



# Northern Virginia Transportation Authority

*The Authority for Transportation in Northern Virginia*

**FINANCE COMMITTEE**  
**Thursday, May 18, 2017 1:00PM**  
**3040 Williams Drive, Suite 200**  
**Fairfax, VA 22031**

## AGENDA

- I. Call to Order/Welcome** Chairman Parrish
- II. Summary Minutes of the February 16, 2017 Meeting**  
*Recommended action: Approval [with abstentions from those who were not present]*

## Action Items

- III. Policy 9 – Debt Policy (Revisions)** Mr. Longhi, CFO  
*Recommended Action: Recommend Authority Approval of a Cap on the Working Capital Reserve (Debt Policy Revision)*
- IV. Policy 17 - Capital Asset Accounting (Revisions)** Mr. Longhi, CFO  
*Recommended Action: Recommend Authority Approval of Draft Revisions to Policy*
- V. Policy 29 – Project Activation and Progress (New)** Mr. Longhi, CFO  
*Recommended Action: Recommend Authority Approval of Draft Policy*

## Information/Discussion Items

- VI. Funding The Six Year Program** Mr. Longhi, CFO
- VII. Investment Portfolio Report** Mr. Longhi, CFO
- VIII. Monthly Revenue Report** Mr. Longhi, CFO
- IX. Operating Budget Report** Mr. Longhi, CFO
- X. Credit Rating Affirmation** Mr. Longhi, CFO

## Adjournment

- XI. Adjournment**

**Next Meeting: June 15, 2017 1:00PM**  
3040 Williams Drive, Suite 200, Fairfax, Virginia



# 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**

## MEETING SUMMARY

### **I. Call to Order/Welcome**

Chairman Parrish

- Chairman Parrish called the meeting to order at 1:04pm.
- Attendees:
  - ✓ Members: Chairman Parrish; Mayor Rishell; Mayor Silberberg.
  - ✓ Staff: Monica Backmon (Executive Director); Michael Longhi (CFO); Carl Hampton (Investment & Debt Manager); Peggy Teal (Assistant Finance Officer); Camela Speer (Clerk).
  - ✓ Council of Counsels: Ellen Posner (Fairfax County).
  - ✓ Other Attendees: Paul Doku (Fairfax County); Peter Malgieri (Loudoun); JoAnne Carter (PFM); Kristie Choi (PFM).

### **II. Summary Minutes of the December 15, 2016 Meeting**

- Mayor Silberberg moved approval of the minutes of December 15, 2016; seconded by Mayor Rishell. Motion carried unanimously.

## Action Items

### **III. Financial Statement Audit Services**

Mr. Longhi, CFO

- Mr. Longhi briefed the Committee on the need to procure Financial Statement Audit Services. He noted:
  - ✓ The Committee discussed this at its December meeting and requested moving it forward as an action item.
  - ✓ The current contract with PBMares expires this year, requiring a new agreement prior to this year's audit.
  - ✓ The approval of the selection of an audit firm is the responsibility of the Finance Committee.
  - ✓ The staff recommendation to contract with PBMares through a contract rider with the Virginia Railway Express (VRE) is based on the 2015 joint procurement for audit services conducted by the Northern Virginia Transportation Commission (NVTC), the Potomac & Rappahannock Transportation Commission (PRTC) and the Virginia Railway Express, with all three firms choosing to contract with PBMares.
  - ✓ The NVTa staff recommendation is to ride this contract through the FY2021 audit.

- Mayor Silberberg moved adoption of the proposed meeting schedule for the next 12 months; seconded by Mayor Rishell. Motion carried unanimously.

## **Information/Discussion Items**

### **VI. Financial Advisory Services**

Mr. Longhi, CFO

- Mr. Longhi reported the Authority's Financial Advisory Services contract currently provided by PFM expires in 2018. He noted that these services were procured through a contract rider on a Prince William contract.
- Prince William County is issuing a new Request for Proposals for this service. If Prince William were to issue a new contract (even with PFM) it would, invalidate the current rider.
- Prince William has agreed to allow the NVTA to participate in a joint procurement for Financial Advisory Services. Mr. Longhi noting other entities such as VRE and PRTC may join the procurement as well. He noted that the key difference between a rider and a joint procurement is that with a rider we must use the same contract that is chosen by the contract holder. With a joint procurement, we will have the flexibility to select the vendor deemed most appropriate for the Authority.
- Mr. Longhi added that PFM is aware of the situation and resulting necessity for undertaking a new procurement and expressed appreciation to the PFM representatives present for their understanding.

### **VII. Sole Source Purchase Declaration**

Mr. Longhi, CFO

- Mr. Longhi briefed the Committee on the Sole Source Purchase Declaration related to the proposed Planning Technology Project budget transfer discussed earlier.
- He noted NVTA staff has completed research to determine the software and licenses necessary to implement the Planning Technology Project. He added that we require the NVTA databases and maps to be compatible with as many jurisdictions and agencies as feasible so that the exchange of information can be as seamless as possible.
- Mr. Longhi stated that the most compatible and suitable software package is provided by Environmental System Research Institute (ESRI), specifically ArcGIS. He noted this software is the most compatible with member jurisdictions and agencies, as well as our TransAction update contractor.
- Mr. Longhi added that NVTA staff is required to inform the Finance Committee when a sole source procurement was used and depending on the Authority action related to the budget transfer this would serve as advance notice.
- Mayor Parrish thanked NVTA staff for the disclosure.

### **VIII. Investment Portfolio Implementation**

Mr. Longhi, CFO

- Mr. Longhi briefed the Committee on the implementation of the Investment Portfolio. He reviewed the activities to date:

reimbursed approximately \$195,000 on this project. In examining the reimbursements and checking project progress it became apparent some cost reimbursements submitted on the project were noted to mistakenly contain some out of scope elements. NVTA staff worked diligently with City staff to amend the project Appendix B resulting in approximately \$65,000 being refunded to the Authority. The revised project cost is approximately \$130,000, resulting in \$170,000 becoming available to the Regional Revenue Fund to be assigned to future projects. Once the required documentation is in place the project will be closed out.

3. Mr. Longhi reported that as requested by the Committee, NVTA staff is scheduling meetings with jurisdictional staff in March to discuss the defeasance options discussed at the December meeting and will report back to the Committee once those discussions are complete.

### **Adjournment**

#### **XII. Adjournment**

- Meeting adjourned at 1:29pm.



## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

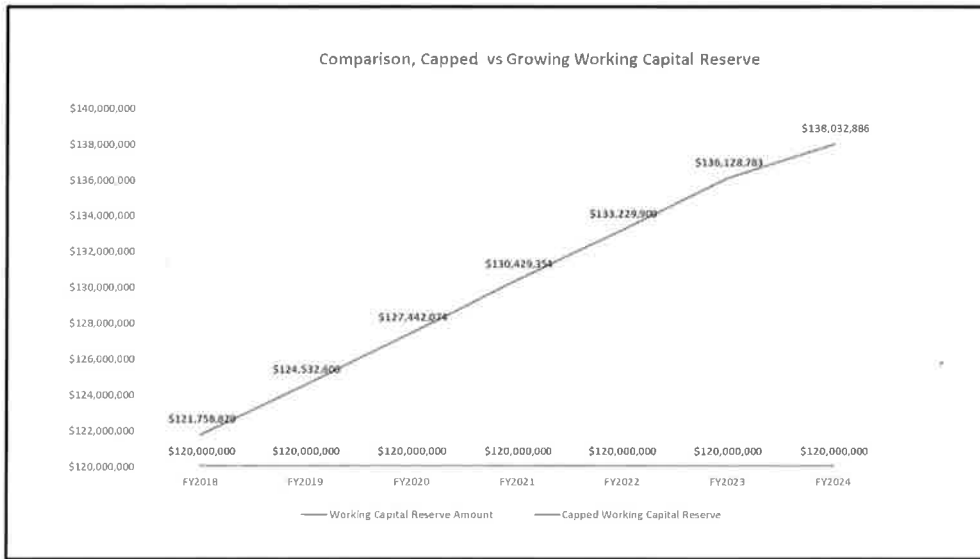
### MEMORANDUM

**TO:** Chairman Parrish and Members of the NVTA Finance Committee  
**FROM:** Michael Longhi, Chief Financial Officer  
**DATE:** April 14, 2017  
**SUBJECT:** Policy 9 – Debt Policy (Revision for Working Capital Reserve Cap)

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1. **Purpose:** To present a proposed cap to the Regional Revenue Fund Working Capital Reserve in Policy 9 – Debt Policy.
2. **Suggested Motion:** *I move the Finance Committee recommend Authority approval of a \$120 million cap on the Regional Revenue Fund – Working Capital Reserve, and related policy change to be effective July 1, 2017.*
3. **Background:**
  - a. The Authority’s Policy 9 - Debt Policy (Section IV, 5, b.) currently requires a Working Capital Reserve (WCR) “...equal to at least six months of the budgeted, annual Regional Revenues.”
  - b. The above policy also notes in the same section: “The WCR is not required by the Master Indenture; rather, it is a policy of the NVTA and is subject to change.”
  - c. The purpose of the WCR is to manage any mismatches in the actual receipt of revenue and the disbursement of funds for debt service or project reimbursements.
  - d. The Authority’s Debt Policy (Section IV, 5, c.) requires the NVTA to revisit the level of the WCR periodically in consideration of actual cash flow patterns and experience, liquidity expectations of the credit rating agencies consistent with the NVTA’s current credit ratings, and actual experience with delays or disruptions, if any, to the Commonwealth’s budget adoption and appropriations process.
  - e. The current WCR formula requires 50% of any year to year revenue increase to be added to the reserve rather than being available for PayGo project use.
  - f. For FY2017, the budgeted WCR requirement is \$120,286,655. For FY2018, the budgeted WCR requirement is \$117,293,829. NVTA staff estimates that revenue estimate revisions will require an increase of the WCR to \$121,758,829 during FY2018.
  - g. Total outstanding debt service payments for FY2018 through FY2034 (final year of debt service) is \$94,333,300.
  - h. As of March 31, 2017, the Authority is in a highly liquid position with cash/investment balances in the Regional Revenue Fund of approximately \$707.6 million. These funds are largely appropriated to regional transportation projects and are awaiting reimbursement requests from project sponsors.

- i. The Authority has experienced no delays or disruptions in the Commonwealth’s budget adoption and appropriation process, since the inaugural debt issuance in December 2014.
- j. Based on current revenue estimates, under the current policy formula, the WCR will increase to approximately \$138 million by FY2024, as shown in the chart below.



**4. Discussion:**

- a. The Authority and the Authority’s Financial Advisor (PFM) recently had discussions with the three credit agencies that currently rate the Authority (Fitch Ratings, Moody’s Investors Service and Standard and Poor’s) regarding the potential cap of the WCR. The communication with the credit agencies revealed no negative credit pressure based on this proposed change.
  - i. **Fitch Ratings credit rating affirmation of AA+ with stable outlook.** As part of the credit rating discussion undertaken with the credit analyst, the potential of capping the WCR at \$120 million was discussed. Analyst feedback was that at this time, such a cap would have no negative implications on the Authority’s credit rating.
  - ii. **Moody’s Investors Service recently reviewed the Authority’s financial position.** Moody’s did not publish a public surveillance report in conjunction with the review. As part of the credit rating discussion a potential \$120 million cap on the WCR was discussed. The feedback was that at this time, such a cap would have no negative implications on the Authority’s credit rating.
  - iii. **Standard and Poor’s (S&P).** S&P has chosen not to undertake a formal credit review of the Authority. However, Authority staff and PFM have communicated the potential of placing a \$120 million cap on the WCR. The feedback was that at this time, such a cap would have no negative implications on the Authority’s credit rating.

- b. **Re-evaluation of the WCR cap.** Any future Debt Policy update/evaluation will include an assessment of the WCR level. The Debt Policy in Section IX, Item E., requires a review and update of the policy at least every three years. The last policy amendment occurred on June 25, 2015.
- c. **Proposed Policy change.** The following is the proposed change to Section IV, 5, b. of the current Debt Policy:

Working Capital Reserve. The NVTA will maintain a Working Capital Reserve ("WCR") account in the NVTA General Fund equal to \$120,000,000.00. ~~at least six months of the budgeted, annual Regional Revenues.~~ Such funds may be used within a fiscal year to manage any mismatches in the actual receipt of revenue and the disbursement of funds for project construction to project implementing entities and to pay debt service. ~~As part of its budget process each year,~~ Not less frequently than annually during the NVTA's budget process, the NVTA will estimate the increase, if any, to the WCR requirement and fund such incremental increase within the course of ~~such~~ the next ensuing fiscal year. To the extent the WCR requirement is forecast to decrease in a given fiscal year, the NVTA may release such amounts within the course of such ensuing fiscal year provided that any debt service or debt service reserve fund requirements are fully funded in accordance with the Master Indenture. The WCR is not required by the Master Indenture; rather, it is a policy of the NVTA and is subject to change.

- 5. **Fiscal Implications.** Capping the WCR at \$120 million will result in an increase in available PayGo of approximately \$18 million between FY2018 and FY2024.
- 6. **Next Steps:** With Finance Committee approval the proposed change to the WCR will be presented to the Authority for approval to be effective on July 1, 2017.

**Coordination:**

Financial Advisor – PFM  
Bond Counsel  
Council of Counsels

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Parrish and Members of the NVTa Finance Committee

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

**DATE:** May 12, 2017

**SUBJECT:** Revisions to Policy 17 – Capital Asset Accounting

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- I. **Purpose.** To discuss draft revisions to Policy 17 – Capital Asset Accounting. The proposed revisions to this policy account for the FY2017 establishment of an equipment Replacement Reserve within the Operating Fund.
- II. **Suggested Motion.** *I move the Finance Committee recommend Authority approval of the revisions to Policy 17 – Capital Asset Accounting.*
- III. **Background.**
  - a. As part of the FY2017 Operating Budget the Authority established a reserve for the replacement of equipment, furnishings and fixtures.
  - b. This reserve recognizes that almost all of the Authority's equipment, furnishings and fixtures were purchased and placed in service at the same time.
  - c. The reserve is designed to provide funding for necessary replacements over time and avoid large one time operating budget spikes.
  - d. The policy revisions note the reserve level and annual contribution will be evaluated as part of the annual operating budget process.
  - e. The policy revisions note the reserve is to only be used to replace existing outdated or non-operational equipment, furniture and fixtures. This prevents the use of the reserve to expand capital assets, except as noted below.
  - f. Minor clarifications and updates are also included in the marked proposed changes.
- IV. **Special Note.**
  - a. The Northern Virginia Regional Commission has agreed to the shared use of their Geographic Information System (GIS) Plotter as part of a cost savings/avoidance strategy for both parties.
  - b. It is expected that the Authority will become the predominate user of the plotter and will therefore cause substantial wear on the equipment.
  - c. As part of future Authority Operating Budgets, capitalization of the replacement of the GIS plotter will be included.
  - d. Equipment sharing allows the Authority to avoid substantial floor space lease costs.

**Attachments:** Policy 17 – Capital Asset Accounting (With Draft Revisions Marked)



# NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

## Policy Number 17 - Capital Asset Accounting

I. **Purpose.** This policy addresses capital asset accounting for Northern Virginia Transportation Authority's (NVTA) administrative assets. In order to assure the accurate recording and control of administrative assets, capital asset acquisitions must be classified and capitalized in a consistent manner, and periodic physical inventories must be taken.

### II. Capitalization Guidelines.

A. To qualify as a "Capital Asset" the asset must have an economic useful life of more than one year and an installed cost in excess of \$5,000. The total costs of acquiring and placing an asset in operation are capitalized. Such costs include purchase price (net of discount), freight and any installation costs.

B. Qualified capital assets should be classified and recorded in major office furniture and fixture categories. Asset classifications may include the following:

1. Office Furniture. Desks, chairs, credenzas, conference tables, bookcases, etc.
2. Office Equipment. Copier, telephone, postage meter, refrigerator, projector, etc.
3. Computer Equipment. Laptop computers, desktop computers, servers, processors, monitors, printers, software, etc.
4. Leasehold Improvements (Fixtures). Improvements to the leased offices occupied by the NVTA.

C. Betterments, while generally not applicable to administrative assets, may be capitalized if the expenditure materially increases the value of the asset and/or extends the economic life of the asset beyond the originally estimated life.

### III. -Equipment Replacement Reserve

A. Effective FY2017, NVTA established an Equipment Replacement Reserve within the Operating Fund to ensure funds are available for capital asset replacement. The contribution to the reserve will be determined during the annual budget process.

B. This reserve was implemented as virtually all of NVTA's capital assets were purchased and placed in service at the same time. Replacing a major portion of these capital assets at one-time would cause undue stress on the operating budget. This reserve is designed to provide funding for necessary replacements over time and to avoid large one-time operating budget spikes.

**A.C.** Expenditures considered repairs and maintenance are classified as operating costs and are chargeable to an expense account as incurred. Maintenance costs are the normal expenditures associated with keeping property in an efficient operating condition. Repair costs are incurred as a result because of damage to assets or impairment due to normal use. Normally those costs are incurred to maintain or restore an asset to an operable condition without increasing its expected useful life or productive capacity.

**D.** Capital asset expenditures will be charged against the Equipment Replacement Reserve as needed to replace outdated and/or non-operational capital assets only, once approved by the Chief Financial Officer.

#### **III-IV. Depreciation and Amortization Guidelines.**

- A.** Depreciation and amortization of capitalized “in-service” assets must be recorded annually. The calculation of this expense will commence with the first full month the asset is placed in service.
- B.** Depreciation expense is calculated on a straight-line basis over the estimated useful life of the asset and subtotaled by Asset Category. The entire asset cost will be depreciated, without regard to any anticipated residual value. Depreciable or “useful” lives must be reviewed periodically for continuing applicability.
- C.** **Chart.** Depreciable or Useful Life of Assets.

<b>Asset Category</b>	<b>Useful Life (yrs)</b>
Cell Phones	2
Computer Hardware & Peripherals	4
Office Furniture	7-10
Office Equipment	5-10
Leasehold Improvements	Life of the lease

- D.** Each capital asset must be entered on a capital asset Excel Schedule to facilitate the calculation of depreciation. The asset schedule includes the acquisition date, capitalized cost, the annual depreciation and the Total Accumulated Depreciation. This schedule must be reconciled to the general ledger control account on an annual basis.

#### **V. Annual Capital Asset Inventory.**

As a key control in the protective custody of property, a physical inventory will be taken annually by the NVTA’s Administrative Assistant/Clerk. Each capital asset will be observed and its operating condition evaluated. Adjustments to the inventory for lost or damaged assets must be approved by the Chief Financial Officer.

## VI. Disposal of Capital Assets.

- A. Capital assets may be disposed of in a sale, retirement, recycling or replacement transactions. Approval must be granted by the Chief Financial Officer before an asset can be sold or retired disposed. Disposals are accounted for by crediting the asset account for the original cost of the asset, charging accumulated depreciation for the depreciation expensed to date, and recognizing any gain or loss on disposal of the asset. Approval from the Executive Director must be obtained to write off any asset due to loss or damage.
- B. Proceeds received upon the sale of an asset should be recorded and controlled by the Accountant in the same manner as all other receipts. The Accountant Assistant Finance Officer must record the disposal on the Capital Asset Excel Spreadsheet.

**Approved by the Finance Committee:** December 5, 2014

**Approved by Northern Virginia Transportation Authority:** December 11, 2014

Revision Approved by the Finance Committee:

Revision Approved by Northern Virginia Transportation authority:



## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

### MEMORANDUM

**TO:** Chairman Parrish and Members of the NVTA Finance Committee

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

**DATE:** May 12, 2017

**SUBJECT:** Draft Policy 29 – Project Activation/Progress and Monitoring

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- I. **Purpose.** To discuss a draft policy to outline for project sponsors, NVTA staff, and senior management, the rules and processes related to project activation/progress and monitoring. The draft policy also addresses potential fund appropriation action.
- II. **Discussion.** The proposed policy was modelled after and combines elements of two previously adopted policies; Policy 24 – Standard Project Agreement Activation and Policy 25 – FY2017 Program First Drawdown Commitment. The draft of the new policy seeks to provide guidance related to approved projects in FY2018 and later. Two significant changes are contemplated in the policy draft:
  - a. Evaluation of the time period for a project sponsor to submit a valid approved initial expenditure reimbursement request. (Highlighted on draft.)
  - b. Additional time to process a request for reimbursement when the project SPA – Appendix B is out of date. (Detailed in the Fiscal Impact Section below.)
- III. **Timing.** This policy applies to all projects which receive Regional Revenue Fund support in FY2018 or later.
- IV. **Milestones, Options and Impacts.** The policy describes and defines required project progress milestones. It discusses the options which are available to project sponsors and to the NVTA for projects which are not progressing and potential appropriation changes.
- V. **Responsibilities.** The policy details the responsibilities of both the project sponsors and the NVTA for monitoring project activation and progress.
- VI. **Fiscal Impact.**
  - a. As of March 31, 2017, the amount of scheduled (through project sponsor cash flows projections) but unreimbursed expenses is \$118.4 million.
  - b. The cash (\$118.4 million) to support these reimbursements is currently invested in daily liquid investments with resulting low interest rates.
  - c. All Regional Revenue Fund interest earnings increase the amount of revenue available for PayGo projects.

- d. The out of date SPA Appendix B's noted above result lost potential interest earnings of approximately \$150,000 per quarter or \$600,000 per year, when compared with the earnings these funds would generate if placed into investments with an additional 90 days of maturity.

**VII. Next Steps.** With Finance Committee approval, the draft policy will be presented to the Authority at the June 2017 meeting.

**Coordination:** Governance and Personnel Committee  
Council of Counsels  
RJACC

**Attachments:** Policy 29 – Project Activation/Progress and Monitoring

# Attachment

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

### Policy Number 29 – Project Activation, Progress and Monitoring

I. **Purpose.** The purpose of this policy is to provide a mechanism for the Authority to monitor project activation, progress and appropriation in accordance with project descriptions and Standard Project Agreements (SPA).

II. **Key Definitions.**

A. **Appropriation.** The formal approval for the expenditure of public funds by the governing body of a governmental jurisdiction. Appropriations are made fiscal year by fiscal year. Unexpended appropriations may be extended or re-appropriated into the following fiscal year by the governing body.

B. **NVTA Six Year Program.** The Six Year Program (SYP) is a project plan which has been formally adopted for the development, or acquisition, of a series of regionally significant transportation improvement projects. The development of each series of projects is scheduled to occur over a period of six years, and has subsets of specific annual projects each of which is identified for specific amounts of funding in specific fiscal years during the program period. A project may have programmed funding scheduled in multiple years of the SYP, with each program year's funding being appropriated as part of the concurrent (matching) fiscal year budget.

III. **General.**

A. This policy will be in effect for all projects approved by the Authority beginning in FY2018, which are funded through the Regional Revenue Fund.

B. There are three milestones which the Authority will use to assess project progress:

1. Standard Project Agreement (SPA) approval by the Authority for a project within six months of the initial appropriation (project approval) of Regional Revenue Funds.<sup>1</sup>
2. Project activation/progression documented through monthly updates submitted to NVTA and reported in the Executive Director's monthly report to the Authority.
3. Project sponsor's submission of a valid approved initial expenditure reimbursement request within 24 months of the initial appropriation of Regional Revenue Funds.

C. For any project at risk of missing one of these three milestones, the project's sponsor may request an extension of time from the Executive Director.

D. The Executive Director may request additional information from the project sponsor in making a decision on an extension recommendation.

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<sup>1</sup> For example, a project approved in year three of the Six Year Program, must have its SPA approved within six months of the Authority's appropriation action for year three as opposed to within six months of the adoption of the Six Year Plan.



- E. Agreement on project status will be sought with the implementing jurisdiction or agency.
- F. If agreement is not reached, the Executive Director may take a project cancellation recommendation to the Finance Committee prior to referral to the Authority for action.
- G. Project sponsors must keep their SPA-Appendix Bs up to date. Appendix Bs can be updated in accordance with Policy 20. III B. 2.
- H. Authority approved and enacted SPAs reserve and restrict the cash and debt capacity of the NVTA. Expenditure reimbursement requests presented later than the existing schedule (as documented in the SPA), result in disruption of the Authority's cash management, liquidity and investment programs and may present Internal Revenue Service arbitrage regulation compliance issues.
- I. In accordance with SPA Sections A.6, A.7, and B.7, expenditure reimbursements presented later than the most recently approved Appendix B (as updated by the project sponsor) may require an additional 45 days for the Authority to transact the reimbursement.
- J. Written notice of expired or out of date Appendix B's, which will include a warning of the extended 45 day period, will be provided in accord with SPA Section G 2.
- K. All NVTA funds de-appropriated from actions taken under this policy will remain in the Regional Revenue Fund for future allocation by the Authority.

#### **IV. Responsibilities.**

##### **A. Project sponsoring jurisdiction or agency primary responsibilities:**

1. Completion of SPAs within six months of the initial appropriation of Regional Revenue Funds to the project by the Authority.
2. Document project activation/progression through monthly updates submitted to NVTA for inclusion in the Executive Director's monthly report to the Authority.
3. Submittal of first drawdown request within two years of the project's initial appropriation of Regional Revenue Funds to the project by the Authority.
4. Proactively advise the Executive Director of project scheduling issues.
5. Provide project information upon request.
6. Continued updates as necessary to the project SPA - Appendix B reimbursement timing/schedule.

##### **B. NVTA Executive Director.**

1. Monitor project progress through requests for reimbursements, submission of project activation/progress reports by project sponsors.
2. Include a report of project status in the Executive Director's monthly report to the Authority. Status reports will be consistent with project progress documented by project sponsors, unless otherwise noted.
3. Receive notice from project sponsors of possible delays in submitting first drawdown request or activating/progressing the project by the deadline.

4. Request information, when required, to evaluate project sponsor notice of delay or to request information on delay.
5. Accept requests for project cancellation and forward with recommendation to the Finance Committee prior to the Finance Committee's referral to the Authority with recommendation to accept or reject the request.
6. Evaluate requests for extension of time or other accommodation requested by project sponsor.
7. Make recommendation to the Finance Committee on project cancellation to be referred to the Authority.

**Approval by the Finance Committee:**

**Approved by the Governance and Personnel Committee:**

**Approved by Northern Virginia Transportation Authority:**



## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Parrish and Members of the NVT A Finance Committee

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

**DATE:** April 14, 2017

**SUBJECT:** Funding the Six Year Program

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1. **Purpose:** Present for discussion and consideration the fiscal conditions which will frame future funding decisions for the Authority's Six Year Program (SYP). The Authority's SYP has similar functions and features as the multiyear Capital Improvement Plans of member jurisdictions and agencies.
2. **Background:**
  - a. The Authority funds projects through resources in the Regional Revenue Fund which is principally comprised of:
    - a. HB2313 regional tax revenues (PayGo).
    - b. Interest earnings on HB2313 regional tax revenues (PayGo).
    - c. Debt proceeds supported by HB2313 regional tax revenues. (Debt proceeds will reduce future year PayGo through debt service payments.)
  - b. The FY2018-2023 SYP is anticipated to be presented for Authority consideration in Spring 2018.
  - c. This will be the Authority's first SYP.
  - d. This will be the first and prospectively only time six fiscal years (FY2018 through FY2023) of projects will be programmed by the Authority at one time. Additional programs of at least one year may be added as determined by the Authority.
  - e. Appropriations for each year of projects will be committed through the Authority's annual budget adoption.
  - f. The FY2018 revenues will be largely collected at the point when the SYP is anticipated to be adopted (Spring 2018) by the Authority.
  - g. The Authority's revenue estimates will be refreshed at least once prior to the SYP adoption.
  - h. Each fiscal cycle of the SYP will entail the adoption of projects for the next plan year and appropriation of funds for the upcoming fiscal year.
  - i. Integral to the formulation of the Authority's initial SYP is the level of resources available for projects.
  - j. Member jurisdictions and agencies often adjust their own Capital Improvement Plans through changing the scheduled timing of their own projects. The conservative planning for the Authority's SYP recognizes such adjustments would be more challenging when projects are awarded by a regional body to multiple jurisdictions and agencies over a continuing six year cycle.

- k. All project programming will be consistent with HB2313 and other legislative requirements.

**3. Discussion:**

**a. PayGo Availability Determination.** The level of available PayGo will be determined by:

- i. Regional Revenue Fund – Revenue Estimates. The Authority has adopted a six year revenue estimate which will be updated at least annually or as events require. The estimation process seeks the participation and collaboration of appropriate staff from all member jurisdictions.
- ii. Annual Budget Adoption. The annual budget adoption will include appropriate adjustments to the projected revenue for:
  - 1. Regional Revenue Fund Interest Earnings
  - 2. Debt Service Payments
  - 3. Debt Policy Reserve Requirements
  - 4. Changes in prior project appropriations approved by the Authority. (e.g. defunding projects)
  - 5. Routine project close outs. (e.g. unexpended funds at project completion)
  - 6. Other financial transactions such as carry forward balances and revenue variation.

**b. PayGo Utilization.**

- i. Debt service obligations and other Debt Policy requirements have the first commitment of Regional Revenue Fund resources. Once those commitments are met there are few other non-project demands on the fund.
- ii. The Authority has maintained a conservative revenue estimate posture to minimize the potential for negative revenue variations.
- iii. The priority of debt service obligations, significant reserve levels and conservative revenue estimation, permit the programming of all current fiscal year (FY2018) PayGo resources.
- iv. SYP years two and three (FY2019 and FY2020) could be programmed at 100% of estimated PayGo as revenue variances during the period are likely to be positive (adding resources) rather than negative (reducing resources).
- v. SYP years four, five and six (FY2021, 2022 & 2023) could be programmed at a declining percentage of estimated PayGo to reduce the risk of long term estimate variance. As an example only:
  - 1. Program year four at 90% of estimated PayGo.
  - 2. Program year five at 80% of estimated PayGo.
  - 3. Program year six at 75% of estimated PayGo.

- vi. Reduction in out-year (years 4, 5 and 6) PayGo utilization, facilitates the option for debt service payments, if the Authority decides to use debt financing in the future.
- vii. The next TransAction update (after the one currently in process) is expected to be initiated early in 2020 and prospectively adopted in Fall of 2022. Not programming all of plan years four, five and six could facilitate the transition to the updated plan.
- viii. As the SYP matures and plan year four becomes plan year three, the Authority can determine if then current estimates support accelerating already approved projects or potentially adding projects (in compliance with HB2313 and other legislative requirements).

**c. Debt Capacity Determination. The level of debt capacity available will be determined by:**

- i. Regional Revenue Fund – Revenue Estimates. As noted in the PayGo section above, the Authority has adopted a six year revenue estimate which will be updated at least annually or as events require. The same revenue estimates will be used for PayGo and debt capacity determinations.
- ii. Capacity determinations will be developed with the assistance of the Authority’s contracted Financial Advisor.
- iii. All capacity determinations will be consistent with applicable Federal and State regulations, other legal requirements, the Authority Debt Policy and the Authority’s previously established financing indentures, as well as best practices indicative of a highly rated issuer.
- iv. Debt capacity determination will be undertaken so as to maintain or enhance the Authority’s current AA+ credit rating.

**d. Debt Capacity Utilization. The following factors should be considered when contemplating utilization of the Authority’s debt capacity:**

- i. Debt financing includes the potential to use long term debt, short term debt or interim to permanent financing tools, based on current market conditions and specific project characteristics.
- ii. Debt financing is typically utilized to advance projects when the availability and utility of the project is an immediate need and the project is ready to advance in all material phases.
- iii. Debt financing of a project is an appropriate option when the project cost will absorb a disproportionate amount of PayGo resources if solely cash financed. (e.g. a Mega Project)
- iv. The level of the Authority’s appropriated yet unexpended resources should inform the decision to utilize debt.
- v. IRS requirements for the proposed project purpose and spend down timing of tax exempt bond proceeds must be considered as part of any debt financing.

- vi. The impact of debt service obligations on future PayGo resource levels must be considered.

**4. Current Funding Utilization Information:**

**a. FY2014 Projects:**

- i. The FY2014 Program consisted of 33 projects funded at \$187 million.
- ii. Per the Appendix B's, all FY2014 projects were initially anticipated to be fully reimbursed by June 30, 2018.
- iii. As of March 31, 2017 project reimbursements of \$104,992,240 have occurred representing 56.1% of the programmed funds.
- iv. Seven (7) projects have moved their anticipated close out to FY2019 or FY2020. These changes move the completion of the FY2014 Program out to 2020.

**b. FY2015/16 Projects:**

- i. The FY2015/16 Program consisted of 36 projects funded at \$336.9 million.
- ii. Based on Appendix B's \$134.2 million was projected to have been reimbursed through March 31, 2017.
- iii. Total reimbursements on the FY2015/16 program through March 31 are \$32.1 million. The related Appendix B's have not been updated.
- iv. Projected Program final spend down was expected to occur by June 30, 2021. However, updated Appendix B's will likely move this date out.

**c. FY2017 Projects:**

- i. Excluding the I-66/Route 28 Project, the FY2017 Program consisted of 11 projects funded at \$166 million.
- ii. Projected spend down was expected to start in October 2016. At this time no reimbursement requests have been received.
- iii. Complete spend down was anticipated as of June 30, 2020. However, updated Appendix B's will likely move this date out.

**5. Next Steps**

- a. Finance Committee Guidance
- b. Revenue Estimate Update
- c. Financial Principles

**Coordination:** Financial Advisor (PFM)

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Parrish and Members of the NVTA Finance Committee  
**FROM:** Michael Longhi, Chief Financial Officer  
**DATE:** May 12, 2017  
**SUBJECT:** Monthly Investment Portfolio Report

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1. **Purpose:** To provide the Finance Committee reports on monthly investment activities and the Authority's investment portfolio performance.
2. **Background:**
  - a. This is the first month which the Finance Committee is receiving investment reports. The reports are designed to:
    - a. Follow best practices of public funds/fixed income investment reporting for clarity and transparency.
    - b. Comply with Government Accounting Standards Board (GASB) disclosure and accounting requirements.
    - c. Deliver complete transparency and accountability of all investment transactions to the Finance Committee.
    - d. Facilitate the Finance Committee's ability to review all of the Chief Financial Officer's and staff investment actions for accountability.
    - e. Comply with all reporting requirements prescribed in the NVTA Investment Policy.
  - b. As stated in the NVTA Investment Policy, the objectives of the Authority's investment activities in priority order are:
    - a. **Safety.** Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio.
    - b. **Liquidity.** The investment portfolio will remain sufficiently liquid to enable the Authority to meet all operating requirements which might reasonably be expected.
    - c. **Yield.** The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles. This objective shall take into account constraints as to acceptable risk, characteristics of the Authority's cash flows and the funding expectations for approved projects.
    - d. **Investment Philosophy.** The investment philosophy of the portfolio is commonly described as 'Hold to Maturity'. In this type of portfolio securities are purchased with the expectation they will remain in the portfolio until maturity. Securities are NOT purchased with the intent to trade or sell before maturity.

- c. As noted in the February 9<sup>th</sup> Finance Committee report, the Authority's investment program was activated in January 2017, with the Authority approval of investment custody service agreements.
  - d. The Finance Committee supported the acquisition of portfolio management software which was procured and implemented in January and February.
  - e. NVTA staff began implementing the Authority's investment program through fixed income investment transactions in the final business days of February.
  - f. As of April 30, 2017, approximately \$438.4 million in investment trades were transacted, settled and reconciled. This level of activity is reflective of the initial positioning of the portfolio.
  - g. All individual securities purchased are being held in the name of the Authority by BB&T acting as the Authority's approved custodian. Security Custodian use is required in the NVTA Investment Policy and by the Virginia Code.
  - h. All security purchase transactions have been completed on a 'Delivery vs. Payment' basis as required by the NVTA Investment Policy.
3. **Discussion:** The following reports are presented for the first time. Report presentation can be modified as the Finance Committee desires. Significantly, these are the first monthly reports and show the transition from cash holdings in liquidity pools and bank accounts to the purchase and holding of individual securities. The reports as attached in order of presentation are:
- a. **Distribution by Asset Category – Book Value.** This report is intended to show the composition and changes in the portfolio by asset category. In the case of the current report it shows a starting point of \$500 million in the Commonwealth LGIP transitioning to \$438.4 million in purchased securities such as Treasuries, Agencies, Corporate Notes, Commercial Paper and Negotiable or 'Yankee' Certificates of Deposit. The investments as a percent of portfolio information is useful to show investment policy compliance. This report addresses the Investment Policy requirement to show the Finance Committee a summary of the cash and investments of the Authority.
  - b. **Compliance Report – Investment Policy, Summary.** This report shows the asset classes (investment types) held in the portfolio and their policy maximum under 'Description'. Additionally, the report shows; Yield to Maturity, Face Amount, Cost Value, Market Value, Days to Maturity, Accrued Interest and % of Portfolio. The % of Portfolio should always be at or below the maximum noted in the first column. Days to maturity provides information on the duration of the portfolio. This report addresses the Investment Policy requirement to show the Finance Committee the percentage of the portfolio of each type of investment.
  - c. **Distribution by Issuer – Book Value.** This report shows how much is invested in any one entity. It is presented to show the level of concentration of the portfolio in any one entity. This is a best practice report.
  - d. **Distribution by Maturity Range – Book Value.** This report shows the amount of maturing investments within each of the periods presented. It documents the level of liquidity in the portfolio. This is a best practice report.

- e. **Investment Portfolio – By Maturity Range.** This report shows each investment (with associated details), Duration to Maturity, Yield to Maturity at Cost and each security’s percentage of the Overall Portfolio. This report addresses the Investment Policy requirement to show the Finance Committee the yield to maturity, and percentage of the portfolio which each type of investment represents.
  - f. **Portfolio Holdings by Custodian.** This report shows where the assets of the Regional Revenue Fund are held. Funds in bank accounts or bank CD’s show with the name of the bank. The Authority uses a third party custodian (BB&T) to hold individual securities. This report addresses the Investment Policy requirement to show the Finance Committee each depository, investment firm or custodian.
  - g. **Compliance - GASB 40 Report.** This report lists each security, its CUSIP or Ticker, Issuer Face Amount, Book Value, Market Value, Credit Rating (2), Days to Call, Maturity Date and Duration. Significant information in this report is the credit ratings of securities (when rated), Market Value and Duration to Maturity. This report addresses all Investment Policy Reporting requirements not previously addressed. This report is also fundamental for the Authority’s Annual Financial Statements and Annual Audit.
4. **Performance to Benchmarks.** The Investment Policy sets four benchmarks with which to compare the NVTa portfolio performance. The Authority portfolio is achieving a 1.15% rate of return with the implementation of the investment program. The rates of return of the four benchmarks for the end of April are:
- a. Fed Funds Rate: 0.90%
  - b. Treasury 90 Day T-Bill: 0.88%
  - c. Virginia Local Government Investment Pool: 0.89%
  - d. Virginia State Non-Arbitrage Program: 1.09%
5. **Fiscal Implications:** At this time, NVTa staff expect the portfolio performance to exceed projections of a return of \$4.5 million in FY2017 by an additional \$500,000 to \$700,000.



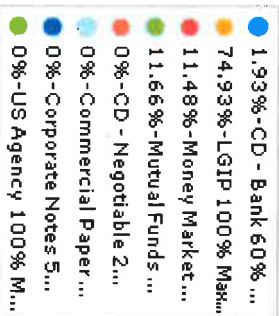
# Northern Virginia Transportation Authority Distribution by Asset Category - Book Value

Report Group: Regional Revenue Fund

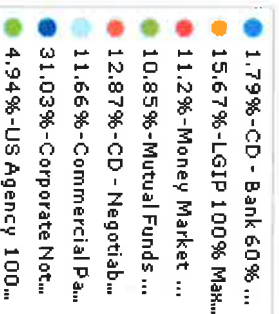
Begin Date: 12/31/2016, End Date: 4/30/2017

Asset Category Allocation				
Asset Category	Book Value 12/31/2016	% of Portfolio 12/31/2016	Book Value 4/30/2017	% of Portfolio 4/30/2017
CD - Bank 60% Maximum	12,500,000.00	1.93	12,500,000.00	1.79
LGIP 100% Maximum	485,144,101.22	74.93	109,537,144.26	15.67
Money Market 60% Maximum	74,359,684.05	11.48	78,271,444.46	11.20
Mutual Funds 20% Maximum	75,471,755.05	11.66	75,847,921.07	10.85
CD - Negotiable 25% Maximum	0.00	0.00	89,957,606.62	12.87
Commercial Paper 30% / 5% Maximum	0.00	0.00	81,508,033.34	11.66
Corporate Notes 50% Maximum	0.00	0.00	216,913,915.12	31.03
US Agency 100% Maximum	0.00	0.00	34,536,598.73	4.94
<b>Total / Average</b>	<b>647,475,540.32</b>	<b>100.00</b>	<b>699,072,663.60</b>	<b>100.00</b>

Portfolio Holdings as of 12/31/2016



Portfolio Holdings as of 4/30/2017





**Northern Virginia Transportation Authority**  
**Compliance Report - Investment Policy, Summary**  
 Report Format: By Totals  
 Group By: Asset Category  
 Average By: Face Amount / Shares  
**Portfolio / Report Group: Report Group: Regional Revenue Fund**  
**As of 4/30/2017**

Description	CUSIP/Ticker	YTM @ Cost	Face Amount/Shares	Cost Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
CD - Bank 60% Maximum		1.045	12,500,000.00	12,500,000.00	12,500,000.00	132	18,601.40	1.79
CD - Negotiable 25% Maximum		1.310	90,000,000.00	89,969,627.31	89,949,903.98	184	159,812.10	12.88
Commercial Paper 30% / 5% Maximum		1.238	82,000,000.00	81,392,791.67	81,392,791.67	177	0.00	11.74
Corporate Notes 50% Maximum		1.270	215,977,000.00	217,019,094.71	216,701,593.30	331	886,096.18	30.91
LGIP 100% Maximum		0.984	109,537,144.26	109,537,144.26	109,537,144.26	1	0.00	15.68
Money Market 60% Maximum		0.758	78,271,444.46	78,271,444.46	78,271,444.46	1	0.00	11.20
Mutual Funds 20% Maximum		1.130	75,847,921.07	75,847,921.07	75,847,921.07	1	0.00	10.86
US Agency 100% Maximum		1.397	34,500,000.00	34,541,400.00	34,508,985.00	686	92,920.14	4.94
<b>Total / Average</b>		<b>1.156</b>	<b>698,633,509.79</b>	<b>699,079,423.48</b>	<b>698,709,783.74</b>	<b>183</b>	<b>1,157,429.82</b>	<b>100</b>

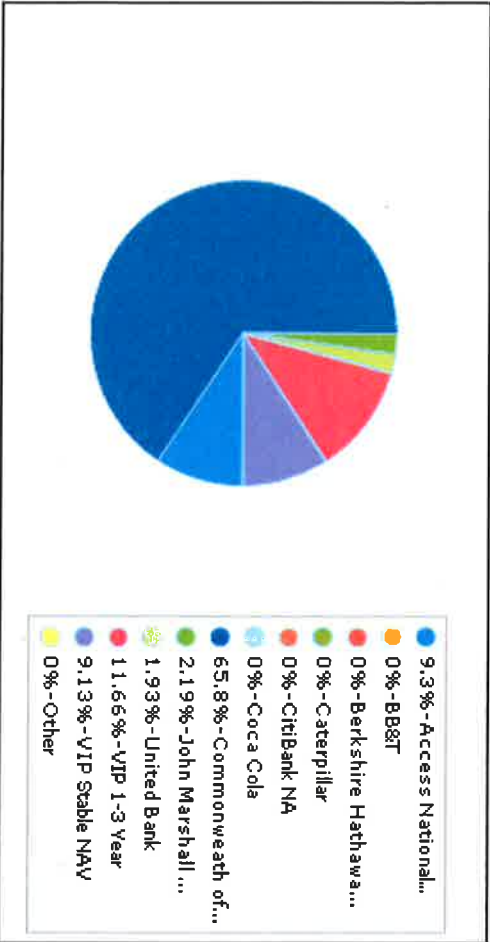


# Northern Virginia Transportation Authority Distribution by Issuer - Book Value Report Group: Regional Revenue Fund

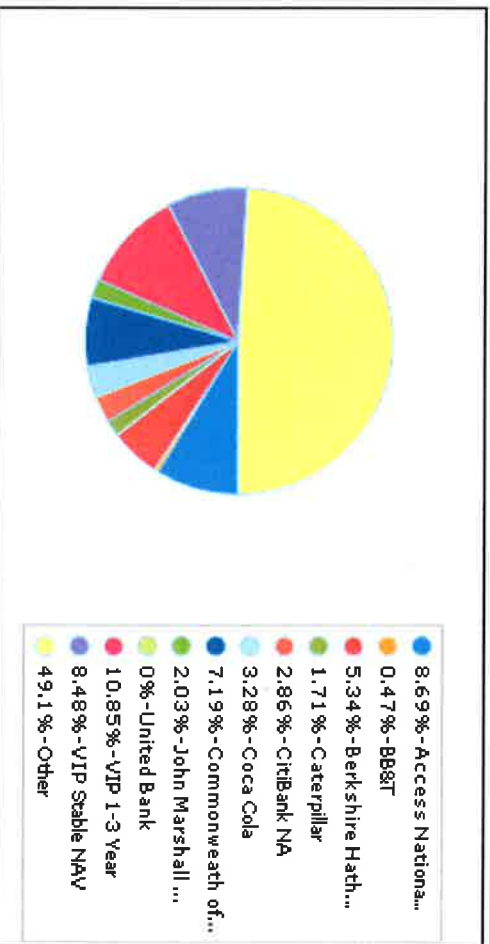
Begin Date: 12/31/2016, End Date: 4/30/2017

Issuer Allocation		12/31/2016		4/30/2017	
Issuer	Book Value	% of Portfolio	Book Value	% of Portfolio	% of Portfolio
Access National Bank	60,200,168.96	9.30	60,762,883.22	8.69	
BB&T	0.00	0.00	3,318,755.38	0.47	
Berkshire Hathaway	0.00	0.00	37,312,996.79	5.34	
Caterpillar	0.00	0.00	11,973,600.00	1.71	
CitiBank NA	0.00	0.00	20,006,187.05	2.86	
Coca Cola	0.00	0.00	22,904,633.43	3.28	
Commonwealth of Virginia	426,057,671.81	65.80	50,274,685.54	7.19	
John Marshall Bank	14,159,515.09	2.19	14,189,805.86	2.03	
United Bank	12,500,000.00	1.93	0.00	0.00	
VIP 1-3 Year	75,471,755.05	11.66	75,847,921.07	10.85	
VIP Stable NAV	59,086,429.41	9.13	59,262,458.72	8.48	
Other	0.00	0.00	343,218,736.54	49.10	
<b>Total / Average</b>	<b>647,475,540.32</b>	<b>100.00</b>	<b>699,072,663.60</b>	<b>100.00</b>	

Portfolio Holdings as of 12/31/2016



Portfolio Holdings as of 4/30/2017





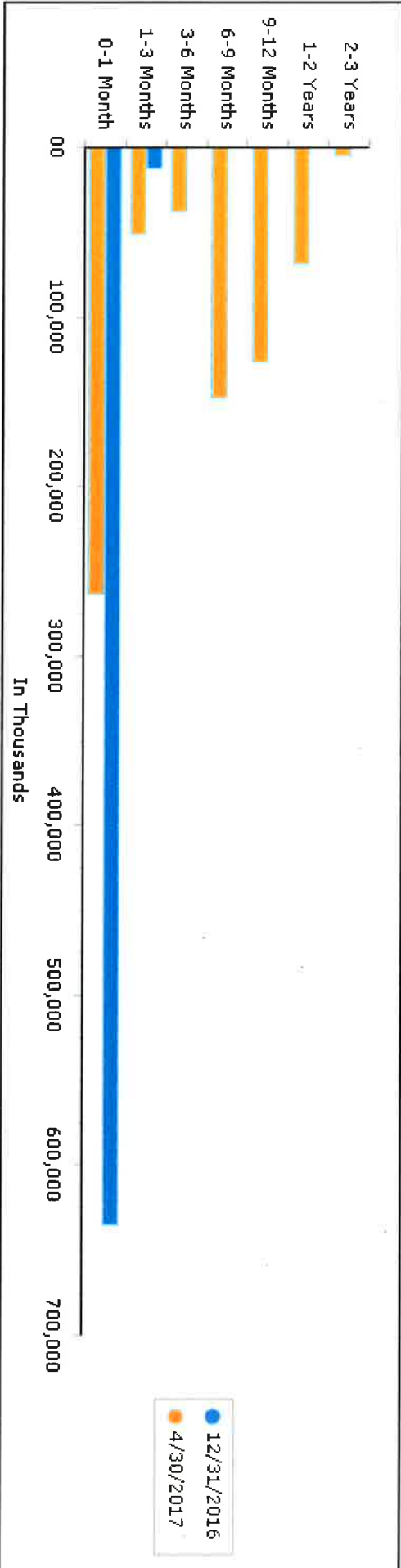
# Northern Virginia Transportation Authority Distribution by Maturity Range - Book Value

Report Group: Regional Revenue Fund

Begin Date: 12/31/2016, End Date: 4/30/2017

Maturity Range Allocation				
Maturity Range	Book Value 12/31/2016	% of Portfolio 12/31/2016	Book Value 4/30/2017	% of Portfolio 4/30/2017
0-1 Month	634,975,540.32	98.07	263,656,509.79	37.72
1-3 Months	12,500,000.00	1.93	50,739,596.82	7.26
3-6 Months	0.00	0.00	37,505,869.38	5.37
6-9 Months	0.00	0.00	147,662,059.21	21.12
9-12 Months	0.00	0.00	126,590,203.17	18.11
1-2 Years	0.00	0.00	68,429,611.89	9.79
2-3 Years	0.00	0.00	4,488,813.34	0.64
<b>Total / Average</b>	<b>647,475,540.32</b>	<b>100.00</b>	<b>699,072,663.60</b>	<b>100.00</b>

### Portfolio Holdings



**Northern Virginia Transportation Authority  
Investment Portfolio - by Maturity Range**

Report Format: By Transaction

Group By: Maturity Range

Average By: Face Amount / Shares

**Portfolio / Report Group: Report Group: Regional Revenue Fund**

**As of 4/30/2017**

Description	CUSIP/Ticker	Security Sector	Maturity Date	Days To Maturity	Settlement Date	Cost Value	Coupon Rate	Duration To Maturity	YTM @ Cost	% of Portfolio
<b>0-1 Month</b>										
Access National Bank MM	MM7182	Money Market	N/A	1	6/30/2016	60,762,883.22	0.800	0.00	0.800	8.70
BB&T MM	MM1006	Money Market	N/A	1	2/2/2017	3,318,755.38	0.450	0.00	0.450	0.48
Commonwealth of Virginia LGIP	LGIP0825	Local Government Investment Pool	N/A	1	6/30/2016	1,589,254.24	0.978	0.00	0.978	0.23
Commonwealth of Virginia LGIP	LGIP0549	Local Government Investment Pool	N/A	1	6/30/2016	48,685,431.30	0.978	0.00	0.978	6.97
John Marshall Bank MM	MM0060	Money Market	N/A	1	6/30/2016	14,189,805.86	0.650	0.00	0.650	2.03
VIP 1-3 Year LGIP	LGIP0001	Local Government Investment Pool	N/A	1	6/30/2016	75,847,921.07	1.130	0.00	1.130	10.86
VIP Stable NAV LGIP	LGIP5001	Local Government Investment Pool	N/A	1	10/15/2016	59,262,458.72	0.990	0.00	0.990	8.48
<b>Total / Average</b>				<b>1</b>		<b>263,656,509.79</b>	<b>0.959</b>	<b>0.00</b>	<b>0.959</b>	<b>37.74</b>
<b>1-3 Months</b>										
Caterpillar 0 7/5/2017	24023GU54	Corporate	7/5/2017	66	4/5/2017	11,963,600.00	0.000	0.18	1.220	1.72
CitiBank NA 1.25 7/25/2017	17305TKP6	Certificate Of Deposit	7/25/2017	86	3/8/2017	20,010,000.00	1.250	0.24	1.118	2.86
Inova Hospital 0 7/13/2017	45778NUD4	Corporate	7/13/2017	74	4/18/2017	18,753,292.44	0.000	0.20	1.057	2.69
<b>Total / Average</b>				<b>77</b>		<b>50,726,892.44</b>	<b>0.492</b>	<b>0.21</b>	<b>1.120</b>	<b>7.27</b>
<b>3-6 Months</b>										
Mizuho Bank Ltd/NY 1.3 9/18/2017	60689D4K6	Certificate Of Deposit	9/18/2017	141	2/21/2017	15,008,700.00	1.300	0.39	1.198	2.15
Standard Charter Bank of NY 1.37 10/23/2017	85325TSQ9	Corporate	10/23/2017	176	4/26/2017	10,000,000.00	1.370	0.48	1.370	1.43
United Bank of VA 1.045 9/9/2017	CDARS3427	Certificate Of Deposit	9/9/2017	132	3/9/2017	12,500,000.00	1.045	0.36	1.045	1.79
<b>Total / Average</b>				<b>147</b>		<b>37,508,700.00</b>	<b>1.234</b>	<b>0.40</b>	<b>1.193</b>	<b>5.37</b>
<b>6-9 Months</b>										
Credit Suisse New York 0 11/30/2017	2254EAYW7	Corporate	11/30/2017	214	4/27/2017	9,917,206.48	0.000	0.59	1.406	1.43
	36164JY99	Corporate	11/9/2017	193	3/24/2017	24,821,111.11	0.000	0.53	1.142	3.58

Description	CUSIP/Ticker	Security Sector	Maturity Date	Days To Maturity	Settlement Date	Cost Value	Coupon Rate	Duration To Maturity	YTM @ Cost	% of Portfolio
GE Capital 0 11/9/2017										
JP Morgan Securities 0 11/1/2017	46640PY15	Corporate	11/1/2017	185	3/8/2017	9,914,055.56	0.000	0.51	1.327	1.43
JP Morgan Securities 0 12/1/2017	46640PZ14	Corporate	12/1/2017	215	3/8/2017	19,799,000.00	0.000	0.59	1.380	2.86
Prudential Funding LLC 0 10/31/2017	74433GXX9	Corporate	10/31/2017	184	3/24/2017	14,895,025.00	0.000	0.50	1.163	2.15
Standard Charter Bank NY 1.54 1/9/2018	85325TSB2	Corporate	1/9/2018	254	4/5/2017	10,006,897.50	1.540	0.69	1.448	1.43
Toyota Motor Corp 1.375 1/10/2018	89233P7E0	Corporate	1/10/2018	255	2/3/2017	20,032,000.00	1.375	0.69	1.202	2.86
UBS Bank Stamford CT Branch 1.46 12/13/2017	90275DFE5	Certificate Of Deposit	12/13/2017	227	2/21/2017	15,016,950.00	1.460	0.62	1.319	2.15
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Corporate	1/22/2018	267	2/3/2017	10,033,593.90	1.650	0.72	1.300	1.43
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Corporate	1/22/2018	267	2/6/2017	10,024,900.00	1.650	0.72	1.388	1.43
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Corporate	1/22/2018	267	4/20/2017	556,221.00	1.650	0.72	1.355	0.08
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Corporate	1/22/2018	267	4/18/2017	1,403,080.00	1.650	0.72	1.358	0.20
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Corporate	1/22/2018	267	4/25/2017	1,162,540.40	1.650	0.72	1.351	0.17
<b>Total / Average</b>				<b>223</b>		<b>147,582,580.95</b>	<b>0.695</b>	<b>0.61</b>	<b>1.285</b>	<b>21.20</b>
<b>9-12 Months</b>										
Berkshire Hathaway 1.45 3/7/2018	084464CE9	Corporate	3/7/2018	311	4/4/2017	29,228,390.25	1.450	0.85	1.250	4.18
Berkshire Hathaway 1.45 3/7/2018	084664CE9	Corporate	3/7/2018	311	4/11/2017	2,243,007.04	1.450	0.85	1.300	0.32
Berkshire Hathaway 1.55 2/9/2018	084670BH0	Corporate	2/9/2018	285	4/17/2017	5,846,707.88	1.550	0.77	1.151	0.83
Coca Cola 1.65 3/14/2018	191216AY6	Corporate	3/14/2018	318	3/31/2017	1,902,674.75	1.650	0.87	1.221	0.27
Coca Cola 1.65 3/14/2018	191216AY6	Corporate	3/14/2018	318	3/31/2017	1,410,690.25	1.650	0.87	1.221	0.20
Coca Cola 1.65 3/14/2018	191216AY6	Corporate	3/14/2018	318	4/7/2017	10,139,194.02	1.650	0.87	1.221	1.45
Coca Cola 1.65 3/14/2018	191216AY6	Corporate	3/14/2018	318	3/30/2017	9,459,343.47	1.650	0.87	1.220	1.35
Exxon Mobile 1.305 3/6/2018	30231GAL6	Corporate	3/6/2018	310	2/3/2017	20,030,000.00	1.305	0.85	1.166	2.86
IBM 1.125 2/6/2018	459200HZ7	Corporate	2/6/2018	282	2/3/2017	3,301,320.00	1.125	0.76	1.085	0.47

Description	CUSIP/Ticker	Security Sector	Maturity Date	Days To Maturity	Settlement Date	Cost Value	Coupon Rate	Duration To Maturity	YTM @ Cost	% of Portfolio
IBM 1.125 2/6/2018	459200HZ7	Corporate	2/6/2018	282	2/3/2017	8,432,371.60	1.125	0.76	1.085	1.21
IBM 1.125 2/6/2018	459200HZ7	Corporate	2/6/2018	282	2/3/2017	7,002,800.00	1.125	0.76	1.085	1.00
IBM 1.125 2/6/2018	459200HZ7	Corporate	2/6/2018	282	2/3/2017	4,776,910.00	1.125	0.76	1.085	0.68
Standard Charter Bank of NY 1.66 2/12/2018	85325TQZ1	Certificate Of Deposit	2/12/2018	288	2/16/2017	10,009,873.33	1.660	0.80	1.559	1.43
Toyota Motor Corp 1.2 4/6/2018	89236TCX1	Corporate	4/6/2018	341	2/21/2017	12,827,017.00	1.200	0.93	1.325	1.84
<b>Total / Average</b>				<b>307</b>		<b>126,610,299.59</b>	<b>1.399</b>	<b>0.84</b>	<b>1.229</b>	<b>18.09</b>
<b>1-2 Years</b>										
FFCB 1.4 3/27/2019	3133EHDR1	US Agency	3/27/2019	696	3/27/2017	10,009,800.00	1.400	1.89	1.350	1.43
FHLB 1.75 12/14/2018	313376BR5	US Agency	12/14/2018	593	2/21/2017	5,042,850.00	1.750	1.60	1.270	0.72
FHLMC 1.35 1/25/2019-17	3134GAK78	US Agency	1/25/2019	635	3/23/2017	10,000,000.00	1.350	1.72	1.350	1.43
FHLMC 1.375 3/15/2019	3134GA5A8	US Agency	3/15/2019	684	3/15/2017	5,000,000.00	1.375	1.85	1.375	0.72
Nestle Holdings Inc 1.375 7/24/2018	U64106BW3	Corporate	7/24/2018	450	2/16/2017	3,084,710.01	1.375	1.22	1.380	0.44
Stanford University 4.75 5/1/2019	854403AC6	Corporate	5/1/2019	731	2/21/2017	5,349,400.00	4.750	1.89	1.500	0.72
Stanford University 4.75 5/1/2019	854403AC6	Corporate	5/1/2019	731	2/21/2017	5,900,388.20	4.750	1.89	1.500	0.79
Wells Fargo Bank 1.8 11/28/2018	94988J5F0	Corporate	11/28/2018	577	2/6/2017	15,243,320.00	1.800	1.55	1.639	2.18
Wells Fargo Bank 1.8 11/28/2018	94988J5F0	Corporate	11/28/2018	577	2/3/2017	8,875,222.50	1.800	1.55	1.640	1.27
<b>Total / Average</b>				<b>630</b>		<b>68,505,690.71</b>	<b>2.078</b>	<b>1.69</b>	<b>1.474</b>	<b>9.68</b>
<b>2-3 Years</b>										
FHLMC Step 9/30/2019-17	3134GAKN3	US Agency	9/30/2019	883	4/25/2017	4,488,750.00	0.750	2.39	1.772	0.64
<b>Total / Average</b>				<b>883</b>		<b>4,488,750.00</b>	<b>0.750</b>	<b>2.39</b>	<b>1.772</b>	<b>0.64</b>
<b>Total / Average</b>				<b>183</b>		<b>699,079,423.48</b>	<b>1.070</b>	<b>0.50</b>	<b>1.156</b>	<b>100</b>



# Northern Virginia Transportation Authority

## Portfolio Holdings by Custodian

### Report Group: Regional Revenue Fund

Date: 4/30/2017

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
<b>Access National Bank</b>								
Access National Bank MM		6/30/2016	60,762,883.22	100.00	60,762,883.22	8.69%	NR	1
MM7182	60,762,883.22	0.80	60,762,883.22	0.80		0.00	NR	0
<b>Sub Total Access National Bank</b>	<b>60,762,883.22</b>	<b>0.80</b>	<b>60,762,883.22</b>	<b>0.80</b>	<b>60,762,883.22</b>	<b>8.69%</b>	<b>0.00</b>	<b>1</b>
<b>BB&amp;T - 1874001006</b>								
BB&T MM		2/2/2017	3,318,755.38	100.00	3,318,755.38	0.47%	NR	1
MM1006	3,318,755.38	0.45	3,318,755.38	0.45		0.00	NR	0
Berkshire Hathaway 1.45 3/7/2018		4/4/2017	29,228,390.25	100.13	29,211,468.75	4.18%	Moody's-Aa2	311
084464CE9	29,175,000.00	1.25	29,224,271.12	1.30	62,280.52	-12,802.37	S&P-AA	0.85
Berkshire Hathaway 1.45 3/7/2018		4/11/2017	2,243,007.04	100.13	2,242,800.00	0.32%	Moody's-Aa2	311
084664CE9	2,240,000.00	1.30	2,242,833.91	1.30	4,781.78	-33.91	S&P-AA	0.85
Berkshire Hathaway 1.55 2/9/2018		4/17/2017	5,846,707.88	100.19	5,838,840.08	0.84%	Moody's-Aa2	285
084670BH0	5,828,000.00	1.15	5,845,891.76	1.31	20,325.15	-7,051.68	S&P-AA	0.77
Caterpillar 0 7/5/2017		4/5/2017	11,963,600.00	99.70	11,963,600.00	1.71%	S&P-A1	66
24023GU54	12,000,000.00	1.22	11,973,600.00	1.67	0.00	-10,000.00	Fitch-F1	0.18
Citibank NA 1.25 7/25/2017		3/8/2017	20,010,000.00	100.04	20,008,200.00	2.86%	Moody's-P1	86
17305TKP6	20,000,000.00	1.12	20,006,187.05	1.07	36,805.56	2,012.95	S&P-A1	0.24
Coca Cola 1.65 3/14/2018		3/31/2017	1,902,674.75	100.28	1,900,268.10	0.27%	Moody's-Aa3	318
191216AY6	1,895,000.00	1.22	1,902,013.13	1.33	3,995.29	-1,745.03	S&P-AA-	0.87
Coca Cola 1.65 3/14/2018		3/30/2017	9,459,343.47	100.28	9,447,190.38	1.35%	Moody's-Aa3	318
191216AY6	9,421,000.00	1.22	9,455,937.60	1.33	19,862.61	-8,747.22	S&P-AA-	0.87
Coca Cola 1.65 3/14/2018		3/31/2017	1,410,690.25	100.28	1,408,905.90	0.2%	Moody's-Aa3	318
191216AY6	1,405,000.00	1.22	1,410,199.71	1.33	2,962.21	-1,293.81	S&P-AA-	0.87
Coca Cola 1.65 3/14/2018		4/7/2017	10,139,194.02	100.28	10,127,075.22	1.45%	Moody's-Aa3	318
191216AY6	10,099,000.00	1.22	10,136,482.99	1.33	21,292.06	-9,407.77	S&P-AA-	0.87



# Northern Virginia Transportation Authority

## Portfolio Holdings by Custodian

### Report Group: Regional Revenue Fund

Date: 4/30/2017

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP	Shares	YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
Credit Suisse New York 0 11/30/2017	10,000,000.00	4/27/2017	9,917,206.48	99.17	9,917,206.48	1.42%	Moody's-P1	214
2254EAYW7	10,000,000.00	1.41	9,918,351.09	1.43	0.00	-1,144.61	S&P-A1	0.59
Exxon Mobile 1.305 3/6/2018	20,000,000.00	2/3/2017	20,030,000.00	99.99	19,998,800.00	2.86%	Moody's-Aaa	310
30231GAL6	20,000,000.00	1.17	20,023,484.85	1.31	39,150.00	-24,684.85	S&P-AA+	0.85
FCB 1.4 3/27/2019	10,000,000.00	3/27/2017	10,009,800.00	99.99	9,998,500.00	1.43%	Moody's-Aaa	696
3133EHDR1	10,000,000.00	1.35	10,009,343.56	1.41	12,833.33	-10,843.56	S&P-AA+	1.89
FHLB 1.75 12/4/2018	5,000,000.00	2/21/2017	5,042,850.00	100.75	5,037,650.00	0.72%	Moody's-Aaa	593
313376BR5	5,000,000.00	1.27	5,038,441.83	1.28	33,055.56	-791.83	S&P-AA+	1.6
FHLMC 1.35 1/25/2019-17	10,000,000.00	3/23/2017	10,000,000.00	99.94	9,994,400.00	1.43%	Moody's-Aaa	86
3134GAK78	10,000,000.00	1.35	10,000,000.00	1.38	35,625.00	-5,600.00	S&P-AA+	1.72
FHLMC 1.375 3/15/2019	5,000,000.00	3/15/2017	5,000,000.00	99.96	4,998,100.00	0.72%	S&P-AA+	684
3134GASA8	5,000,000.00	1.36	5,000,000.00	1.40	8,593.75	-1,900.00	Fitch-AAA	1.85
FHLMC Step 9/30/2019-17	4,500,000.00	4/25/2017	4,488,750.00	99.56	4,480,335.00	0.64%	Moody's-Aaa	61
3134GAKN3	4,500,000.00	1.77	4,488,813.34	1.86	2,812.50	-8,478.34	S&P-AA+	2.39
GE Capital 0 11/9/2017	25,000,000.00	3/24/2017	24,821,111.11	99.28	24,821,111.11	3.55%	Moody's-P1	193
36164JY99	25,000,000.00	1.14	24,849,888.89	1.37	0.00	-28,777.78	S&P-A1+	0.53
IBM 1.125 2/6/2018	4,775,000.00	2/3/2017	4,776,910.00	99.91	4,770,607.00	0.68%	Moody's-Aa3	282
459200HZ7	4,775,000.00	1.09	4,776,463.64	1.25	12,534.38	-5,856.64	S&P-AA-	0.76
IBM 1.125 2/6/2018	8,429,000.00	2/3/2017	8,432,371.60	99.91	8,421,245.32	1.21%	Moody's-Aa3	282
459200HZ7	8,429,000.00	1.09	8,431,583.67	1.25	22,126.12	-10,338.35	S&P-AA-	0.76
IBM 1.125 2/6/2018	3,300,000.00	2/3/2017	3,301,320.00	99.91	3,296,964.00	0.47%	Moody's-Aa3	282
459200HZ7	3,300,000.00	1.09	3,301,011.52	1.25	8,662.50	-4,047.52	S&P-AA-	0.76
IBM 1.125 2/6/2018	7,000,000.00	2/3/2017	7,002,800.00	99.91	6,993,560.00	1%	Moody's-Aa3	282
459200HZ7	7,000,000.00	1.09	7,002,145.65	1.25	18,375.00	-8,585.65	S&P-AA-	0.76
Inova Hospital 0 7/13/2017	18,800,000.00	4/18/2017	18,753,292.44	99.75	18,753,292.44	2.68%	Moody's-P1	74
45778NUDA	18,800,000.00	1.06	18,759,809.77	1.22	0.00	-6,517.33	S&P-A1+	0.2





# Northern Virginia Transportation Authority

## Portfolio Holdings by Custodian

### Report Group: Regional Revenue Fund

Date: 4/30/2017

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
JP Morgan Securities 0 11/1/2017	10,000,000.00	3/8/2017	9,914,055.56	99.14	9,914,055.56	1.42%	Moody's-A1	185
46640PY15		1.33	9,933,194.45	1.72	0.00	-19,138.89	S&P-Sp-1	0.51
JP Morgan Securities 0 12/1/2017	20,000,000.00	3/8/2017	19,799,000.00	99.00	19,799,000.00	2.84%	Moody's-P1	215
46640PZ14		1.38	19,838,750.00	1.73	0.00	-39,750.00	S&P-A1	0.59
Mizuho Bank Ltd/NY 1.3 9/18/2017	15,000,000.00	2/21/2017	15,008,700.00	100.02	15,003,600.00	2.15%	Moody's-P1	141
60689D4K6		1.20	15,005,869.38	1.24	36,328.77	-2,269.38	S&P-A1	0.39
Nestle Holdings Inc 1.375 7/24/2018	3,085,000.00	2/16/2017	3,084,710.01	99.99	3,084,710.01	0.44%	Moody's-A2	450
U64106BW3		1.38	3,084,750.49	1.38	32,521.04	-40.48	S&P-AA	1.22
Prudential Funding LLC 0 10/31/2017	15,000,000.00	3/24/2017	14,895,025.00	99.30	14,895,025.00	2.13%	Moody's-P1	184
74433GXX9		1.16	14,912,600.00	1.41	0.00	-17,575.00	S&P-A1+	0.5
Standard Charter Bank NY 1.54 1/9/2018	10,000,000.00	4/5/2017	10,006,897.50	100.07	10,006,897.50	1.43%	Moody's-P1	254
86325TSB2		1.45	10,006,279.44	1.44	10,694.44	618.06	S&P-A1	0.69
Standard Charter Bank of NY 1.37 10/23/2017	10,000,000.00	4/26/2017	10,000,000.00	100.00	9,999,500.00	1.43%	Moody's-P1	176
85325TSQ9		1.37	10,000,000.00	1.38	1,522.22	-500.00	S&P-A1	0.48
Standard Charter Bank of NY 1.66 2/12/2018	10,000,000.00	2/16/2017	10,009,873.33	100.08	10,007,600.00	1.43%	Moody's-P1	288
86325TQZ1		1.56	10,007,876.78	1.56	33,661.11	-276.78	S&P-A1	0.8
Stanford University 4.75 5/1/2019	5,515,000.00	2/21/2017	5,900,388.20	106.16	5,854,724.00	0.84%	Moody's-Aaa	731
864403AC6		1.50	5,867,589.20	1.61	130,253.58	-12,865.20	S&P-AAA	1.89
Stanford University 4.75 5/1/2019	5,000,000.00	2/21/2017	5,349,400.00	106.16	5,308,000.00	0.76%	Moody's-Aaa	731
864403AC6		1.50	5,319,663.83	1.61	118,090.28	-11,663.83	S&P-AAA	1.89
Toyota Motor Corp 1.2 4/6/2018	12,845,000.00	2/21/2017	12,827,017.00	99.87	12,828,044.60	1.84%	Moody's-Aa3	341
89236TCX1		1.33	12,830,006.84	1.34	10,276.00	-1,962.24	S&P-AA-	0.93
Toyota Motor Corp 1.375 1/10/2018	20,000,000.00	2/3/2017	20,032,000.00	99.99	19,997,000.00	2.86%	Moody's-Aa3	255
89233P7E0		1.20	20,023,929.62	1.40	84,027.78	-26,929.62	S&P-AA-	0.69



# Northern Virginia Transportation Authority

## Portfolio Holdings by Custodian

### Report Group: Regional Revenue Fund

Date: 4/30/2017

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
UBS Bank Stamford CT Branch 1.46 12/13/2017	15,000,000.00	2/21/2017	15,016,950.00	100.05	15,006,900.00	2.15%	Moody's-P1	227
90275DFE5		1.32	15,013,042.88	1.38	40,800.00	-6,142.88	S&P-A1	0.62
Wells Fargo Bank 1.65 1/22/2018		4/20/2017	556,221.00	100.16	555,888.00	0.08%	Moody's-Aa2	267
94988J5A1	555,000.00	1.36	556,176.92	1.43	2,492.88	-288.92	S&P-AA-	0.72
Wells Fargo Bank 1.65 1/22/2018		4/18/2017	1,403,080.00	100.16	1,402,240.00	0.2%	Moody's-Aa2	267
94988J5A1	1,400,000.00	1.36	1,402,947.53	1.43	6,288.33	-707.53	S&P-AA-	0.72
Wells Fargo Bank 1.65 1/22/2018		4/25/2017	1,162,540.40	100.16	1,161,856.00	0.17%	Moody's-Aa2	267
94988J5A1	1,160,000.00	1.35	1,162,493.70	1.43	5,210.33	-637.70	S&P-AA-	0.72
Wells Fargo Bank 1.65 1/22/2018		2/3/2017	10,033,593.90	100.16	10,016,000.00	1.43%	Moody's-Aa2	267
94988J5A1	10,000,000.00	1.30	10,025,409.55	1.43	44,916.67	-9,409.55	S&P-AA-	0.72
Wells Fargo Bank 1.65 1/22/2018		2/6/2017	10,024,900.00	100.16	10,016,000.00	1.43%	Moody's-Aa2	267
94988J5A1	10,000,000.00	1.39	10,018,995.14	1.43	44,916.67	-2,985.14	S&P-AA-	0.72
Wells Fargo Bank 1.8 11/28/2018		2/6/2017	15,243,320.00	100.07	15,210,184.00	2.18%	Moody's-Aa2	577
94988J5F0	15,200,000.00	1.64	15,237,872.18	1.76	107,920.00	-27,688.18	Fitch-AA	1.55
Wells Fargo Bank 1.8 11/28/2018		2/3/2017	8,875,222.50	100.07	8,855,929.50	1.27%	Moody's-Aa2	577
94988J5F0	8,850,000.00	1.64	8,871,950.80	1.76	62,835.00	-16,021.30	Fitch-AA	1.55
<b>Sub Total BB&amp;T - 1874001006</b>	<b>425,795,755.38</b>	<b>1.28</b>	<b>426,241,669.07</b>	<b>1.40</b>	<b>425,872,029.33</b>	<b>60.94%</b>		<b>276</b>
<b>CDARS Program - United Bank</b>	<b>426,234,909.19</b>		<b>426,234,909.19</b>		<b>1,138,828.42</b>	<b>-362,879.86</b>		<b>0.81</b>
United Bank of VA 1.045 9/9/2017		3/9/2017	12,500,000.00	100.00	12,500,000.00	1.79%	NR	132
CDARS3427	12,500,000.00	1.05	12,500,000.00	1.05	18,601.40	0.00	NR	0.36
<b>Sub Total CDARS Program - United Bank</b>	<b>12,500,000.00</b>	<b>1.05</b>	<b>12,500,000.00</b>	<b>1.05</b>	<b>12,500,000.00</b>	<b>1.79%</b>		<b>132</b>
<b>Commonwealth of Virginia</b>	<b>12,500,000.00</b>		<b>12,500,000.00</b>		<b>18,601.40</b>	<b>0.00</b>		<b>0.36</b>
Commonwealth of Virginia LGIP		6/30/2016	1,589,254.24	100.00	1,589,254.24	0.23%	S&P-AAA	1
LGIP0825	1,589,254.24	0.98	1,589,254.24	0.98		0.00	NR	0



# Northern Virginia Transportation Authority

## Portfolio Holdings by Custodian

### Report Group: Regional Revenue Fund

Date: 4/30/2017

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
Commonwealth of Virginia LGIP	48,685,431.30	6/30/2016	48,685,431.30	100.00	48,685,431.30	6.96%	S&P-AAA	1
LGIP0549		0.98	48,685,431.30	0.98		0.00	NR	0
<b>Sub Total Commonwealth of Virginia</b>	<b>50,274,685.54</b>	<b>0.98</b>	<b>50,274,685.54</b>	<b>0.98</b>	<b>50,274,685.54</b>	<b>7.19%</b>		<b>1</b>
<b>John Marshall Bank</b>								<b>0</b>
John Marshall Bank MM	14,189,805.86	6/30/2016	14,189,805.86	100.00	14,189,805.86	2.03%	NR	1
MM0060		0.65	14,189,805.86	0.65		0.00	NR	0
<b>Sub Total John Marshall Bank</b>	<b>14,189,805.86</b>	<b>0.65</b>	<b>14,189,805.86</b>	<b>0.65</b>	<b>14,189,805.86</b>	<b>2.03%</b>		<b>1</b>
<b>Virginia Investment Pool</b>								<b>0</b>
VIP 1-3 Year LGIP	75,847,921.07	6/30/2016	75,847,921.07	100.00	75,847,921.07	10.85%	S&P-AA+	1
LGIP0001		1.13	75,847,921.07	1.13		0.00	NR	0
VIP Stable NAV LGIP	59,262,458.72	10/15/2016	59,262,458.72	100.00	59,262,458.72	8.48%	S&P-AAA	1
LGIP5001		0.99	59,262,458.72	0.99		0.00	NR	0
<b>Sub Total Virginia Investment Pool</b>	<b>135,110,379.79</b>	<b>1.07</b>	<b>135,110,379.79</b>	<b>1.07</b>	<b>135,110,379.79</b>	<b>19.33%</b>		<b>1</b>
<b>TOTAL PORTFOLIO</b>	<b>698,633,509.79</b>	<b>1.16</b>	<b>699,079,423.48</b>	<b>1.23</b>	<b>698,709,783.74</b>	<b>100.00%</b>		<b>171</b>
			<b>699,072,663.60</b>		<b>1,157,429.82</b>	<b>-362,879.86</b>		<b>0.5</b>

**Northern Virginia Transportation Authority**  
**Compliance - GASB 40 Report**  
 Report Format: By Transaction  
 Group By: Security Type  
 Average By: Face Amount / Shares  
**Portfolio / Report Group: Report Group: Regional Revenue Fund**  
**As of 4/30/2017**

Description	CUSIP/Ticker	Issuer	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	Duration To Maturity
<b>Certificate Of Deposit</b>													
United Bank of VA 1.045 9/9/2017	CDARS3427	United Bank of VA	12,500,000.00	12,500,000.00	12,500,000.00	NR	NR	1.79	132	132	9/9/2017		0.36
<b>Sub Total / Average</b>			<b>12,500,000.00</b>	<b>12,500,000.00</b>	<b>12,500,000.00</b>			<b>1.79</b>	<b>132</b>	<b>132</b>			<b>0.36</b>
<b>Commercial Paper</b>													
Caterpillar 0 7/5/2017	24023GU54	Caterpillar	12,000,000.00	11,973,600.00	11,963,600.00	S&P-A1	Fitch-F1	1.72	66	66	7/5/2017		0.18
Credit Suisse New York 0 11/30/2017	2254EAYW7	Credit Suisse New York	10,000,000.00	9,918,351.09	9,917,206.48	Moody-P1	S&P-A1	1.43	214	214	11/30/2017		0.59
GE Capital 0 11/9/2017	36164JY99	GE Capital	25,000,000.00	24,849,888.89	24,821,111.11	Moody-P1	S&P-A1+	3.58	193	193	11/9/2017		0.53
Inova Hospital 0 7/13/2017	45778NUD4	Inova Hospital	18,800,000.00	18,759,809.77	18,753,292.44	Moody-P1	S&P-A1+	2.69	74	74	7/13/2017		0.20
JP Morgan Securities 0 11/1/2017	46640PY15	JP Morgan Securities	10,000,000.00	9,933,194.45	9,914,055.56	Moody-A1	S&P-SP-1	1.43	185	185	11/1/2017		0.51
JP Morgan Securities 0 12/1/2017	46640PZ14	JP Morgan Securities	20,000,000.00	19,838,750.00	19,799,000.00	Moody-P1	S&P-A1	2.88	215	215	12/1/2017		0.59
Prudential Funding LLC 0 10/31/2017	74433GX99	Prudential Funding LLC	15,000,000.00	14,912,600.00	14,895,025.00	Moody-P1	S&P-A1+	2.15	184	184	10/31/2017		0.50
<b>Sub Total / Average</b>			<b>110,800,000.00</b>	<b>110,186,194.20</b>	<b>110,063,290.59</b>			<b>15.86</b>	<b>163</b>	<b>163</b>			<b>0.45</b>
<b>Corporate Bond</b>													
Berkshire Hathaway 1.45 3/7/2018	084464CE9	Berkshire Hathaway	29,175,000.00	29,224,271.12	29,211,468.75	Moody-Aa2	S&P-AA	4.18	311	311	3/7/2018		0.85
Berkshire Hathaway 1.45 3/7/2018	084664CE9	Berkshire Hathaway	2,240,000.00	2,242,833.91	2,242,800.00	Moody-Aa2	S&P-AA	0.32	311	311	3/7/2018		0.85
Berkshire Hathaway 1.55 2/9/2018	084670BH0	Berkshire Hathaway	5,828,000.00	5,845,891.76	5,838,840.08	Moody-Aa2	S&P-AA	0.83	285	285	2/9/2018		0.77
Coca Cola 1.65 3/14/2018	191216AY6	Coca Cola	1,895,000.00	1,902,013.13	1,900,268.10	Moody-Aa3	S&P-AA-	0.27	318	318	3/14/2018		0.87
Coca Cola 1.65 3/14/2018	191216AY6	Coca Cola	1,405,000.00	1,410,199.71	1,408,905.90	Moody-Aa3	S&P-AA-	0.20	318	318	3/14/2018		0.87
Coca Cola 1.65 3/14/2018	191216AY6	Coca Cola	10,099,000.00	10,136,482.99	10,127,075.22	Moody-Aa3	S&P-AA-	1.45	318	318	3/14/2018		0.87
Coca Cola 1.65 3/14/2018	191216AY6	Coca Cola	9,421,000.00	9,455,937.60	9,447,190.38	Moody-Aa3	S&P-AA-	1.35	318	318	3/14/2018		0.87
Exxon Mobile 1.305 3/6/2018	30231GAL6	Exxon Mobile	20,000,000.00	20,023,484.85	19,998,800.00	Moody-Aaa	S&P-AA+	2.86	310	310	3/6/2018		0.85
IBM 1.125 2/6/2018	459200HZ7	IBM	3,300,000.00	3,301,011.52	3,296,964.00	Moody-Aa3	S&P-AA-	0.47	282	282	2/6/2018		0.76
IBM 1.125 2/6/2018	459200HZ7	IBM	8,429,000.00	8,431,583.67	8,421,245.32	Moody-Aa3	S&P-AA-	1.21	282	282	2/6/2018		0.76
IBM 1.125 2/6/2018	459200HZ7	IBM	7,000,000.00	7,002,145.65	6,993,560.00	Moody-Aa3	S&P-AA-	1.00	282	282	2/6/2018		0.76
IBM 1.125 2/6/2018	459200HZ7	IBM	4,775,000.00	4,776,463.64	4,770,607.00	Moody-Aa3	S&P-AA-	0.68	282	282	2/6/2018		0.76
Nestle Holdings Inc 1.375 7/24/2018	U64106BW3	Nestle Holdings Inc	3,085,000.00	3,084,750.49	3,084,710.01	Moody-Aa2	S&P-AA	0.44	450	450	7/24/2018		1.22
Standard Charter Bank NY 1.54 1/9/2018	85325TSB2	Standard Charter Bank NY	10,000,000.00	10,006,279.44	10,006,897.50	Moody-P1	S&P-A1	1.43	254	254	1/9/2018		0.69
Standard Charter Bank of NY 1.37 10/23/2017	85325TSQ9	Standard Charter Bank of NY	10,000,000.00	10,000,000.00	9,999,500.00	Moody-P1	S&P-A1	1.43	176	176	10/23/2017		0.48
Stanford University 4.75 5/1/2019	854403AC6	Stanford University	5,000,000.00	5,319,663.83	5,308,000.00	Moody-Aaa	S&P-AAA	0.72	731	731	5/1/2019		1.89
Stanford University 4.75 5/1/2019	854403AC6	Stanford University	5,515,000.00	5,867,589.20	5,854,724.00	Moody-Aaa	S&P-AAA	0.79	731	731	5/1/2019		1.89

Description	CUSIP/Ticker	Issuer	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	Duration To Maturity
Toyota Motor Corp 1.2 4/6/2018	89236TCX1	Toyota Motor Corp	12,845,000.00	12,830,006.84	12,828,044.80	Moody's-Aa3	S&P-AA-	1.84	341	341	4/6/2018		0.93
Toyota Motor Corp 1.375 1/10/2018	89233P7E0	Toyota Motor Corp	20,000,000.00	20,023,929.82	19,997,000.00	Moody's-Aa3	S&P-AA-	2.86	255	255	1/10/2018		0.89
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Wells Fargo Bank	10,000,000.00	10,025,409.55	10,016,000.00	Moody's-Aa2	S&P-AA-	1.43	267	267	1/22/2018		0.72
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Wells Fargo Bank	10,000,000.00	10,018,995.14	10,016,000.00	Moody's-Aa2	S&P-AA-	1.43	267	267	1/22/2018		0.72
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Wells Fargo Bank	555,000.00	556,176.92	555,888.00	Moody's-Aa2	S&P-AA-	0.08	267	267	1/22/2018		0.72
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Wells Fargo Bank	1,400,000.00	1,402,947.53	1,402,240.00	Moody's-Aa2	S&P-AA-	0.20	267	267	1/22/2018		0.72
Wells Fargo Bank 1.65 1/22/2018	94988J5A1	Wells Fargo Bank	1,160,000.00	1,162,493.70	1,161,856.00	Moody's-Aa2	S&P-AA-	0.17	267	267	1/22/2018		0.72
Wells Fargo Bank 1.8 11/28/2018	94988J5F0	Wells Fargo Bank	15,200,000.00	15,237,872.18	15,210,184.00	Moody's-Aa2	Fitch-AA	2.18	577	577	11/28/2018		1.55
Wells Fargo Bank 1.8 11/28/2018	94988J5F0	Wells Fargo Bank	8,850,000.00	8,871,950.80	8,855,929.50	Moody's-Aa2	Fitch-AA	1.27	577	577	11/28/2018		1.55
<b>Sub Total / Average</b>			<b>217,177,000.00</b>	<b>218,160,384.79</b>	<b>217,954,698.36</b>			<b>31.09</b>	<b>343</b>	<b>343</b>			<b>0.93</b>
<b>FFCB Bond</b>													
FFCB 1.4 3/27/2019	3133EHDR1	FFCB	10,000,000.00	10,009,343.56	9,998,500.00	Moody's-Aaa	S&P-AA+	1.43	696	696	3/27/2019		1.89
<b>Sub Total / Average</b>			<b>10,000,000.00</b>	<b>10,009,343.56</b>	<b>9,998,500.00</b>			<b>1.43</b>	<b>696</b>	<b>696</b>			<b>1.89</b>
<b>FHLB Bond</b>													
FHLB 1.75 12/14/2018	313376BR5	FHLB	5,000,000.00	5,038,441.83	5,037,650.00	Moody's-Aaa	S&P-AA+	0.72	593	593	12/14/2018		1.60
<b>Sub Total / Average</b>			<b>5,000,000.00</b>	<b>5,038,441.83</b>	<b>5,037,650.00</b>			<b>0.72</b>	<b>593</b>	<b>593</b>			<b>1.60</b>
<b>FHLMC Bond</b>													
FHLMC 1.35 1/25/2019-17	3134GAK78	FHLMC	10,000,000.00	10,000,000.00	9,994,400.00	Moody's-Aaa	S&P-AA+	1.43	635	86	1/25/2019	7/25/2017	1.72
FHLMC 1.375 3/15/2019	3134GA5A8	FHLMC	5,000,000.00	5,000,000.00	4,998,100.00	S&P-AA+	Fitch-AAA	0.72	684	684	3/15/2019		1.85
FHLMC Step 9/30/2019-17	3134GAKN3	FHLMC	4,500,000.00	4,488,813.34	4,480,335.00	Moody's-Aaa	S&P-AA+	0.84	883	61	9/30/2019	6/30/2017	2.39
<b>Sub Total / Average</b>			<b>19,500,000.00</b>	<b>19,488,813.34</b>	<b>19,472,835.00</b>			<b>2.79</b>	<b>705</b>	<b>234</b>			<b>1.91</b>
<b>Local Government Investment Pool</b>													
Commonwealth of Virginia LGIP	LGIP0825	Commonwealth of Virginia	1,589,254.24	1,589,254.24	1,589,254.24	S&P-AAA	NR	0.23	1	1	N/A	N/A	0.00
Commonwealth of Virginia LGIP	LGIP0549	Commonwealth of Virginia	48,685,431.30	48,685,431.30	48,685,431.30	S&P-AAA	NR	6.97	1	1	N/A	N/A	0.00
VIP 1-3 Year LGIP	LGIP0001	VIP 1-3 Year	75,847,921.07	75,847,921.07	75,847,921.07	S&P-AA+	NR	10.86	1	1	N/A	N/A	0.00
VIP Stable NAV LGIP	LGIP5001	VIP Stable NAV	59,262,458.72	59,262,458.72	59,262,458.72	S&P-AAA	NR	8.48	1	1	N/A	N/A	0.00
<b>Sub Total / Average</b>			<b>185,385,065.33</b>	<b>185,385,065.33</b>	<b>185,385,065.33</b>			<b>26.54</b>	<b>1</b>	<b>1</b>			<b>0.00</b>
<b>Money Market</b>													
Access National Bank MM	MM7182	Access National Bank	60,762,883.22	60,762,883.22	60,762,883.22	NR	NR	8.70	1	1	N/A	N/A	0.00
BB&T MM	MM1006	BB&T	3,318,755.38	3,318,755.38	3,318,755.38	NR	NR	0.48	1	1	N/A	N/A	0.00
John Marshall Bank MM	MM0060	John Marshall Bank	14,189,805.86	14,189,805.86	14,189,805.86	NR	NR	2.03	1	1	N/A	N/A	0.00
<b>Sub Total / Average</b>			<b>78,271,444.46</b>	<b>78,271,444.46</b>	<b>78,271,444.46</b>			<b>11.20</b>	<b>1</b>	<b>1</b>			<b>0.00</b>
<b>Negotiable Certificate Of Deposit</b>													
CitiBank NA 1.25 7/25/2017	17305TKP6	CitiBank NA	20,000,000.00	20,006,187.05	20,008,200.00	Moody's-P1	S&P-A1	2.86	86	86	7/25/2017		0.24
Mizuho Bank Ltd/NY 1.3 9/18/2017	60689D4K6	Mizuho Bank Ltd/NY	15,000,000.00	15,005,869.38	15,003,600.00	Moody's-P1	S&P-A1	2.15	141	141	9/18/2017		0.39

Description	CUSIP/Ticker	Issuer	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	Duration To Maturity
Standard Charter Bank of NY 1.68 2/12/2018	85325TQZ1	Standard Charter Bank of NY	10,000,000.00	10,007,876.78	10,007,600.00	Moody's-P1	S&P-A1	1.43	288	288	2/12/2018		0.80
UBS Bank Stamford CT Branch 1.46 12/13/2017	90275DFE5	UBS Bank Stamford CT Branch	15,000,000.00	15,013,042.88	15,006,900.00	Moody's-P1	S&P-A1	2.15	227	227	12/13/2017		0.62
<b>Sub Total / Average</b>			<b>60,000,000.00</b>	<b>60,032,976.09</b>	<b>60,026,300.00</b>			<b>8.59</b>	<b>169</b>	<b>169</b>			<b>0.47</b>
<b>Total / Average</b>			<b>698,633,509.79</b>	<b>699,072,663.60</b>	<b>698,709,783.74</b>			<b>100</b>	<b>183</b>	<b>170</b>			<b>0.50</b>

## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Parrish and Members of the NVTA Finance Committee  
**FROM:** Michael Longhi, Chief Financial Officer  
**DATE:** May 11, 2017  
**SUBJECT:** Monthly Revenue Report

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1. **Purpose:** To update the Finance Committee on monthly revenue receipts and 30% funds distributed to member localities.
2. **Background:** The attached reports reflect funding received and distributed through April 30, 2017.
3. **Comments:**
  - a. **FY2017 Revenues (Attachment A)**
    - i. The Authority has received approximately \$217 million through the April 2017 transfers from the Commonwealth.
    - ii. Actual to estimate comparison for revenues through April show a 8.4% positive variance in Grantor's Tax, a 0.09% positive variance in Sales Tax and a .56% positive variance in Transient Occupancy Tax compared to the adopted revenue estimates.
    - iii. Overall revenue receipts are 1.27% 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, all jurisdictions have completed the HB 2313 required annual certification process to receive FY2017 30% funds.
    - ii. Of the \$217 million actually received by the Authority through April for FY2017, approximately \$65 million represents 30% local funds all of which have 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 April 2017.

**Attachments:**

- A. Revenues Received By Tax Type, Compared to NVTA Estimates, Through April 2017
- B. FY2017 30% Distribution by Jurisdiction, through April 2017
- C. Month to Month Comparison By Tax Type and YTD Receipts for April 2014 to 2017

# Attachment A

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

Grantors Tax		Received		NVTA		Annualized - Actual		Projected Variance
Transaction Months	9	To Date	Annualized	FY 2017 Budget	To Budget	To Budget	To Budget	
City of Alexandria		\$ 2,359,042	\$ 3,145,390	\$ 3,322,266	\$	\$ (176,876)		
Arlington County		\$ 3,867,215	\$ 5,156,287	\$ 4,662,589	\$	\$ 493,698		
City of Fairfax		\$ 235,004	\$ 313,339	\$ 295,220	\$	\$ 18,119		
Fairfax County		\$ 15,759,745	\$ 21,012,993	\$ 20,876,353	\$	\$ 136,640		
City of Falls Church		\$ 171,848	\$ 229,130	\$ 298,423	\$	\$ (69,293)		
Loudoun County		\$ 7,859,646	\$ 10,479,529	\$ 8,545,066	\$	\$ 1,934,463		
City of Manassas		\$ 307,251	\$ 409,668	\$ 339,631	\$	\$ 70,037		
City of Manassas Park		\$ 112,330	\$ 149,773	\$ 158,354	\$	\$ (8,581)		
Prince William County		\$ 4,758,907	\$ 6,345,209	\$ 5,073,000	\$	\$ 1,272,209		
Total Grantors Tax Revenue		\$ 35,430,988	\$ 47,241,317	\$ 43,570,902	\$	\$ 3,670,415		8.42%
Regional Sales Tax*		Received		FY 2017		Annualized - Actual		
Transaction Months	8	To Date	Annualized	Budget	To Budget	To Budget	To Budget	
City of Alexandria		\$10,252,191	\$ 15,378,287	\$ 14,576,063	\$	\$ 802,224		
Arlington County		\$16,157,753	\$ 24,236,629	\$ 24,810,622	\$	\$ (573,993)		
City of Fairfax		\$4,740,938	\$ 7,111,407	\$ 6,833,280	\$	\$ 278,127		
Fairfax County		\$70,876,371	\$ 106,314,556	\$ 112,442,662	\$	\$ (6,128,106)		
City of Falls Church		\$1,611,533	\$ 2,417,300	\$ 2,304,737	\$	\$ 112,563		
Loudoun County		\$32,682,029	\$ 49,023,044	\$ 44,265,375	\$	\$ 4,757,669		
City of Manassas		\$3,419,937	\$ 5,129,906	\$ 4,904,149	\$	\$ 225,757		
City of Manassas Park		\$923,643	\$ 1,385,465	\$ 1,292,525	\$	\$ 92,940		
Prince William County		\$24,202,844	\$ 36,304,266	\$ 35,639,660	\$	\$ 664,606		
Total Sales Tax Revenue*		\$ 164,867,240	\$ 247,300,860	\$ 247,069,073	\$	\$ 231,787		0.09%
Transient Occupancy Tax (TOT)		Received		FY 2017		Annualized - Actual		
Transaction Months		To Date	Annualized	Budget	To Budget	To Budget	To Budget	
City of Alexandria	Months	8.00 \$ 2,391,445	\$ 3,587,168	\$ 3,458,526	\$	\$ 128,642		
Arlington County	Months	8.00 \$ 5,827,404	\$ 8,741,106	\$ 9,711,491	\$	\$ (970,385)		
City of Fairfax	Quarters	3.00 \$ 267,627	\$ 356,836	\$ 328,250	\$	\$ 28,586		
Fairfax County	Quarters	2.00 \$ 5,771,311	\$ 11,542,622	\$ 11,042,184	\$	\$ 500,438		
City of Falls Church	Months	8.00 \$ 114,039	\$ 171,058	\$ 174,234	\$	\$ (3,176)		
Loudoun County	Quarters	2.33 \$ 1,718,194	\$ 2,949,689	\$ 2,562,016	\$	\$ 387,673		
City of Manassas	Months	8.00 \$ 44,131	\$ 66,197	\$ 58,868	\$	\$ 7,329		
City of Manassas Park	n/a	\$ -	\$ -	\$ -	\$	\$ -		
Prince William County	Quarters	2.40 \$ 971,974	\$ 1,619,957	\$ 1,537,000	\$	\$ 82,957		
Total TOT Revenue		17,106,124	29,034,631	\$ 28,872,569	\$	162,062		0.56%
Total Revenue Received		\$ 217,404,352	\$ 323,576,808	\$ 319,512,544	\$	\$ 4,064,264		1.27%

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



# Attachment B

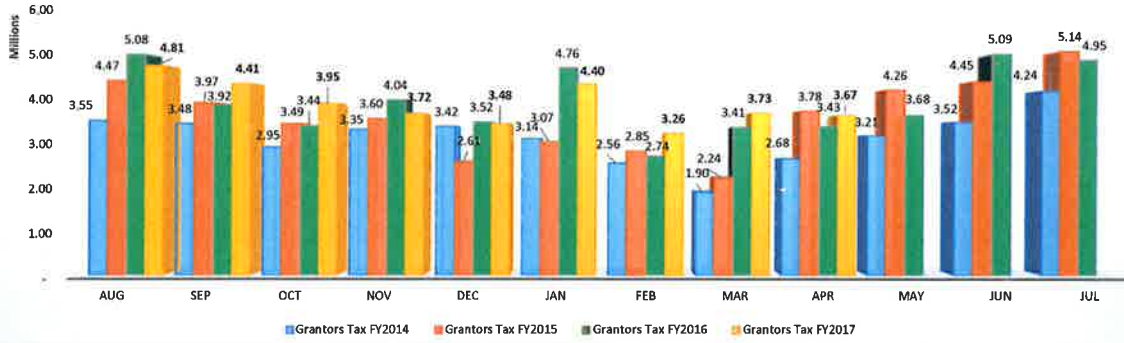
## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY FY 2017 30% DISTRIBUTION BY JURISDICTION

Based on: Receipts through April 2017

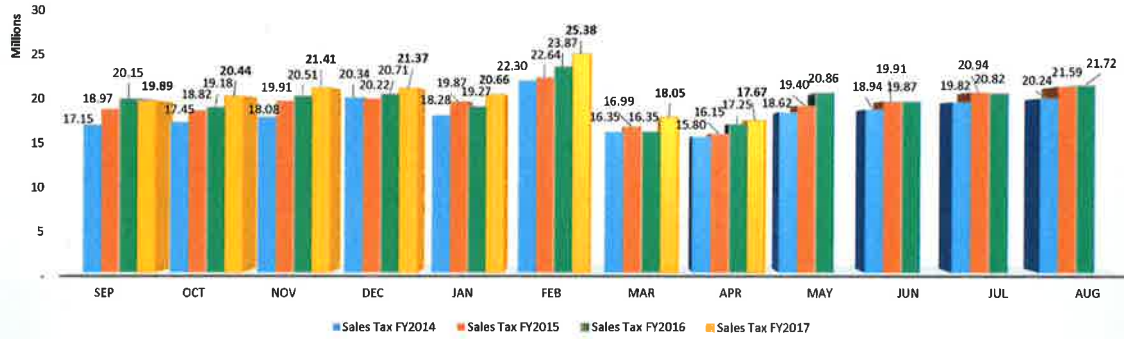
Jurisdiction	Grantor's Tax	*Regional Sales Tax (1)	Transient Occupancy Tax (2)	NVTA Fund Interest	Cumulative Total	30% Funds	Thru 3/31/2017 Accrued Interest (3)	Thru 3/31/2017 Prior Distributions	Current Month Distribution	Total Funds Transferred
City of Alexandria	\$ 2,359,042.35	\$ 10,252,191.07	\$ 2,391,445.35	\$ 8,003.01	\$ 15,010,681.78	\$ 4,503,204.53	\$ 754.65	\$ 4,021,471.61	\$ 482,487.57	\$ 4,503,959.18
Arlington County	\$ 3,867,215.25	\$ 16,157,752.94	\$ 5,827,403.96	\$ 14,385.09	\$ 25,866,757.24	\$ 7,760,027.17	\$ 1,293.68	\$ 6,964,648.15	\$ 796,672.70	\$ 7,761,320.85
City of Fairfax	\$ 235,004.40	\$ 4,740,937.91	\$ 267,626.64	\$ 2,892.56	\$ 5,246,461.51	\$ 1,573,938.45	\$ 215.61	\$ 1,405,205.82	\$ 168,948.24	\$ 1,574,154.06
Fairfax County	\$ 15,759,744.52	\$ 70,876,370.85	\$ 5,771,310.75	\$ 51,374.54	\$ 92,458,800.66	\$ 27,737,640.20	\$ 4,527.89	\$ 24,967,066.91	\$ 2,775,101.18	\$ 27,742,168.09
City of Falls Church	\$ 171,847.65	\$ 1,611,533.32	\$ 114,038.54	\$ 1,008.47	\$ 1,898,427.98	\$ 569,528.39	\$ 107.81	\$ 504,184.15	\$ 65,452.05	\$ 569,636.20
Loudoun County	\$ 7,859,646.45	\$ 32,682,029.46	\$ 1,718,193.64	\$ 23,177.64	\$ 42,283,047.19	\$ 12,684,914.16	\$ 2,048.33	\$ 11,358,492.15	\$ 1,328,470.34	\$ 12,686,962.49
City of Manassas	\$ 307,250.70	\$ 3,419,937.40	\$ 44,131.26	\$ 2,112.69	\$ 3,773,432.05	\$ 1,132,029.62	\$ 215.61	\$ 997,740.18	\$ 134,505.05	\$ 1,132,245.23
City of Manassas Park	\$ 112,329.75	\$ 923,643.48	\$ -	\$ 566.10	\$ 1,036,539.33	\$ 310,961.80	\$ 107.82	\$ 277,319.45	\$ 33,750.17	\$ 311,069.62
Prince William County	\$ 4,758,906.75	\$ 24,202,843.89	\$ 971,973.93	\$ 16,661.03	\$ 29,950,385.60	\$ 8,985,115.68	\$ 1,509.30	\$ 8,062,640.70	\$ 923,984.28	\$ 8,986,624.98
<b>Total Revenue</b>	\$ 35,430,987.82	\$ 164,867,240.32	\$ 17,106,124.07	\$ 120,181.13	\$ 217,524,533.34	\$ 65,257,360.00	\$ 10,780.70	\$ 58,558,769.12	\$ 6,709,371.58	\$ 65,268,140.70

- 1 Net of Dept. of Taxation Fees
- 2 County TOT includes any town collections
- 3 Interest earned through 3/31/2017

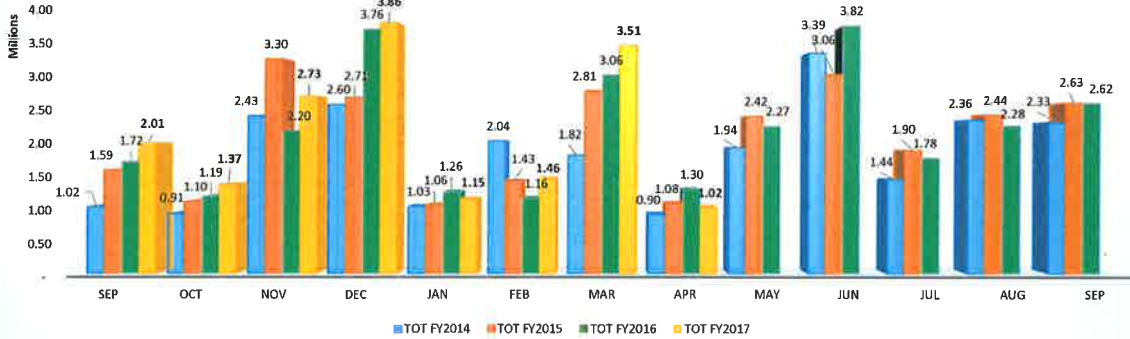
**Grantors Tax  
(month received)**



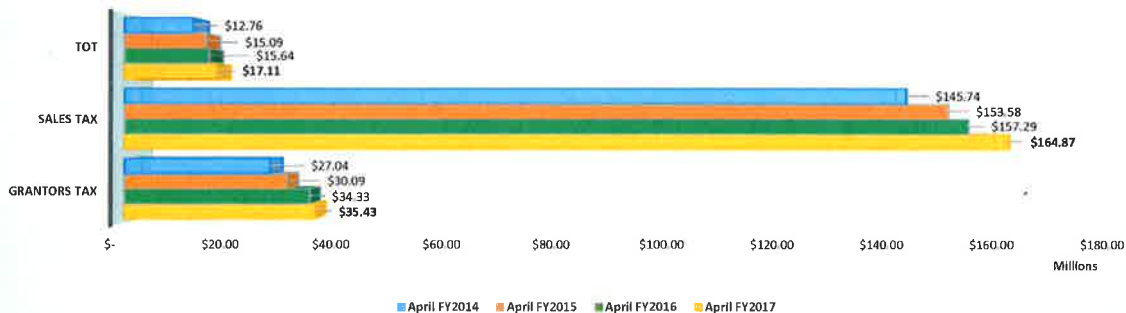
**Sales Tax  
(month received)**



**Transient Occupancy Tax  
(month received)**



**YTD Receipt Comparison April FY2014 to FY2017**



## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

**TO:** Chairman Parrish and Members of the NVTA Finance Committee

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

**DATE:** May 11, 2017

**SUBJECT:** NVTA Operating Budget

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1. **Purpose:** To update the Finance Committee on the Authority's 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 April 30, 2017, the FY2017 Operating Budget has produced the following results:
  - a. Operating revenue is at 100% of estimate for the entire year.
  - b. In February 2017, the Authority approved a FY2017 transfer of \$25,000 from the NVTA Operating Reserve to Expenditure Account 43000-320 – HW & SW Peripheral Purchase for the acquisition and implementation of Geographic Information System (GIS) mapping and limited modelling and analysis functions. An offsetting transfer will occur in FY2018.
  - c. April 2017 represents 83% of the fiscal year. Through April 2017, the Authority has utilized 75% of its adjusted expenditure budget.
  - d. The attached statement shows the operating budget income and expenditure activity through April 2017 for FY2017.

**Attachment:** FY2017 Operating Budget through April 30, 2017

1000 General Fund

		----- Current Year -----				
Account Object	Description	Current Month	Current YTD	Budget	Variance	%
<b>Revenue</b>						
330100	Contribution Member Jurisdiction		1,654,617.00	1,654,659.00	-42.00	100
						100
	<b>Total Revenue</b>	0.00	1,654,617.00	1,654,659.00	-42.00	100
<b>Expenses</b>						
410000	<b>Personnel Expenses</b>					
110	Salaries-Regular Pay	73,705.02	761,090.21	943,126.00	182,035.79	81
130	Health & Dental Benefits	8,643.84	85,785.66	115,200.00	29,414.34	74
131	Payroll Taxes	5,476.06	51,472.28	72,258.00	20,785.72	71
132	Retirement VRS	7,694.32	74,359.71	93,561.00	19,201.29	79
133	Life Insurance	1,046.00	9,932.10	12,355.00	2,422.90	80
134	Flex Spending/Dependent Care	31.50	349.00	604.00	255.00	58
135	Workers Comp		1,039.00	1,037.00	-2.00	100
137	Disability Insurance	701.75	13,902.45	13,360.00	-542.45	104
	<b>Total Account</b>	97,298.49	997,930.41	1,251,501.00	253,570.59	80
420000	<b>Professional Services</b>					
210	Audit & Accounting Services		20,250.00	27,500.00	7,250.00	74
220	Bank Service		30.00	750.00	720.00	4
230	Insurance		4,705.00	4,200.00	-505.00	112
240	Payroll Services	91.30	1,226.22	1,300.00	73.78	94
260	Public Outreach		20,577.09	21,500.00	922.91	96
261	Legal/Bond Council Services			37,500.00	37,500.00	
262	Financial Advisory Services		36,033.30	72,000.00	35,966.70	50
263	Bond Trustee Fees		2,687.50	2,700.00	12.50	100
264	Legislative Services	7,250.00	33,566.00	60,000.00	26,434.00	56
265	Investment Custody Svc	3,222.22	3,222.22	12,500.00	9,277.78	26
	<b>Total Account</b>	10,563.52	122,297.33	239,950.00	117,652.67	51
430000	<b>Technology/Communication</b>					
310	Acctg & Financial Report Systems	4,969.00	4,969.00	10,000.00	5,031.00	50
320	HW SW & Peripheral Purchase	1,097.52	15,598.42	30,030.00	14,431.58	52
330	IT Support Svc Incl Hosting	1,354.10	12,358.97	14,150.00	1,791.03	87
340	Phone Service	100.00	4,605.50	7,300.00	2,694.50	63
350	Web Develop & Hosting	470.40	2,417.90	7,600.00	5,182.10	32
	<b>Total Account</b>	7,991.02	39,949.79	69,080.00	29,130.21	58
440000	<b>Administrative Expenses</b>					
410	Advertisement			1,500.00	1,500.00	
411	Dues & Subscriptions	45.00	1,480.00	3,710.00	2,230.00	40
412	Duplication & Printing	2,639.23	8,262.80	14,592.00	6,329.20	57
413	Furniture & Fixture		5,613.36	6,000.00	386.64	94
414	Meeting Expenses		2,507.89	3,600.00	1,092.11	70
415	Mileage/Transportation	209.42	4,041.23	10,200.00	6,158.77	40

1000 General Fund

Account Object	Description	----- Current Year -----				%
		Current Month	Current YTD	Budget	Variance	
416	Misc Exp		3,252.85		-3,252.85	
417	Office Lease	9,813.60	107,076.62	116,059.00	8,982.38	92
418	Office Supplies	177.07	2,363.10	6,880.00	4,516.90	34
419	Postage & Delivery		276.56	700.00	423.44	40
420	Professional Develop & Training		2,181.77	13,670.00	11,488.23	16
421	Industry Conferences		4,152.19	6,500.00	2,347.81	64
	Total Account	12,884.32	141,208.37	183,411.00	42,202.63	77
	Total Expenses	128,737.35	1,301,385.90	1,743,942.00	442,556.10	75
	Net Income from Operations	-128,737.35	353,231.10			
Other Expenses						
521000	Transfers					
820	Transfer to Operating Reserve			318,788.00	318,788.00	
825	Transf to Equip Reserve			4,500.00	4,500.00	
	Total Account			323,288.00	323,288.00	
	Total Other Expenses	0.00	0.00	323,288.00	323,288.00	
	Net Income	-128,737.35	353,231.10			



## NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

### MEMORANDUM

**TO:** Chairman Parrish and Members of the NVTA Finance Committee  
**FROM:** Michael Longhi, Chief Financial Officer  
**DATE:** April 14, 2017  
**SUBJECT:** Credit Rating Affirmation

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1. **Purpose:** To discuss recent credit rating affirmation from Fitch Ratings (attached).
2. **Discussion:**
  - a. The credit rating firms; Fitch, Moody's and Standard and Poor's (S&P) may undertake ongoing reviews of prior credit ratings and may make rating changes as they deem appropriate.
  - b. Recently the Authority's Series 2014 Revenue Bonds were reviewed by Fitch Ratings and Moody's.
  - c. The Authority's Financial Advisor (PFM) prepared pre-review materials using their knowledge of the credit surveillance methods employed by Fitch and Moody's.
  - d. The Fitch criteria was last updated in April 2016. Since this change occurred after the Authority's inaugural rating in 2014, PFM's knowledge of the current evaluation environment was particularly beneficial.
  - e. The rating assessments for Fitch and Moody's were undertaken via conference calls using prepared presentation material.
  - f. S&P communicated through the Authority's Financial Advisor (PFM) that a review was not needed at this time.
  - g. Fitch formally affirmed the Authority's AA+; Outlook Stable rating. In doing so Fitch noted as key rating drivers:
    - a. Exceptional Revenue Resilience, noting revenue far exceeds the Authority's maximum annual debt service (MADS). And, that while Fitch expects the Authority to eventually issue additional debt, the 2.0xMADS additional bonds test (ABT) "...provides significant protection against historical and Fitch-modeled revenue declines associated with a moderate economic downturn scenario."
    - b. Vibrant Service Area. Fitch noted; "The NVTA region remains among the strongest economies in the country..."
    - c. Strong Governance. "Fitch believes the NVTA will prudently manage execution of its capital plan and debt issuance in lockstep with the strong financial and debt management practices demonstrated by the state and local governments represented on the NVTA board."
    - d. Revenue Subject to State Appropriation: "NVTA's receipt of the pledged revenues is subject to appropriation by the state general assembly, capping

the rating on this obligation at one notch below the state's IDR (currently 'AAA' with a Stable Outlook)." {Please note, an IDR is an issuer default rating.}

- h.** Moody's did not issue a press release or public report. However, the NVTA staff assessment of the conference call is that the call was very positive.

**Attachment:** Fitch Ratings press release dated March 27, 2017



## Fitch Affirms Northern Virginia Transportation Authority Revs at 'AA+'; Outlook Stable

Fitch Ratings-New York-24 March 2017: Fitch Ratings has affirmed the 'AA+' rating on the following bonds of the Northern Virginia Transportation Authority, VA (NVTA):

—\$65,250,000 transportation special tax revenue bonds, series 2014.

The Rating Outlook is Stable.

### SECURITY

The bonds are payable from a first lien on and pledge of the regional NVTA revenue which is a fixed percentage (70%) of certain dedicated tax revenue and fees including a 0.7% state sales tax, a 2% state transient occupancy tax, and a state recordation fee equal to \$0.15 per \$100 of the value of the related real property. The pledged revenues are each levied and collected in the counties of Arlington, Fairfax, Loudoun and Prince William, and the cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park (collectively, the NVTA member jurisdictions). The bonds are also secured by a cash-funded debt service reserve fund (DSRF) equal to maximum annual debt service (MADS).

### KEY RATING DRIVERS

**Exceptional Revenue Resilience:** Pledged revenues were in excess of \$220 million in fiscal 2016 compared to MADS of less than \$6 million. Fitch expects NVTA to issue additional debt over time given the extensive transportation needs of the region; however, the 2.0x MADS additional bonds test (ABT) provides significant protection against historical and Fitch-modeled revenue declines associated with a moderate economic downturn scenario.

**Vibrant Service Area:** The NVTA region remains among the strongest economies in the country and Fitch believes a combination of low unemployment, high income, and employment and population growth should bode well for the stability of pledged revenues over time. Roughly 85% of pledged revenues are derived from the sales and use tax, which is applied to a broad base of economic transactions and has proven very resilient with only three separate years of annual losses dating back to fiscal 1994.

**Strong Governance:** Fitch believes the NVTA will prudently manage execution of its capital plan and debt issuance in lockstep with the strong financial and debt management practices demonstrated by the state and local governments represented on the NVTA board. Fitch rates the Issuer Default Ratings (IDR) of the Commonwealth and five of the nine NVTA member jurisdictions 'AAA'.

**Revenue Subject to State Appropriation:** NVTA's receipt of the pledged revenues is subject to appropriation by the state general assembly, capping the rating on this obligation at one notch below the state's IDR (currently 'AAA' with a Stable Outlook).

**Issuing Entity Exposure:** Fitch has not assigned an IDR to the NVTA given the limited nature of its operations. The NVTA has a general fund operating budget of roughly \$2 million in fiscal 2017 and a total of only eight employees. While granted the authority to operating transit facilities the NVTA does not currently do so nor does it anticipate an expanded operating profile in the future.

### RATING SENSITIVITIES

**Prolonged Revenue Shift:** Unanticipated shifts in the availability of pledged revenues due to economic weakness and/or changes in state law, for example, could pressure the rating.

**Expanded Operating Profile:** Although not anticipated, if the NVTA were to assume responsibilities for transit operations Fitch's rating on the bonds could change, as our analysis would expand to include an evaluation of transit financial operations, service essentiality, and community support, among other factors.

### CREDIT PROFILE

The NVTA is an authority of the Commonwealth created in 2002 to conduct project planning, prioritization, and funding for the Northern Virginia region. The NVTA is governed by a 17-member board which includes the following voting members: the chief elected officials or designee of the nine member jurisdictions, two members of the Commonwealth House of Delegates, one member of the Senate, and two citizens appointed by the Governor. Non-voting members include the director of the Virginia Department of Rail and Public Transportation (or designee), the Commissioner of Highways (or designee), and the chief elected officer of one town in a county which is a member jurisdiction. NVTA's financial policies and its operating budget are developed by staff and approved by the NVTA board. NVTA operates with a limited staff but utilizes the expertise of the professional staff (debt



managers, finance officers, etc.) from the member jurisdictions.

In 2013, the General Assembly adopted HB 2313 which established a new transportation funding source for NVTA, among other entities in the Commonwealth, and authorized the levy and collection of an additional sales and use tax, transient occupancy tax, and recordation fee within its member jurisdictions. The regional NVTA revenue pledged to bondholders consists of 70% of the HB 2313 funds. These revenues are retained by NVTA to finance on a reimbursement basis regional transportation projects. The regional NVTA monies are the primary funding source for TransAction 2040, a long-term regional transportation plan adopted in 2012 encompassing \$9.3 billion in highway projects and \$13.2 billion in transit projects through 2040. NVTA expects to adopt an update to TransAction 2040 in October 2017. The remaining 30% of the HB 2313 funds are distributed to the member jurisdictions for local transportation projects.

#### Exceptional Resilience to Revenue Scenarios

Pledged revenues in fiscal 2016 totaled close to \$222 million or almost 40x MADS of \$5.6 million. Fitch measures the resiliency of the pledged revenue stream on the basis of existing leverage and additional issuance to the ABT limit. No additional debt is anticipated at present time, however, Fitch expects issuance to eventually ramp up as projects eligible for NVTA reimbursement transition from design to shovel ready status by the NVTA member jurisdictions. Fitch expects coverage to remain ample with additional debt issuance.

The worst historical estimated revenue decline (based on a proxy for pledged revenues; see below for more information) was 8% in fiscal 2002 and 4% in the standard -1% U.S. GDP scenario via the Fitch Analytical Sensitivity Tool (FAST). Assuming debt issuance up to the 2x ABT, fiscal 2016 pledged revenues could withstand a decline of 50% before MADS coverage falls below 1.0x; the 50% revenue stress is equivalent to 6x the worst historical revenue decline or 14x the FAST results. In both cases the resiliency of the pledged revenue stream is consistent with a 'aaa' coverage cushion.

#### Stable Revenue Performance

As the regional NVTA revenues pledged to bondholders were recently authorized Fitch utilized a proxy for pledged revenue in its FAST and dedicated tax analysis based on historical sales tax, grantor's tax, and transient occupancy tax remitted to select NVTA member jurisdictions. This revenue stream increased at a 10-year compound annual growth rate (CAGR) of 1.6% through fiscal 2016 while experiencing only three years of annual declines dating back to fiscal 1994; a loss of 8% in fiscal 2002, 5% in fiscal 2009 and 1% in fiscal 2014.

The economic and demographic characteristics of the service area support an expectation for continued revenue stability over the long term. The NVTA service area lies at the center of one of the largest and wealthiest regional economies in the U.S. The federal government and private contractors engaged in defense, high technology and biomedical subsectors remain a key driver of economic activity but also retain some degree of sensitivity to federal government policy initiatives. The strength of the economy attracts a growing number of residents of very high educational achievement. The population of the NVTA member jurisdictions is estimated at 2.38 million in 2015 or a 9% increase from 2010. IHS Connect forecasts real personal income and total retail sales for the Washington, DC metropolitan statistical area (MSA) to grow by a CAGR of 2.9% and 4.5%, respectively, from 2017-2022.

NVTA revenues are collected by the state and deposited into the NVTA fund held in the state treasury. Revenues are credited to the revenue fund under the bond indenture on a monthly basis subject to an annual appropriation by the general assembly. Existing state law provides for the expiration of the NVTA revenue on Dec. 31 of any year in which the general assembly appropriates these revenues for a non-transportation related purpose. The NVTA revenues are otherwise not subject to sunset or termination. Once received by the NVTA the pledged revenues are applied to the payment of debt service coming due on the next payment date with surplus available for funding projects on a pay-as-you-go basis or any other lawful purpose of the NVTA.

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In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis and InvestorTools.

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Additional information is available on [www.fitchratings.com](http://www.fitchratings.com)

**Applicable Criteria**

U.S. Tax-Supported Rating Criteria (pub. 18 Apr 2016) (<https://www.fitchratings.com/site/re/879478>)

**Additional Disclosures**

Dodd-Frank Rating Information Disclosure Form ([https://www.fitchratings.com/creditdesk/press\\_releases/content/ridf\\_frame.cfm?pr\\_id=1021092&cft=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJzZXNzaW9uS2V5IjoVjNWSTNWRzU2VUtNR1pDS1FaRzBHRDhaV0NHWFrdMENQzBBRIBXVSImlmV4cCI6MTQ5MTIyODU0MSwidXNlckkljoxMTgxMjE3fQ.n1ws98n3nbjuBzT5P6UbNZEa qSdFi5dTVL4mDxmbJug](https://www.fitchratings.com/creditdesk/press_releases/content/ridf_frame.cfm?pr_id=1021092&cft=eyJ0eXAiOiJKV1QiLCJhbGciOiJIUzI1NiJ9.eyJzZXNzaW9uS2V5IjoVjNWSTNWRzU2VUtNR1pDS1FaRzBHRDhaV0NHWFrdMENQzBBRIBXVSImlmV4cCI6MTQ5MTIyODU0MSwidXNlckkljoxMTgxMjE3fQ.n1ws98n3nbjuBzT5P6UbNZEa qSdFi5dTVL4mDxmbJug))

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