

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**MEMORANDUM**

FOR: Chairman Martin E. Nohe and Members
Northern Virginia Transportation Authority

FROM: Michael Longhi, Chief Financial Officer

DATE: October 5, 2018

SUBJECT: NVTa Operating Budget

1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTa) on the Authority's Operating Budget for FY2018.
2. **Background:** The Authority operating budget is funded through the participating jurisdictions. All jurisdictions have contributed their respective share of the FY2018 and the FY2019 operating budget. This is the final monthly recap of FY2018 activities.
3. **Comments:** The Operating Budget produced the following results:
 - a. Operating revenue is at 100% of estimate.
 - b. On February 1, 2018, the Authority approved a Budget Adjustment for the Communications and Public Affairs Manager position. The budget adjustment transferred funds between accounts and did not increase total expenditures.
 - c. The 2018 Legislative Session required an unexpected level of consultation with bond counsel. Staff alerted the Committee that the \$25,000 budget line could be exceeded by \$20,000 or more in FY2018. Actual bond counsel cost was \$53,166 and exceeded the budget line by \$28,166. The Operating Reserve covered the out of budget FY2018 expenditure. The FY2019 budgeted increase of \$40,000 will replenish the Operating Reserve from FY2018 and provide additional resources for FY2019, if needed.
 - d. The 2018 Legislative Session action also required an unexpected level of financial advisory services. Staff alerted the Committee that the \$35,000 budget line could be exceeded by \$20,000 or more in FY2018. Actual financial advisory cost was \$55,000. The Operating Reserve covered the out of budget FY2018 expenditure. The FY2019 budgeted increase of \$40,000 will replenish the Operating Reserve from FY2018 and provide additional resources for FY2019, if needed.
 - e. The NVTa website redesign completed during FY2018 originally budgeted for FY2017 exceeded the budget by \$3,367. Savings in other cost categories covered the additional cost.
 - f. As predicted when the Committee approved the Equipment Reserve in FY2017, four of NVTa's computers required replacement at the end of FY2018 resulting in a cost of \$8,714 being applied to the reserve.
 - g. The attached statement shows the total operating budget income and expenditure activity for FY2018.

Attachment: FY2018 Operating Budget through FYE June 30, 2018

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NORTHERN VIRGINIA TRANSPORTATION AUTHORITY
Income Statement
For the Accounting Period: 13 / 18

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1000 General Fund

		----- Current Year -----				
Account Object	Description	Current Month	Current YTD	Budget	Variance	%
417	Office Lease		134,051.87	130,515.00	-3,536.87	103
418	Office Supplies		6,339.78	6,400.00	60.22	99
419	Postage & Delivery		225.19	700.00	474.81	32
420	Professional Develop & Training		6,172.54	14,065.00	7,892.46	44
421	Industry Conferences		6,383.76	7,000.00	616.24	91
	Total Account		178,687.94	194,820.00	16,132.06	92
	Total Expenses	46,893.56	1,894,324.47	1,903,089.00	8,764.53	100
	Net Income from Operations	-46,893.56	27,871.53			
Other Expenses						
521000	Transfers					
820	Transfer to Operating Reserve			385,081.00	385,081.00	
825	Transf to Equip Reserve	6,391.93	8,714.24	18,000.00	9,285.76	48
	Total Account	6,391.93	8,714.24	403,081.00	394,366.76	2
	Total Other Expenses	6,391.93	8,714.24	403,081.00	394,366.76	2
	Net Income	-53,285.49	19,157.29			