalf of PBMares, LLP: (Electronically)

Michael A Garber
Name

Partner
Title

10/24/16
Date

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 9, 2017

SUBJECT: Budget Transfer to Advance the FY2018 Planning Technology Project

1. **Purpose:** The Authority has the opportunity to advance the FY2018 Planning Technology Project. Advancing this project will provide transparency benefits to the Authority's FY2014 through 2017 Programs and the TransAction Update project through the implementation of online interactive project maps.
2. **Suggested Motion:** *I move Finance Committee recommendation of Authority approval of a FY2017 transfer of \$25,000 from the NVTA Operating Reserve to Expenditure Account 320 – HW/SW Peripheral Purchase GIS Costs, and an offsetting FY2018 transfer of \$25,000 from Expenditure Account 320 to the NVTA Operating Reserve.*
3. **Background:**
 - a. The Authority adopted the FY2018 Operating Budget on January 12, 2017. This budget includes \$25,000 for Planning Technology, which includes the acquisition of software licensing for Geographic Information System (GIS) mapping and limited modelling and analysis functions.
 - b. Authority staff have identified the ability to implement the GIS functionality of this project within 30 to 45 days of funding availability.
 - c. Accelerating the GIS deployment will improve the transparency of the Authority's approved FY2014 through FY2017 Project Plans and the TransAction Update process.
 - d. Funds of \$343,788 are available in the FY2017 NVTA Operating Reserve for transfer to expenditure account 320. Transferring \$25,000 of these funds will have no negative fiscal implications for the Authority.
 - e. Based on the suggested motion (above) the NVTA Operating Reserve will be replenished through the FY2018 Operating Budget.
 - f. No additional funding will be required of member jurisdictions to complete these transactions.



NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 9, 2017

SUBJECT: Finance Committee Meeting Schedule for the next 12 months

- 1. Purpose.** Determine a meeting schedule for the next 12 months.
- 2. Suggested motion.** *I move the Finance Committee adopt the proposed meeting schedule for the next 12 months.*
- 3. Background.** The Finance Committee has been meeting on the third Thursday of the month at 1:00PM. By selecting a meeting day of the third Thursday of a month the Committee will have the reconciled reports from the most recently completed month. This meeting date also allows sufficient time for staff to prepare any Finance Committee action items for the next Authority meeting on the second Thursday of the following month.
- 4. Meeting Options.** The following table provides the dates for consideration by the Committee.

Month	Thursday	Notes
March	March 16, 2017	
April	April 20, 2017	
May	May 18, 2017	
June	June 15, 2017	
July	July 20, 2017	If needed
August	August 17, 2017	If needed
September	September 21, 2017	
October	October 19, 2017	
November	November 16, 2017	
December	December 21, 2017	If needed
January	January 18, 2018	
February	February 15, 2018	

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 9, 2017

SUBJECT: Financial Advisory Services

1. **Purpose:** Discussion of procurement options for financial advisory services.
2. **Background:**
 - a. The Northern Virginia Transportation Authority (NVTA) approved the current Financial Advisory Service Agreement with Public Financial Management (PFM) on June 25, 2015.
 - b. The current agreement has an expiration date of May 31, 2018 and was procured through a contract rider on Prince William County Contract 7098NA9 with PFM.
 - c. Prince William County is initiating a procurement for financial advisory services which will result in the replacement of their current contract prior to May 31, 2018.
 - d. Once Prince William County's current contract with PFM is replaced, the NVTA will have two options (even if replaced with a new contract with PFM):
 - i. Execute a new contract rider issued by a regional government.
 - ii. Award an NVTA contract through a formal request for proposal process.
3. **Discussion:**
 - a. Prince William County has agreed to issue a joint procurement with NVTA for financial advisory services. It is possible that other regional agencies will join this procurement as joint participants.
 - b. Under a joint procurement two or more government entities work together to develop and issue a single request for proposal, receive and evaluate vender proposals, and select the vender they deem most appropriate for their organization.
 - c. Joint procurements can result in one vender receiving contract awards from each of the government entities or the government entities may select different vendors.
 - d. Joint procurements often result in favorable pricing and reduced administrative burdens while allowing the benefit of multiple perspectives on vender proposals as well as allowing each government participant to make independent contract awards.
 - e. Prince William County is the lead agency in the joint procurement and has agreed to permit the NVTA to join the process.
 - f. NVTA's current financial advisor PFM is aware of the need for the NVTA to take action to ensure it has access to financial advisory services once the current Prince William County contract is replaced.

4. Next Steps.

- a. No formal action is required of the Finance Committee or Authority to participate in the joint procurement with Prince William County.
- b. The Finance Committee will receive updates and a briefing on the procurement effort as well as a staff recommendation, prior to being asked to make a contract award recommendation to the Authority.
- c. Timing of the joint procurement process and resultant future NVTAs contract award is self-synchronizing so as to ensure there will be no lapses in access to financial advisory services.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 9, 2017

SUBJECT: Sole Source Purchase Declaration

- 1. Purpose:** Disclosure to the Northern Virginia Transportation Authority (NVTA) of prospective sole source purchase as required in Section VI of the NVTA's Procurement Policy.
- 2. Background:**
 - a. The NVTA Procurement Policy requires sole source procurements be reported to the Finance Committee.
 - b. NVTA staff are preparing for the procurement of Geographic Information System (GIS) software licenses at a cost of approximately \$17,000.
 - c. A procurement of \$17,000 typically requires at least three electronic or written quotes.
- 3. Discussion:**
 - a. NVTA staff have researched GIS software licenses and have found that software from Environmental System Research Institute (ESRI) specifically ArcGIS, is best suited for NVTA purposes based on:
 - i. Software functionality best suited to the NVTA's purposes.
 - ii. Compatibility across member jurisdiction and local, regional and State level agencies as well as industry contractors.
 - iii. Inter-operability with the NVTA's TransAction Update data and contractor services.
 - iv. Usability of NVTA data with member jurisdictions and regional agencies.
 - b. ArcGIS can only be domestically purchased directly from ESRI.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members, NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 9, 2017

SUBJECT: Investment Program Implementation

1. Purpose: Initial report on the implementation of the Northern Virginia Transportation Authority (NVTA) Investment Program.

2. Background:

- a. The Authority's investment policy was approved on December 11, 2014.
- b. The Authority's investment program was activated on January 12, 2017 by the Authority's approval of a custody services agreement with BB&T Bank.
- c. Prior to January 2017, activity in the investment program has been restricted to placing the Authority's funds in local government investment pools, bank deposits, certificates of deposit, mutual funds and money market accounts. These investment options have yielded nominal returns.
- d. Interest revenue during this fiscal year to date through December 31, 2016 totals \$1,935,600.
- e. The following table presents the fiscal year 2014 through 2017 revised interest estimates and actual interest revenue, and the FY2018 estimated interest revenue.

Fiscal Year	Earnings	Actual/Estimate
FY2014	\$65,193	Actual
FY2015	\$339,115	Actual
FY2016	\$2,357,045	Actual
FY2017	\$4,500,000	Estimate (Revised)
FY2018	\$5,500,000	Estimate

3. Current Activity:

- a. The Custody Services Agreement was executed and a new Custody Account was established at BB&T on January 15, 2017.
- b. The Finance Committee supported the acquisition of portfolio management software. The portfolio management software has been obtained and implemented.
- c. This software is currently going through initial reconciliation, data verification, testing, and the skill building of staff.

- d. Additional activities recently completed as required by policy, and best practices, include:
 - i. Completion of screening and selection of investment brokers; including the broker's review of the Authority's Investment Policy, and written acknowledgment of understanding and obligation of future compliance with it.
 - ii. Operational integration of the investment activities of brokers, custodian, and the Authority's banking service providers.
 - iii. Portfolio management software integration, and coordination with the Authority's general ledger accounting system.
 - iv. Staff procedure documentation organizing the purchase of investment instruments have been developed, reviewed, revised, refined and placed in service.
- e. Initial Investment Purchases:
 - i. The Authority's investment program is specifically focused on ensuring the legality, safety, and liquidity of the investment portfolio ahead of the search for high yielding investment instruments.
 - ii. Initial placement of funds into various investment instruments has commenced; the first investments were purchased on January 31, 2017.
 - iii. Staff and our brokers have been monitoring and observing the investment market. There has been a substantial change in the market over the last six weeks resulting in the one to one-and-a-half year time horizon being the best target for current purchases of investment maturities for the Authority.
- f. A series of investment reports is being developed. These reports when fully organized and reconciled will provide the basis for the monthly reporting of the investment portfolio to the Finance Committee.

4. Next Steps.

- a. The Authority's external auditor will review the accounting structure and procedures associated with the Authority's Investment Program.
- b. The investment reports will be finalized with the intent of providing reconciled, transparent reports to the Finance Committee.
- c. Staff will continue to pursue dialogues with regional investment managers from the various member jurisdictions, coordinate the broker pool, and will also pursue any other opportunities for discovering emerging strategies and market conditions that should be applied as we manage the Authority's Investment Program.

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

FOR: Chairman Parrish and Members of the NVT A Finance Committee
FROM: Michael Longhi, Chief Financial Officer
DATE: February 9, 2017
SUBJECT: Monthly Revenue Report

1. **Purpose:** Monthly report of revenue receipts and 30% funds distribution to member localities.
2. **Background:** The attached reports reflect funding received through January 31, 2017.
3. **Comments:**
 - a. **FY2017 Revenues (Attachment A)**
 - i. The Authority has received approximately \$139.6 million through the January 2017 transfers from the Commonwealth.
 - ii. Actual to estimate comparison for revenues through January show a 13.69% positive variance in Grantor's Tax, a 0.8% positive variance in Sales Tax and a 3.8% positive variance in Transient Occupancy Tax compared to the adopted revenue estimates.
 - iii. Overall revenue receipts are 2.83% above estimates. No changes to the FY2017 revenue estimates are recommended at this time.
 - b. **FY2017 Distribution to localities (Attachment B)**
 - i. As of the preparation of this report, seven jurisdictions have completed the HB 2313 required annual certification process to receive FY2017 30% funds. Postponements of transfers have been discussed with jurisdictional staff where appropriate.
 - ii. Of the \$139.6 million actually received by the Authority through January for FY2017, approximately \$41.9 million represents 30% local funds of which \$40.6 million has been distributed.
 - c. **FY2014 to FY2017 Year over Year Revenue Comparison (Attachment C)**
 - i. This chart reflects a month-to-month comparison of revenue by tax type and a year-to-year comparison of total revenues received through January 2017.

Attachments:

- A. Revenues Received By Tax Type, Compared to NVT A Estimates, Through January 2017

- B. FY2017 30% Distribution by Jurisdiction, through January 2017**
- C. Month to Month Comparison By Tax Type and YTD Receipts for January 2017, 2016 and 2015**

Attachment A

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
REVENUES RECEIVED, BY TAX TYPE AND JURISDICTION, COMPARED TO NVTA BUDGET
 Based on: Revenue Data Through January 2017
 FYE June 30, 2017

Grantors Tax		Received		NVTA		Annualized - Actual		Projected Variance
Transaction Months	6	To Date	Annualized	FY 2017 Budget	To Budget	To Budget	To Budget	
City of Alexandria		\$ 1,584,938	\$ 3,169,876	\$ 3,322,266	\$		\$ (152,390)	
Arlington County		\$ 2,249,820	\$ 4,499,639	\$ 4,662,589	\$		\$ (162,950)	
City of Fairfax		\$ 154,107	\$ 308,214	\$ 295,220	\$		\$ 12,994	
Fairfax County		\$ 11,016,972	\$ 22,033,943	\$ 20,876,353	\$		\$ 1,157,590	
City of Falls Church		\$ 132,231	\$ 264,461	\$ 298,423	\$		\$ (33,962)	
Loudoun County		\$ 5,832,938	\$ 11,665,877	\$ 8,545,066	\$		\$ 3,120,811	
City of Manassas		\$ 211,583	\$ 423,166	\$ 339,631	\$		\$ 83,535	
City of Manassas Park		\$ 81,903	\$ 163,807	\$ 158,354	\$		\$ 5,453	
Prince William County		\$ 3,502,430	\$ 7,004,860	\$ 5,073,000	\$		\$ 1,931,860	
Total Grantors Tax Revenue		\$ 24,766,921	\$ 49,533,842	\$ 43,570,902	\$	\$ 5,962,940		13.69%
Regional Sales Tax*		Received		FY 2017		Annualized - Actual		Projected Variance
Transaction Months	5	To Date	Annualized	Budget	To Budget	To Budget	To Budget	
City of Alexandria		\$6,410,847	\$ 15,386,032	\$ 14,576,063	\$		\$ 809,969	
Arlington County		\$10,241,460	\$ 24,579,504	\$ 24,810,622	\$		\$ (231,118)	
City of Fairfax		\$2,946,623	\$ 7,071,894	\$ 6,833,280	\$		\$ 238,614	
Fairfax County		\$44,400,657	\$ 106,561,576	\$ 112,442,662	\$		\$ (5,881,086)	
City of Falls Church		\$987,633	\$ 2,370,319	\$ 2,304,737	\$		\$ 65,582	
Loudoun County		\$20,610,596	\$ 49,465,431	\$ 44,265,375	\$		\$ 5,200,056	
City of Manassas		\$2,191,923	\$ 5,260,616	\$ 4,904,149	\$		\$ 356,467	
City of Manassas Park		\$584,751	\$ 1,403,402	\$ 1,292,525	\$		\$ 110,877	
Prince William County		\$15,398,825	\$ 36,957,180	\$ 35,639,660	\$		\$ 1,317,520	
Total Sales Tax Revenue*		\$ 103,773,315	\$ 249,055,956	\$ 247,069,073	\$	\$ 1,986,883		0.80%
Transient Occupancy Tax (TOT)		Received		FY 2017		Annualized - Actual		Projected Variance
Transaction Months		To Date	Annualized	Budget	To Budget	To Budget	To Budget	
City of Alexandria	Months	5.00	\$ 1,797,092	\$ 4,313,020	\$ 3,458,526	\$	\$ 854,494	
Arlington County	Months	5.00	\$ 4,075,691	\$ 9,781,658	\$ 9,711,491	\$	\$ 70,167	
City of Fairfax	Quarters	3.00	\$ 205,227	\$ 273,636	\$ 328,250	\$	\$ (54,614)	
Fairfax County	Quarters	1.20	\$ 3,276,558	\$ 10,921,861	\$ 11,042,184	\$	\$ (120,323)	
City of Falls Church	Months	5.00	\$ 77,479	\$ 185,949	\$ 174,234	\$	\$ 11,715	
Loudoun County	Quarters	1.50	\$ 1,040,187	\$ 2,773,832	\$ 2,562,016	\$	\$ 211,816	
City of Manassas	Months	5.00	\$ 30,155	\$ 72,373	\$ 58,868	\$	\$ 13,505	
City of Manassas Park	n/a		\$ -	\$ -	\$ -	\$	\$ -	
Prince William County	Quarters	1.50	\$ 617,413	\$ 1,646,434	\$ 1,537,000	\$	\$ 109,434	
Total TOT Revenue			11,119,802	29,968,763	\$ 28,872,569	\$	1,096,194	3.80%
Total Revenue Received		\$ 139,660,038	\$ 328,558,561	\$ 319,512,544	\$	\$ 9,046,017		2.83%
		\$ 139,660,038						

*The Regional Sales Tax is reported net of fees when applicable.

Attachment B

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY FY 2017 30% DISTRIBUTION BY JURISDICTION

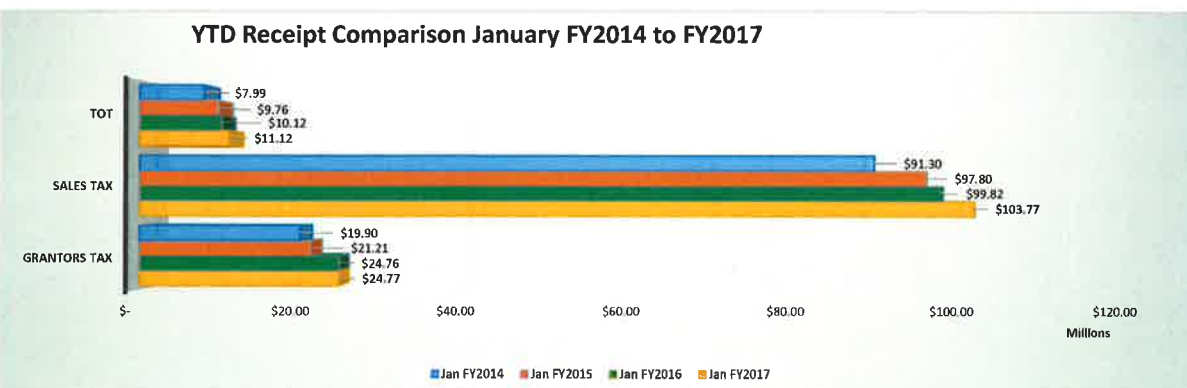
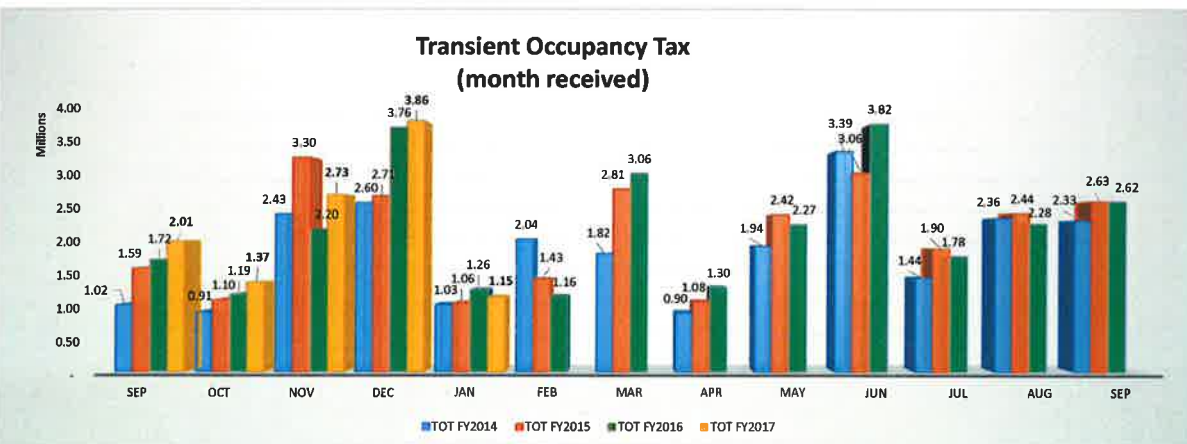
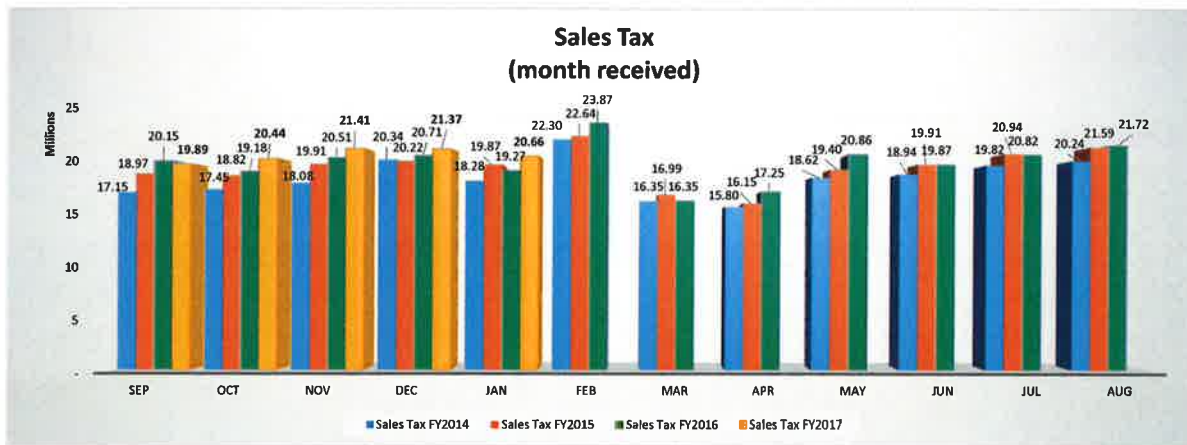
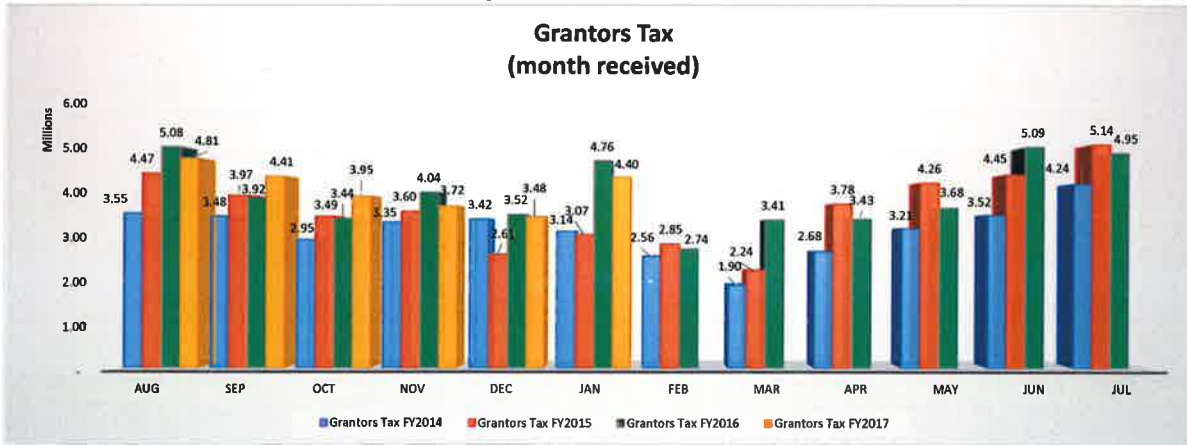
Based on: Receipts through January 2017

Jurisdiction	Grantor's Tax	*Regional Sales Tax (1)	Transient Occupancy Tax (2)	NVTA Fund Interest	Cumulative Total	30% Funds	Accrued Interest (3)	Thru 12/31/2016		Total Funds Transferred
								Prior Distributions	Current Month Distribution	
City of Alexandria	\$ 1,584,937.80	\$ 6,410,846.85	\$ 1,797,091.53	\$ 5,304.13	\$ 9,798,180.31	\$ 2,939,454.09	\$ 369.75	\$ 2,382,876.85	\$ 556,946.99	\$ 2,939,823.84
Arlington County	\$ 2,249,819.55	\$ 10,241,460.05	\$ 4,075,690.63	\$ 9,389.66	\$ 16,576,359.89	\$ 4,972,907.97	\$ 633.85	\$ 4,076,384.67	\$ 897,157.15	\$ 4,973,541.82
City of Fairfax	\$ 154,106.85	\$ 2,946,622.62	\$ 205,227.08	\$ 1,924.11	\$ 3,307,880.66	\$ 992,364.20	\$ 105.64		\$ 992,469.84	
Fairfax County	\$ 11,016,971.57	\$ 44,400,656.64	\$ 3,276,558.42	\$ 34,334.55	\$ 58,728,521.18	\$ 17,618,556.35	\$ 2,165.66	\$ 14,262,014.94	\$ 3,358,707.07	\$ 17,620,722.01
City of Falls Church	\$ 132,230.55	\$ 987,633.03	\$ 77,478.92	\$ 666.07	\$ 1,198,008.57	\$ 359,402.57	\$ 52.82		\$ 359,455.39	
Loudoun County	\$ 5,832,938.40	\$ 20,610,596.38	\$ 1,040,186.93	\$ 14,775.03	\$ 27,498,496.74	\$ 8,249,549.02	\$ 1,056.42	\$ 6,728,445.98	\$ 1,522,159.46	\$ 8,250,605.44
City of Manassas	\$ 211,583.10	\$ 2,191,923.49	\$ 30,155.48	\$ 1,409.81	\$ 2,435,071.88	\$ 730,521.56	\$ 105.64	\$ 597,960.61	\$ 132,666.59	\$ 730,627.20
City of Manassas Park	\$ 81,903.45	\$ 584,750.90	\$ -	\$ 377.25	\$ 667,031.60	\$ 200,109.48	\$ 52.82	\$ 166,386.50	\$ 33,775.80	\$ 200,162.30
Prince William County	\$ 3,502,429.95	\$ 15,398,824.91	\$ 617,412.86	\$ 11,045.12	\$ 19,529,712.84	\$ 5,858,913.85	\$ 739.49	\$ 4,752,053.10	\$ 1,107,600.24	\$ 5,859,653.34
Total Revenue	\$ 24,766,921.22	\$ 103,773,314.87	\$ 11,119,801.85	\$ 79,225.73	\$ 139,739,263.67	\$ 41,921,779.09	\$ 5,282.09	\$ 32,966,122.65	\$ 8,960,938.53	\$ 40,575,135.95

1 Net of Dept. of Taxation Fees

2 County TOT includes any town collections

3 Interest earned through 12/31/2016



X

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

TO: Chairman Parrish and Members of the NVTA Finance Committee

FROM: Michael Longhi, Chief Financial Officer

DATE: February 9, 2017

SUBJECT: NVTA Operating Budget

- 1. Purpose:** To update the Finance Committee on the Authority Operating Budget for FY2017.
- 2. Background:** The Authority operating budget is funded through the participating jurisdictions. All jurisdictions have contributed their respective share of the FY2017 operating budget.
- 3. Comments:** Through January 31, 2017, the FY2017 Operating Budget has produced the following results:
 - a. Operating revenue is at 100% of estimate for the entire year.
 - b. January 2017 represents 58% of the fiscal year. Through January 2017, the Authority has utilized 49% of its expenditure budget.
 - c. The attached statement shows the operating budget income and expenditure activity through January 2017 for FY2017.

Attachment: FY2017 Operating Budget through January 31, 2017

1000 General Fund

Account Object	Description	Current Year				%
		Current Month	Current YTD	Budget	Variance	
Revenue						
330100	Contribution Member Jurisdiction		1,654,617.00	1,654,659.00	-42.00	100
						100
	Total Revenue	0.00	1,654,617.00	1,654,659.00	-42.00	100
Expenses						
410000	Personnel Expenses					
110	Salaries-Regular Pay	71,939.50	499,827.77	943,126.00	443,298.23	53
130	Health & Dental Benefits	7,630.32	59,589.72	115,200.00	55,610.28	52
131	Payroll Taxes	5,426.64	32,046.83	72,258.00	40,211.17	44
132	Retirement VRS	14,439.50	50,412.83	93,561.00	43,148.17	54
133	Life Insurance	2,041.88	6,759.08	12,355.00	5,595.92	55
134	Flex Spending/Dependent Care	149.50	254.50	604.00	349.50	42
135	Workers Comp		1,039.00	1,037.00	-2.00	100
137	Disability Insurance	701.75	9,808.34	13,360.00	3,551.66	73
	Total Account	102,329.09	659,738.07	1,251,501.00	591,762.93	53
420000	Professional Services					
210	Audit & Accounting Services		20,250.00	27,500.00	7,250.00	74
220	Bank Service			750.00	750.00	
230	Insurance		4,705.00	4,200.00	-505.00	112
240	Payroll Services	186.78	964.36	1,300.00	335.64	74
260	Public Outreach	150.00	5,837.88	21,500.00	15,662.12	27
261	Legal/Bond Council Services			50,000.00	50,000.00	
262	Financial Advisory Services		18,000.00	72,000.00	54,000.00	25
263	Bond Trustee Fees			2,700.00	2,700.00	
264	Legislative Services	11,916.00	11,916.00	60,000.00	48,084.00	20
	Total Account	12,252.78	61,673.24	239,950.00	178,276.76	26
430000	Technology/Communication					
310	Acctg & Financial Report Systems			10,000.00	10,000.00	
320	HW SW & Peripheral Purchase		4,390.90	5,030.00	639.10	87
330	IT Support Svc Incl Hosting	1,114.10	8,710.02	14,150.00	5,439.98	62
340	Phone Service	600.62	3,434.61	7,300.00	3,865.39	47
350	Web Develop & Hosting	203.80	1,623.35	7,600.00	5,976.65	21
	Total Account	1,918.52	18,158.88	44,080.00	25,921.12	41
440000	Administrative Expenses					
410	Advertisement			1,500.00	1,500.00	
411	Dues & Subscriptions	285.00	1,275.00	3,710.00	2,435.00	34
412	Duplication & Printing	415.89	5,058.59	14,592.00	9,533.41	35
413	Furniture & Fixture		5,613.36	6,000.00	386.64	94
414	Meeting Expenses	584.79	2,065.00	3,600.00	1,535.00	57
415	Mileage/Transportation	239.33	3,145.13	10,200.00	7,054.87	31
416	Misc Exp		144.48		-144.48	

1000 General Fund

Account Object	Description	Current Year				%
		Current Month	Current YTD	Budget	Variance	
417	Office Lease	9,813.60	77,621.22	116,059.00	38,437.78	67
418	Office Supplies	100.25	1,530.18	6,880.00	5,349.82	22
419	Postage & Delivery	25.64	69.09	700.00	630.91	10
420	Professional Develop & Training	85.00	2,121.77	13,670.00	11,548.23	16
421	Industry Conferences		4,152.19	6,500.00	2,347.81	64
	Total Account	11,549.50	102,796.01	183,411.00	80,614.99	56
	Total Expenses	128,049.89	842,366.20	1,718,942.00	876,575.80	49
	Net Income from Operations	-128,049.89	812,250.80			
Other Expenses						
521000	Transfers					
820	Transfer to Operating Reserve			343,788.00	343,788.00	
825	Transf to Equip Reserve			4,500.00	4,500.00	
	Total Account			348,288.00	348,288.00	
	Total Other Expenses	0.00	0.00	348,288.00	348,288.00	
	Net Income	-128,049.89	812,250.80			