



# Northern Virginia Transportation Authority

The Authority for Transportation in Northern Virginia

## **FINANCE COMMITTEE AGENDA**

Thursday, February 8, 2024  
6:00 p.m., EST  
3040 Williams Drive, Suite 200  
Fairfax, VA 22031

*This meeting will be conducted in person and livestreamed via [NVTA's YouTube Channel](#)<sup>1</sup>*

- 1. Call to Order/Welcome** Mayor Rishell, Chair
- 2. Approval of January 11, 2024, Draft Meeting Summary Minutes** Mayor Rishell, Chair  
*Recommended Action: Approval of January 11, 2024, Draft Meeting Summary Minutes*

## **DISCUSSION/INFORMATION ITEMS**

- 3. FY2025 Local Distribution Fund Budget Guidance** Mr. Longhi, CFO
- 4. FY2025 Regional Revenue Fund Budget Guidance** Mr. Longhi, CFO
- 5. FY2025 Operating Budget Guidance** Mr. Longhi, CFO
- 6. Monthly Investment Portfolio Report** Ms. Sen, Investment & Debt Manager
- 7. Monthly Revenue Report** Mr. Longhi, CFO
- 8. Monthly Operating Budget Report** Mr. Longhi, CFO
- 9. NVTA Update (Verbal Report)** Ms. Backmon, CEO

## **CLOSED SESSION**

*(If needed)*

- 10. Adjournment** Mayor Rishell, Chair

**NEXT MEETING: March 14, 2024, 6:00, p.m. EST, NVTA Offices**

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<sup>1</sup> *If technical difficulties arise, the meeting may be audio or video recorded. Any recordings will be made available on the [Finance Committee's Meetings](#) webpage.*



## SUMMARY MINUTES

2.

Thursday, January 11, 2023 – 6:00, p.m., ET  
3040 Williams Drive, Suite 200  
Fairfax, VA 22031

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

### 1. Call to Order

- ✓ Mayor Rishell called the meeting to order at 6:20 p.m.

#### Roll Call:

- ✓ **Membership Attendees:** Mayor Rishell; Council Member Snyder; Chair Randall;
- ✓ **Staff Attendees:** Monica Backmon (Chief Executive Officer); Michael Longhi (Chief Financial Officer) (Remote); Peggy Teal (Deputy Chief Financial Officer); Dev Priya Sen (Investment & Debt Manager); Amanda Sink (Executive Assistant to the CEO); Adnan Malik (Senior Accountant); Sree Nampoothiri (Senior Manager, Transportation Planning)
- ✓ **Council of Counsels:** MinhChau Corr (Arlington County); Christina Zechman-Brown (City of Alexandria); Daniel Robinson (Fairfax County)

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

### 2. Approval of October 12, 2023, Draft Meeting Summary Minutes

- ✓ Chair Randall moved approval of the October 12, 2023, meeting minutes; seconded by Council Member Snyder. Motion carried unanimously.

## ACTION ITEMS

### 3. 2024 Finance Committee Meeting Schedule

Mr. Longhi, CFO

- ✓ Mr. Longhi presented the CY 2024 Finance Committee meeting schedule to the Committee members proposed from March 2024 to February 2025.
- ✓ Chair Randall moved the adoption of the 2024 Finance Committee meeting schedule proposed from March 2024 to February 2025; seconded by Council Member Snyder. Motion carried unanimously.

## DISCUSSION/INFORMATION ITEMS

### 4. FY2025 Budget Guidance

Mr. Longhi, CFO

- ✓ Mr. Longhi noted that this is the discussion stage of the budget preparation on a narrative basis for FY2025 and reviewed material to provide guidance on the development of the Authority's three budgets for FY2025 – Local Distribution Fund Budget (30%), Regional Revenue Fund Budget (70%), and Operating Fund Budget.

✓ Local Distribution Fund Budget (30%):

- Mr. Longhi mentioned that there are no updates regarding the Local Distribution Fund budget.

✓ Regional Revenue Fund Budget (70%):

- Mr. Longhi mentioned that we are awaiting the revenue estimates for the Interstate Operations and Enhancement Program (IOEP) published by the Virginia Department of Transportation (VDOT). This program is one of the four revenue streams that the Authority receives from the Commonwealth of Virginia.

✓ Operating Fund Budget:

- Mr. Longhi presented the proposed FY2024 Operating Budget by referring to the attached noting the budget is broken into two segments – Base Budget Changes and New Initiatives:

- Base Budget Escalations:

- Salaries - Annual performance-based salary increases for staff are targeted to be in line with member jurisdictions. To keep pace with our jurisdictions regarding the figures presented by Chief Administrative Offices for the City's and County's budgets, the Authority is proposing 7% increase in Salary compensations which is a budget number only. This is predominantly based on current rate of inflation and prior member jurisdiction budget actions.
  - Council Member Snyder emphasized that the City of Falls Church's Chief Financial Officer (CFO) considered the 7% increase to be high compared to expectations. Additionally, he suggested that the staff should be prepared to justify the proposed number.
  - Chair Randall inquired about the relevance of the 7% increase to maintaining parity with member jurisdictions. Mr. Longhi acknowledged, explaining that the Authority aims to maintain parity, taking into account merit increases and the cost of living, as some jurisdictions blend those two in their budgets.
  - Mayor Rishell highlighted that in the previous year, the City of Manassas Park provided a 6% increase in salary compensation in their budget, yet they have not achieved parity with the surrounding localities.
- Benefits - Health insurance and other benefits are based on actual costs such as the Annually Required Contribution determined by the Virginia Retirement System (VRS) and the Commonwealth of Virginia - Local Choice Health Insurance rates.
- Professional Outreach - In light of the growing recognition of the Authority's impact on regional transportation issues and national acclaim for innovation, the Chief Executive Officer (CEO) and senior staff are increasingly requested to provide presentations and

participate in regional and national transportation events. This budget category acknowledges the increased activity and distinguishes it from professional development and training.

- Office Lease - As discussed with the Committee and authorized by the Authority, a lease Term Sheet has been approved. The Term Sheet includes negotiated concessions related to the prospective lease. However, there will be cash flow gaps between expenses incurred and payable by the NVTA and the receipt of concession funds or reimbursement from the landlord.
- Professional Development/Training: This budget line has remained unchanged since FY2020. During this period, the Authority has added five additional staff, many of whom hold professional certifications that require ongoing maintenance to ensure their skills remain current.
- New initiatives:
  - New initiatives are proposed to include:
    - Establishing an NVTA federal/state grant recipient program (revenue diversification).
    - Establishing a transportation technology pilot deployment plan.
    - Enhance analysis and reporting of NVTA-funded projects and their transportation system impacts.
    - Establish a list of up to six pre-qualified on-call consultants and academic institutions through a formal procurement process.
    - Establish independent/objective research programs, supporting the development of regional transportation policies and prioritization of future Authority investments in transportation.
  - Resource requirements:
    - Grant/Programmatic Monitoring Manager
    - Regional Transportation Planner
    - Business and Fiscal Analyst
- Mr. Longhi concluded his presentation and noted that the next steps would include supplemental data points and cost projections presentations that will be provided in the next Finance Committee meeting.
- Mayor Rishell expressed appreciation for the staff's dedicated work in preparing the Fiscal Year budgets annually.

## 5. Monthly Investment Portfolio Report

Mr. Longhi, CFO

- ✓ Ms. Sen reviewed and presented the Monthly Investment Portfolio Report by noting that the reports are based on investment activity through the end of November 2023.
- ✓ Ms. Sen highlighted plans to reinvest maturities and monthly revenue into a two year or greater-year maturity profile, securing longer durations at higher rates ahead of potential Fed interest rate reductions.

**6. Monthly Revenue Report**

Mr. Longhi, CFO

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

**7. Monthly Operating Budget Report**

Mr. Longhi, CFO

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

**8. NVTA Update (Verbal Report)**

Ms. Backmon, CEO

- ✓ Ms. Backmon expressed gratitude to the Council of Counsels and Mr. Longhi for their efforts in the lease negotiation process and other related tasks.
- ✓ Mayor Rishell expressed appreciation to the Council of Counsels and the staff.

**9. Adjournment**

- ✓ Seeing no further questions, discussion, or order of business, Mayor Rishell adjourned the meeting at 6:47 p.m.

DRAFT

**NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**  
**MEMORANDUM**

**3.**

**FOR:** Chair Jeanette Rishell and Members  
Northern Virginia Transportation Authority Finance Committee

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

**DATE:** February 1, 2024

**SUBJECT:** FY2025 Local Distribution Fund Budget Guidance

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1. **Purpose:** To gather input from the Northern Virginia Transportation Authority (NVRTA) Finance Committee (Committee) on development of the FY2025 Local Distribution Fund Budget.
2. **Discussion:** The Local Distribution Fund Budget is where the accounting for monthly Local Distribution Fund, or 30%, disbursements occur. Specific budget lines from the attached report are:
  - A. **Carryforward:** This budget has no carryforward as all funds are fully disbursed annually.
  - B. **Revenue:** The Authority's principal four sources of revenue are shown at 30% of what is expected to be received. CoVa Interest is interest earned on NVRTA funds prior to their transfer to the Authority's investment and banking accounts.
  - C. **Distribution to Member Jurisdictions:** This is the amount expected to be transferred to member jurisdictions.
  - D. **Budget Balance:** There is no remaining budget balance anticipated.
  - E. **Continued Budget Guidance:** The funds in the Local Distribution Fund are restricted as required by the Code of Virginia. Distributions will be made monthly regardless of projection variances, subject to compliance by member jurisdictions with the Annual Certification requirements.
3. **Next Steps:** NVRTA Policy 10 - Financial Management contains a guideline which calls for the Authority adoption of budgets two months prior to the start of a fiscal year. This effectively results in the budget adoption occurring by April. The following timeline is proposed:
  - A. **February (NLT)** – Base Budget Increases and Initiatives and cost projections presented. The Finance Committee may decide to make a recommendation to the Authority or request changes/information.
  - B. **March** – Additional discussion, if needed, to result in recommendation to the Authority. If the Finance Committee agrees to a recommendation in February, the three budgets could be presented to the Authority in March.
  - C. **April** – Based on Finance Committee direction, present the three budgets to the Authority for adoption.

**Attachment:** Proposed FY2025 Local Distribution Budget (30%)

# Attachment

**Northern Virginia Transportation Authority  
Proposed FY2025 Local Distribution Budget (30%)**

	Adopted FY2024 Budget	Proposed FY2025 Budget
<b>Carryforward</b>	\$ -	\$ -
<b><u>Revenue</u></b>		
Sales Tax	\$ 97,341,582	\$ 100,823,258
Transfer Interstate Operations & Enhancement Program	5,895,949	6,399,962
Grantor's Tax	14,217,463	15,535,235
Commonwealth NVTD Transfer	6,000,000	6,000,000
CoVa Interest	37,500	105,000
<b>Total Revenue</b>	\$ 123,492,493	\$ 128,863,455
<b><u>Expenditures</u></b>		
Distribution to Member Jurisdictions	\$ 123,492,493	\$ 128,863,455
<b>Total Expenditures</b>	\$ 123,492,493	\$ 128,863,455
<b>Budget Balance</b>	\$ -	\$ -

**NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**  
**MEMORANDUM**

**4.**

**FOR:** Chair Jeanette Rishell and Members  
Northern Virginia Transportation Authority Finance Committee

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

**DATE:** February 1, 2024

**SUBJECT:** FY2025 Regional Revenue Fund Budget Guidance

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1. **Purpose:** To gather input from the Northern Virginia Transportation Authority (NVRTA) Finance Committee (Committee) on development of the FY2025 Regional Revenue Fund Budget.
2. **Discussion:** The Regional Revenue Fund Budget is the source for transportation project funding by the Authority. The budget details are contained in an attached report with indexing in the Notes column to this staff report.
  - A. **Revenue:** The Authority's principal four sources of revenue are shown at 70% of what is expected to be received. Additional revenues are:
    - I. **CoVa Interest:** This is interest earned on NVRTA funds prior to their transfer to the Authority's investment and banking accounts.
    - II. **Investment Portfolio Earnings:** This is the estimated earnings (excluding unrealized gains or losses) from the Authority's internally managed investment portfolio.
  - B. **Expenditures:**
    - I. **Debt Service - Principal:** The principal payment required on the Authority's outstanding bonds.
    - II. **Debt Service - Interest:** The interest payment required on the Authority's outstanding bonds.
    - III. **Modeling License and Support:** Cost of the software licenses to support the Authority's computer modeling and geographic information system functions.
    - IV. **Recommended Project Appropriation Requests:** Starting in September of 2023, member jurisdictions and agencies were advised at least monthly of the opportunity to request FY2025 project appropriations. The deadline for requests was January 31, 2024. The total requested and NVRTA staff recommended project funding is \$298,800,000. The requests received are:
      - a. **Loudoun County:** Construct Crosstrail Blvd, Sycolin Rd. To Dulles Greenway (2020-304-1) \$36,700,000.
      - b. **Loudoun County:** Evergreen Mills Rd. Widening Northstar Blvd. to Stone Springs Blvd. (2020-305-1) \$18,000,000.
      - c. **Arlington County:** CC2DCA Intermodal Connector, Crystal City to Ronald Reagan National Airport (2020-311-1) \$18,000,000.
      - d. **Prince William County:** University Blvd. Extension: Devlin Rd. to Wellington Rd. (2022-322-1) \$53,000,000. Note: This is a forward appropriation from



the FY2026-2027 program. Prince William County staff have determined the project timing can be accelerated.

- e. **Fairfax County:** Rolling Rd. Widening: Hunter Village Dr. to Old Keene Mill Rd. (2020-014-3) \$27,700,000.
- f. **Fairfax County:** Fairfax County Pkwy. Widening: Lee Hwy. (Route 29) to Nomes Ct. (2020-016-4) \$37,400,000.
- g. **Fairfax County:** Fairfax County Pkwy. Widening, Nomes Ct. to Route 123 (2022-326-1) \$108,000,000. Note: This is a forward appropriation from the FY2026-2027 program. Fairfax County staff have determined the project timing can be accelerated.

**V. Net Revenue-Restricted for the FY2020-FY2025 Six Year Program Commitments:**

This represents funding approved in the FY2020/25 Six Year program for which appropriations have not been requested. These are considered restricted funds which can only be used for the Authority approved projects.

**VI. Transfer Out to Operating Fund:** Transfer from the Regional Revenue Fund to support the Authority's FY2025 Operating Budget, as permitted in the Code of Virginia, and in lieu of jurisdictions using their funds on a per capita basis.

**VII. Restricted Fund Balance - Carryforward to Six Year Program Update:** These funds represent positive revenue variances and investment portfolio income, which will be used in the PayGo determination for the FY2028/29 update to the Six Year Program.

**VIII. Working Capital Reserve:** This is a NVTa policy required, and credit rating agency noted reserve to insulate project and operational funding from variances and disruptions in revenues.

**IX. Debt Service Reserve:** This reserve is required by the Authority's bond covenants.

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

**A. February (NLT) – Base Budget Increases and Initiatives and cost projections presented.**

The Finance Committee may decide to make a recommendation to the Authority or request changes/information.

**B. March – Additional discussion, if needed, to result in recommendation to the Authority.** If the Finance Committee agrees to a recommendation in February, the budgets could be presented to the Authority in March.

**C. April – Based on Finance Committee direction, present the three budgets to the Authority for adoption.**

**Attachment:** Proposed FY2025 Regional Revenue Fund Budget

# Attachment

Northern Virginia Transportation Authority Proposed FY2025 Regional Revenue Fund Budget			
	Adopted FY2024 Budget	Proposed FY2025 Budget	Notes
<b>Revenue 70% Regional Funds</b>			
Sales Tax	\$ 227,130,358	\$ 235,254,270	2.A.
Interstate Operations & Enhancement Program (IOEP) Transfer	13,757,213	14,933,244	2.A.
Grantor's Tax	33,174,079	36,248,882	2.A.
Commonwealth NVTD Transfer	14,000,000	14,000,000	2.A.
CoVa Interest	87,500	245,000	2.A.I.
Bond Proceeds	-	-	
Future Financing/Future Appropriation Finance (if required)	-	-	
Investment Portfolio Earnings	35,000,000	35,000,000	2.A.II.
<b>Total Revenue</b>	<b>\$ 323,149,151</b>	<b>\$ 335,681,396</b>	
<b>Expenditures</b>			
Debt Service - Principal	\$ 3,255,000	\$ 3,405,000	2.B.I.
Debt Service - Interest	2,295,000	2,142,250	2.B.II.
Professional Services - Bond Issuance Costs			
Modeling License & Support	45,645	46,645	2.B.III.
TransAction Update (BRT-PDP, SYP/CRRC/LTB Tech Support)	2,000,000		
Recommended Project Appropriation Requests	19,874,000	298,800,000	2.B.IV.
<b>Total Expenditures / Six Year Program Commitments</b>	<b>\$ 27,469,645</b>	<b>\$ 304,393,895</b>	
<b>Net Revenue-Restricted for the FY2020-FY2025 Six Year Program Commitments</b>	<b>\$ 295,679,506</b>	<b>\$ 31,287,501</b>	2.B.V.
<b>Transfers &amp; Carryforward</b>			
Transfer Out to Operating Fund	\$ (4,283,343)	\$ (5,025,647)	2.B.VI.
Restricted Fund Balance - Carryforward to Six Year Program Update	112,794,261	94,900,000	2.B.VII.
<b>Total Available for Project Assignments Carryforward</b>	<b>\$ 108,510,918</b>	<b>\$ 89,874,353</b>	
<b>Cumulative Regional Revenue Reserve Balances</b>			
Working Capital Reserve	\$ 120,000,000	\$ 120,000,000	2.B.VIII.
Debt Service Reserve (Held by Trustee)	5,551,000	5,551,000	2.B.IX.
<b>Cumulative Reserve Balances</b>	<b>\$ 125,551,000</b>	<b>\$ 125,551,000</b>	

**NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**  
**MEMORANDUM**

**5.**

**FOR:** Chair Jeanette Rishell and Members  
Northern Virginia Transportation Authority Finance Committee

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

**DATE:** February 1, 2024

**SUBJECT:** FY2025 Operating Budget Guidance

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- 1. Purpose:** To gather input from the Northern Virginia Transportation Authority (NVTA) Finance Committee (Committee) on development of the FY2025 Operating Budget.
  
- 2. Discussion:** The Operating Fund Budget is the central accounting point for operating and administrative expenses of the Authority. The proposed Operating Budget is presented in two categories. The first category is base budget escalations triggered by inflation, contract terms and required service extensions, less prior one-time funding. The second category is for new initiatives which will have supporting narratives and estimates. The attached budget report is indexed to this staff report by references in the Budget Note column.
  - A. Base Budget Escalations:**
    - I. Salaries:** Annual performance-based salary increases for staff are targeted to be in line with member jurisdictions. Since jurisdiction budgets are concurrently in development, we present a budget increase that will not be exceeded, and which may be modified based on member jurisdiction market and performance increases once those budgets are passed. Over the last several years member jurisdictions have passed budgets with compensation increases that were higher than the adopted NVTA budget. This year we propose the not to exceed percentage to be 7% based predominantly on current rate of inflation and prior member jurisdiction budget actions.
    - II. Benefits:** Health insurance and other benefits are based on actual costs such as the Annually Required Contribution determined by the Virginia Retirement System (VRS) and the Commonwealth of Virginia - Local Choice Health Insurance rates.
    - III. Public Outreach:** Every two years, as the Authority adopts an update to the Six Year Program, an independent external economic study is conducted to document the economic impact of the activities of the Authority. This causes a jump in this budget line on those two-year cycles.
    - IV. Financial Advisor Services:** This contract was renegotiated based on the minimal services required since the Authority does not anticipate the need to utilize debt financing for projects in the near future.
    - V. Technology/Communication:** These reductions are the result of one-time funding for the website refresh and PIMMS in FY2024. Additionally, a Bloomberg (investment terminal) subscription has been cancelled due to the departure of our investment consultant.

- VI. **Local Travel/Commuter Benefits:** No funding changes are requested in this budget category. The name of the category has been changed to reflect commuter benefits to support employee use of transit since NVTA expects to relocate near a Metro station.
  - VII. **Office Lease:** As previously discussed with the Committee, the use of the negotiated lease concessions will not be determinable until after the first quarter of FY2025. Therefore, the full-face amount of the lease cost is budgeted to mitigate the cash flow gaps between expenses incurred and the receipt of concession funds from the landlord. Once the lease transition is completed and transactions settled, NVTA staff will present to the Committee a final reconciliation of the Lease Transition account as well as a staff recommendation for the remaining balance. All transaction activity, which may span two fiscal years, will be included in the Authority's annual independent audit.
  - VIII. **Professional Development:** This budget line has not increased since FY2020. Since that time the Authority has added 5 additional staff, many of whom have professional certifications to maintain in alignment with ensuring their professional skills remain current. Additionally, funding is proposed to develop continuing education capacity for staff members wishing to take position related courses through local universities.
  - IX. **Professional Outreach:** As part of the growing recognition of the Authority's impact on regional transportation issues and national recognition for innovation, the Chief Executive Officer and senior staff have more frequently been asked to provide presentations and participate in regional and national transportation venues. This budget category recognizes this increased activity and separates it from professional development.
- B. New initiatives:** In preparation for an upcoming update to the Authority's Five-Year Strategic Plan, it is necessary to build capacity to maintain and enhance the Authority's current range of services while preparing to address other urgent and unmet regional transportation priorities. In addition to traditional multimodal infrastructure improvements, the Authority will increasingly be called to emphasize alternative/complementary congestion reducing solutions that enable Northern Virginians to reduce their dependency on driving, particularly driving alone.
- I. **New initiatives are proposed to include:**
    - a. Establishing an NVTA federal/state grant recipient program (revenue diversification).
    - b. Establishing a transportation technology pilot deployment plan.
    - c. Enhance analysis and reporting of NVTA-funded projects and their transportation system impacts.
    - d. Establish a list of up to six pre-qualified on-call consultants and academic institutions through a formal procurement process.
    - e. Establish independent/objective research programs, supporting the development of regional transportation policies and prioritization of future Authority investments in transportation.
  - II. **Resource requirements:** Senior management and key staff in the Authority's planning and financial functions are heavily committed to day-to-day

responsibilities, many of which could be undertaken by staff with less career seniority, or a different skill set. To address the requirements of current growth demands and undertake the initiatives noted above as well as those connected to the future update of the Authority's Five-Year Strategic Plan, the following positions are proposed:

- a. **Grant/Programmatic Monitoring Manager:** responsible for establishing and leading a future state/federal grant program (in conjunction with the Finance/Administration team), coordinating all Transportation Planning and Programming (TPP) tasks related to Standard Project Agreement (SPA) management, reimbursement requests, project status tracking/reporting, special oversight analyses, and supporting TranAction (TA)/Six Year Program (SYP)/Preliminary Deployment Plan for a Regional Bus Rapid Transit System (PDP-BRT) activities as needed. Would need to demonstrate prior grant program and project management experience and strong familiarity with expected tasks; will report to Senior Manager, TPP.
- b. **Regional Transportation Planner:** support the Grant/Programmatic Monitoring Manager and provide additional capacity to support tasks related to an expanding scope of TransAction such as transportation resiliency, commercial freight, and potentially policy development and project prioritization. Will initially report to Senior Manager, TPP but will eventually transition to a new Grant/Programmatic Oversight group within the TPP team (like the Planning Analytics group), reporting to the Grant/Programmatic Oversight Manager.
- c. **Business and Fiscal Analyst:** In addition to working with the Planning team, this position will provide financial generalist duties such as bringing additional capacity and experience to project funding/utilization, procurement, human resources/benefit management, grant awards and financial statement preparation.

3. **Next Steps:** NVT A Policy 10 - Financial Management contains a guideline which calls for the Authority adoption of budgets two months prior to the start of a fiscal year. This effectively results in the budget adoption occurring by April. The following timeline is proposed:
  - A. **February** (NLT) – Base Budget Increases and Initiatives and cost projections presented. The Finance Committee may decide to make a recommendation to the Authority or request changes/information.
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  - C. **April** – Based on Finance Committee direction, present the three budgets to the Authority for adoption.

**Attachment:** Base/Proposed FY2025 Operating Budget

# Attachment

Northern Virginia Transportation Authority Base/Proposed FY2025 Operating Budget							
INCOME:	Adopted Budget FY2024	DRAFT Base Budget FY2025	Base-Prev Bdgt Change \$	Budget Note	Draft Base Budget w/FY2025 Initiatives	Budget Note	Initiatives+ Base Bdgt Change \$
Budget Carryforward including Operating Reserve	\$ 818,600	\$ 966,991	\$ 148,391		\$ 966,991		\$ 148,391
330000 Other Income							
<b>Total Income</b>	<b>\$ 818,600</b>	<b>\$ 966,991</b>	<b>\$ 148,391</b>		<b>\$ 966,991</b>		<b>\$ 148,391</b>
<b>EXPENDITURES:</b>							
<b>410000 Personnel Expenditures</b>							
110 Salaries & Wages	\$ 2,220,795	\$ 2,444,052	\$ 223,257	2.A.I	\$ 2,789,052	2.B.II	\$ 568,257
130 Health & Dental Benefits	383,809	388,977	5,168	2.A.II	479,391	2.B.II	95,582
131 Payroll Taxes	171,171	191,100	19,929	2.A.I	218,222	2.B.II	47,051
132 Retirement VRS	193,402	203,852	10,450	2.A.II	221,288	2.B.II	27,886
133 Life Insurance	30,656	32,749	2,093	2.A.II	37,372	2.B.II	6,716
134 Flex Spending/Dependent Care	1,165	1,224	59		1,440	2.B.II	275
135 Workers Comp	2,397	2,686	289	2.A.II	3,066	2.B.II	669
137 Disability Insurance	22,388	23,520	1,132	2.A.II	26,770	2.B.II	4,382
<b>Subtotal Personnel Costs</b>	<b>\$ 3,025,782</b>	<b>\$ 3,288,160</b>	<b>\$ 262,378</b>		<b>\$ 3,776,601</b>		<b>\$ 750,819</b>
<b>420000 Professional Service</b>							
210 Audit & Accounting	\$ 58,750	\$ 61,000	\$ 2,250		\$ 61,000		\$ 2,250
220 Bank Service	750	750	-		750		-
230 Insurance	12,375	15,145	2,770		15,145		2,770
240 Payroll & Human Resources Service	5,920	6,778	858		8,728	2.B.II	2,808
260 Public Outreach & Regional Event Support	49,640	68,456	18,816	2.A.III	68,456		18,816
261 Legal Services/Bond Counsel	75,000	75,000	-		75,000		-
262 Financial Advisor Services	36,955	10,000	(26,955)	2.A.IV	10,000		(26,955)
263 Bond Trustee Fees	2,700	2,800	100		2,800		100
264 Legislative Services	85,000	87,125	2,125		87,125		2,125
265 Investment Custody Fees	25,000	25,000	-		25,000		-
<b>Subtotal Professional Services</b>	<b>\$ 352,090</b>	<b>\$ 352,054</b>	<b>\$ (36)</b>		<b>\$ 354,004</b>		<b>\$ 1,914</b>
<b>430000 Technology/Communication</b>							
310 GL Financial Reporting & Invest Monitoring/Mgt Systems	\$ 113,035	\$ 83,980	\$ (29,055)		\$ 83,980		\$ (29,055)
330 IT Support Svc Incl Hosting	46,220	50,295	4,075		54,177	2.B.II	7,957
335 GIS/Project Monitoring & Management/Modeling	183,300	35,650	(147,650)		35,650		(147,650)
340 Phone Service	18,035	18,338	302		20,858	2.B.II	2,822
350 Web Development & Hosting	138,090	8,200	(129,890)		8,200		(129,890)
940 HW SW & Peripheral Purchase	1,000	2,000	1,000		12,575	2.B.II	11,575
<b>Subtotal Technology/Communication</b>	<b>\$ 499,681</b>	<b>\$ 198,463</b>	<b>\$ (302,218)</b>	2.A.V	<b>\$ 215,440</b>		<b>\$ (284,241)</b>
<b>440000 Administrative Expenses</b>							
410 Advertisement	\$ 3,000	\$ 3,000	\$ -		\$ 6,400	2.B.II	\$ 3,400
405 Building/Office Related Expenses	3,000	1,000	(2,000)		1,000		(2,000)
411 Memberships & Subscriptions	20,725	23,460	2,735		25,400	2.B.II	4,675
412 Duplication & Printing	13,500	13,550	50		13,550		50
414 Hosted Meetings	5,500	6,200	700		6,200		700
415 Local Travel/Commuter Benefits	11,000	11,000	-	2.A.VI	11,300	2.B.II	300
416 Misc Expenses	-	-	-		-		-
417 Office Lease	244,375	465,769	221,393	2.A.VII	465,769		221,393
418 Office Supplies	7,600	6,015	(1,585)		6,765	2.B.II	(835)
419 Postage & Delivery	700	700	-		700		-
420 Professional Development	10,900	25,680	14,780	2.A.VIII	28,680	2.B.II	17,780
421 Professional Outreach	12,100	22,810	10,710	2.A.XI	22,810		10,710
945 Office Furniture & Fixtures	-	-	-		17,580	2.B.II	17,580
<b>Subtotal Administrative Expenses</b>	<b>\$ 332,400</b>	<b>\$ 579,184</b>	<b>\$ 246,783</b>		<b>\$ 606,154</b>		<b>\$ 273,753</b>
<b>Expenditure Subtotal</b>	<b>\$ 4,209,953</b>	<b>\$ 4,417,860</b>	<b>206,908</b>		<b>\$ 4,952,198</b>		<b>\$ 742,245</b>
<b>Operating Reserve (20%)</b>	<b>\$ 841,991</b>	<b>\$ 883,572</b>	<b>\$ 41,582</b>		<b>\$ 990,440</b>		<b>\$ 148,449</b>
<b>Equipment Replacement Reserve &amp; Replenishment</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>		<b>50,000</b>		<b>-</b>
<b>Reserve Subtotal</b>	<b>\$ 891,991</b>	<b>\$ 933,572</b>	<b>\$ 41,582</b>		<b>\$ 1,040,440</b>		<b>\$ 148,449</b>
<b>Total Expenditures</b>	<b>\$ 5,101,943</b>	<b>\$ 5,351,433</b>	<b>\$ 248,489</b>		<b>\$ 5,992,638</b>		<b>\$ 890,694</b>
<b>Transfer From Regional Revenue Fund</b>	<b>\$ 4,283,343</b>	<b>\$ 4,384,442</b>	<b>\$ 100,099</b>		<b>\$ 5,025,647</b>		<b>\$ 742,304</b>
					<b>One Time Costs of Initiatives:</b>		<b>\$ 31,555</b>
					<b>Net FY24 to FY25 Base Budget Growth:</b>		<b>\$ 859,139</b>

**NORTHERN VIRGINIA TRANSPORTATION AUTHORITY  
MEMORANDUM**

**FOR:** Chair Jeanette Rishell and Members  
Northern Virginia Transportation Authority Finance Committee

**FROM:** Dev Priya Sen, Investment & Debt Manager

**DATE:** February 1, 2024

**SUBJECT:** Investment Portfolio Report

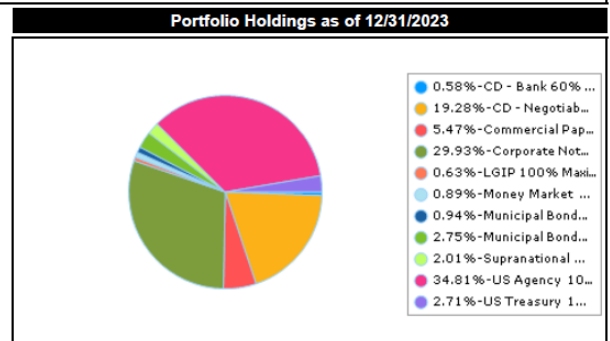
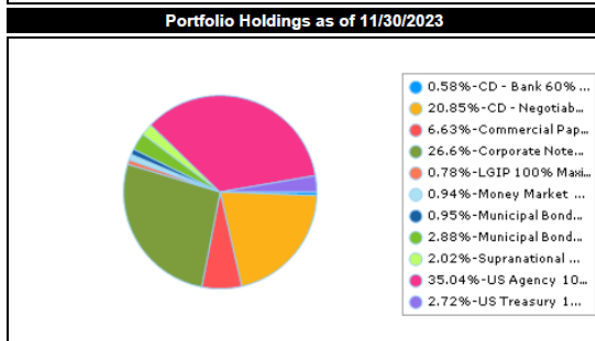
1. **Purpose:** To provide the Northern Virginia Transportation Authority (NVT) Finance Committee with required reports on investment activities and portfolio performance through December 31, 2023.
2. **Background:** This report is on investment activity through December 2023 and affirms the portfolio’s investments were acquired based on safety, liquidity, and then yield. This report summarizes the portfolio structure and adherence to the NVT Investment Policy.
3. **Current Period Reports:**
  - A. The safety of the portfolio is reflected in the actual composition of the portfolio as shown below.



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

Begin Date: 11/30/2023, End Date: 12/31/2023

Asset Category Allocation				
Asset Category	Book Value 11/30/2023	% of Portfolio 11/30/2023	Book Value 12/31/2023	% of Portfolio 12/31/2023
CD - Bank 60% Maximum	10,107,629.95	0.58	10,107,629.95	0.58
CD - Negotiable 25% Maximum	360,559,045.06	20.85	335,551,981.67	19.28
Commercial Paper 35% / 5% Maximum	114,612,418.03	6.63	95,102,361.10	5.47
Corporate Notes 50% Maximum	459,819,030.72	26.60	520,768,796.13	29.93
LGIP 100% Maximum	13,495,477.83	0.78	10,922,087.89	0.63
Money Market 60% Maximum	16,309,889.62	0.94	15,528,860.62	0.89
Municipal Bonds - US 30% Maximum	16,398,123.59	0.95	16,385,536.00	0.94
Municipal Bonds - Virginia 30% Maximum	49,736,427.53	2.88	47,802,520.64	2.75
Supranational 50% Maximum	35,000,000.00	2.02	35,000,000.00	2.01
US Agency 100% Maximum	605,776,456.88	35.04	605,785,555.82	34.81
US Treasury 100% Maximum	47,089,533.63	2.72	47,127,316.61	2.71
<b>Total / Average</b>	<b>1,728,904,032.84</b>	<b>100.00</b>	<b>1,740,082,646.43</b>	<b>100.00</b>



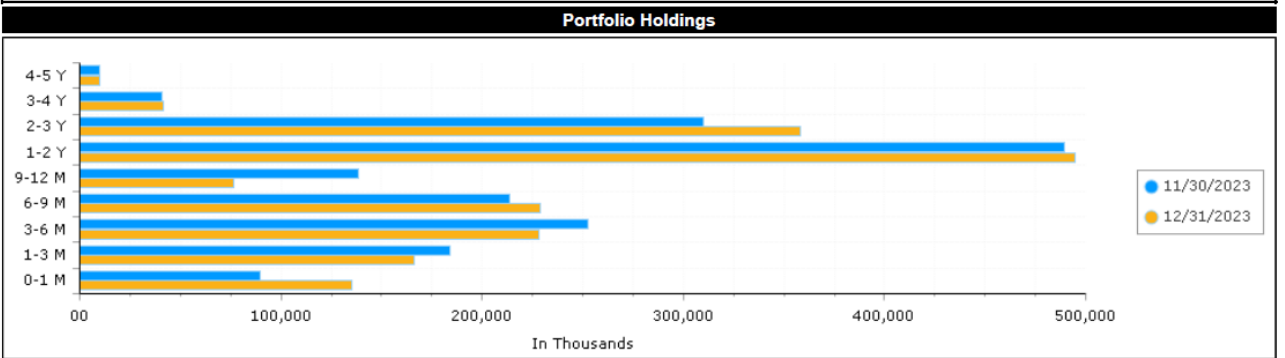
B. The liquidity of the portfolio is reflected in the portfolio's duration as 1.18(1.0 = 1 year) and the maturity schedule is shown below.



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

Begin Date: 11/30/2023, End Date: 12/31/2023

Maturity Range Allocation				
Maturity Range	Book Value 11/30/2023	% of Portfolio 11/30/2023	Book Value 12/31/2023	% of Portfolio 12/31/2023
0-1 Month	89,712,487.97	5.19	135,014,615.16	7.76
1-3 Months	184,149,826.63	10.65	166,438,236.52	9.56
3-6 Months	252,371,697.88	14.60	228,475,732.07	13.13
6-9 Months	213,582,591.69	12.35	228,755,600.40	13.15
9-12 Months	138,439,291.01	8.01	76,727,258.98	4.41
1-2 Years	489,632,204.56	28.32	494,741,350.70	28.43
2-3 Years	310,353,784.70	17.95	358,508,623.29	20.60
3-4 Years	40,852,520.27	2.36	41,608,244.22	2.39
4-5 Years	9,809,628.13	0.57	9,812,985.09	0.56
<b>Total / Average</b>	<b>1,728,904,032.84</b>	<b>100.00</b>	<b>1,740,082,646.43</b>	<b>100.00</b>



C. The yield on the portfolio at the end of December 2023 was 3.91%. The policy required benchmarks are shown below for yield performance comparison.

NVTA Investment Benchmarks	Dec-23 Month End
LGIP Extended Maturity Pool	4.30%
ICE BofA 1-3 Year (18-Month Avg)	4.47%
<b>NVTA Performance</b>	<b>3.91%</b>

Source: Bloomberg/NVTA Statements

**4. Portfolio Analysis & Statistics Overview:**

**A. Safety:** The portfolio is invested primarily in:

- Local Government Investment Pools (0.78% to 0.63%)
- Collateralized bank money market accounts (1.52% to 1.47%)
- Commercial Paper (6.63% to 5.47%)
- Negotiable CD's (20.85% to 19.28%)
- AAA/AA rated investment grade corporate bonds (26.60% to 29.93%)

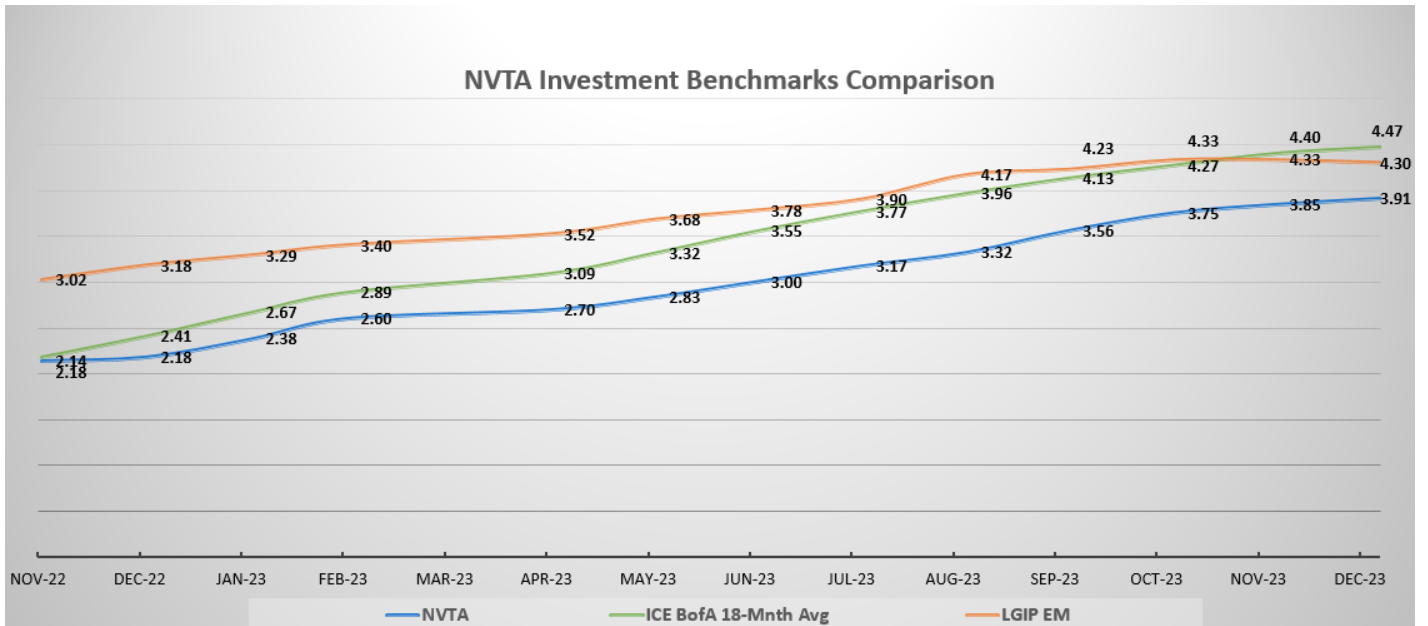


- Supranational Securities (2.02% to 2.01%)
- Treasuries and Agencies (37.76% to 37.52%)
- VA & US Municipals (3.91% to 3.69%)

**B. Liquidity:** The NVTA Portfolio duration is 1.18 in December 2023 (1.0 = 1 year). On December 13, 2023, the Fed hinted at concluding its rate-hiking cycle. The updated "dot plot" revealed three anticipated 25 basis point rate cuts by end of 2024, surpassing previous projections, causing notable drops in yields. The Fed chair reiterated that future decisions would be made on a meeting-by-meeting basis. The next Fed meeting will be held on January 30-31, 2024.

**C. Yield:** Staff are laddering the monthly maturities in an upper range of \$80-\$100 million in securities, plus up to \$20 million per month in positive cash flow under the following strategies:

- Reinvesting maturities and monthly revenue into a two-, three- or greater-year maturity profile, aiming to secure a longer duration at higher rates before the Fed initiates interest rate reductions.
- In December, investment-grade corporates performed well with tighter spreads amid market optimism. NVTA's strategy is to invest in non-callable corporates, maximizing yield and safety, while adhering to our investment policy.
- Diligently monitoring market trends, economic indicators, and central bank policies, adopting a proactive approach for well-informed decision-making. This strategic foresight enables us to position the portfolio strategically, ready to capitalize on potential market fluctuations and emerging opportunities.
- Monitoring Fed actions related to persistent above-trend GDP growth, prompting ongoing scrutiny for potential future inflationary pressures, necessitating further interest rate adjustments (reductions).



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

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

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

**Attachment:** Compliance - GASB 40 Report

# Attachment



## Portfolio Holdings Compliance - GASB 40 Report - As of 12/31/2023

Description	CUSIP/Ticker	Face Amount/Shares	Book Value	Market Value	Credit Rating 1	Credit Rating 2	% of Portfolio	Days To Maturity	Days To Call/Maturity	Maturity Date	Next Call Date	YTM @ Cost	Duration To Maturity
CD - Bank 60% Maximum													
John Marshall Bank 5.01 1/15/2024	JMBCD01152024	10,107,629.95	10,107,629.95	10,107,629.95	None	None	0.58	15	15	1/15/2024		5.010	0.04
Sub Total / Average CD - Bank 60% Maximum		10,107,629.95	10,107,629.95	10,107,629.95			0.58	15	15			5.010	0.04
CD - Negotiable 25% Maximum													
Bayerische Landesbank 3.88 6/27/2024	0727MCXE2	20,000,000.00	20,007,612.64	19,881,000.00	Fitch-F1	Moody's-P1	1.14	179	179	6/27/2024		3.816	0.48
Bayerische Landesbank 3.88 7/26/2024	0727MCXA0	30,000,000.00	30,013,222.91	29,785,800.00	Fitch-F1	Moody's-P1	1.71	208	208	7/26/2024		3.799	0.56
Bayerische Landesbank 5.7 4/23/2025	0727MCY27	30,000,000.00	30,022,149.18	30,159,300.00	Fitch-F1	Moody's-P1	1.71	479	479	4/23/2025		5.639	1.33
Canadian Imperial Bank NY 5.91 5/23/2024	13606KYM2	25,000,000.00	25,000,000.00	25,031,750.00	S&P-A1	Moody's-P1	1.43	144	144	5/23/2024		5.910	0.40
Credit Agricole 5.62 8/22/2025	22536C3A6	25,000,000.00	25,000,000.00	25,112,000.00	S&P-A1	Moody's-P1	1.43	600	600	8/22/2025		5.620	1.67
Credit Suisse 0.75 1/10/2024	22552G4T4	15,000,000.00	15,000,203.36	14,977,950.00	S&P-A1	Moody's-P1	0.86	10	10	1/10/2024		0.700	0.03
HSBC Bank 5.58 4/19/2024	40435RQV6	25,000,000.00	25,000,000.00	24,993,500.00	S&P-A1	Moody's-P1	1.43	110	110	4/19/2024		5.580	0.30
Natixis 5.83 9/8/2025	63873QN83	20,000,000.00	20,000,000.00	20,173,400.00	S&P-A1	Moody's-P1	1.14	617	617	9/8/2025		5.830	1.71
Rabobank 3.57 8/2/2024	21684XYT7	18,500,000.00	18,500,000.00	18,309,635.00	S&P-A1	Moody's-P1	1.06	215	215	8/2/2024		3.570	0.59
Standard Chartered Bank 5.8 1/16/2024	85325VGH7	30,000,000.00	30,000,000.00	30,005,100.00	S&P-A1	Moody's-P1	1.71	16	16	1/16/2024		5.800	0.04
Standard Chartered Bank 5.82 2/24/2025	85325VHE3	25,000,000.00	25,000,000.00	25,039,250.00	S&P-A1	Moody's-P1	1.43	421	421	2/24/2025		5.820	1.17
Standard Chartered Bank 6.01 7/22/2024	85325VGM6	20,000,000.00	20,000,000.00	20,050,200.00	S&P-A1	Moody's-P1	1.14	204	204	7/22/2024		6.010	0.57
Swedbank 0.95 10/22/2024	87019V4A2	22,000,000.00	22,008,793.58	21,215,700.00	S&P-A1	Moody's-P1	1.26	296	296	10/22/2024		0.899	0.82
Swedbank 5.88 7/19/2024	87019WNP6	30,000,000.00	30,000,000.00	30,071,700.00	S&P-A1	Moody's-P1	1.71	201	201	7/19/2024		5.880	0.56
Sub Total / Average CD - Negotiable 25% Maximum		335,500,000.00	335,551,981.67	334,806,285.00			19.16	267	267			4.817	0.74
Commercial Paper 35% / 5% Maximum													
Barclays Capital 0 1/12/2024	06744G4W9	25,000,000.00	24,955,833.34	24,962,750.00	S&P-A1	Moody's-P1	1.43	12	12	1/12/2024		5.517	0.03
Lloyds Bank 0 2/16/2024	53948ABG5	26,000,000.00	25,820,094.45	25,824,760.00	S&P-A1	Moody's-P1	1.49	47	47	2/16/2024		5.519	0.13
Lloyds Bank 0 5/3/2024	53948AE31	15,000,000.00	14,707,050.00	14,731,650.00	S&P-A1	Moody's-P1	0.86	124	124	5/3/2024		5.918	0.34
MUFG Bank 0 3/22/2024	62479LCN3	30,000,000.00	29,619,383.31	29,642,700.00	S&P-A1	Moody's-P1	1.71	82	82	3/22/2024		5.812	0.22
Sub Total / Average Commercial Paper 35% / 5% Maximum		96,000,000.00	95,102,361.10	95,161,860.00			5.48	61	61			5.672	0.17
Corporate Notes 50% Maximum													
Apple 2.85 5/11/2024-24	037833CU2	2,135,000.00	2,153,113.94	2,115,037.75	S&P-AA+	Moody's-Aaa	0.12	132	71	5/11/2024	3/11/2024	0.484	0.36
Apple 2.85 5/11/2024-24	037833CU2	10,000,000.00	10,086,440.51	9,906,500.00	S&P-AA+	Moody's-Aaa	0.57	132	71	5/11/2024	3/11/2024	0.442	0.36
Apple 3.45 5/6/2024	037833AS9	10,000,000.00	10,108,718.06	9,930,500.00	S&P-AA+	Moody's-Aaa	0.57	127	127	5/6/2024		0.310	0.35
Exxon Mobil 2.019 8/16/2024-24	30231GBC5	10,000,000.00	10,081,561.64	9,805,200.00	S&P-AA-	Moody's-Aa1	0.57	229	198	8/16/2024	7/16/2024	0.699	0.62
Exxon Mobil 2.709 3/6/2025-24	30231GAF9	9,500,000.00	9,403,387.31	9,276,750.00	S&P-AA-	Moody's-Aa2	0.54	431	341	3/6/2025	12/6/2024	3.619	1.16
Exxon Mobil 2.992 3/19/2025	30231GBH4	20,000,000.00	19,972,489.41	19,580,800.00	S&P-AA-	Moody's-Aa2	1.14	444	444	3/19/2025		3.110	1.19
Guardian Life 1.1 6/23/2025	40139LAG8	13,000,000.00	12,597,740.87	12,267,320.00	S&P-AA+	Moody's-Aa2	0.74	540	540	6/23/2025		3.320	1.47
Guardian Life 1.1 6/23/2025	40139LAG8	9,456,000.00	9,098,750.41	8,923,059.84	S&P-AA+	Moody's-Aa2	0.54	540	540	6/23/2025		3.829	1.47
JP Morgan Chase Bank 5.1 5/30/2025-24	46632FSW6	21,000,000.00	21,000,000.00	20,951,280.00	Fitch-AA	Moody's-Aa2	1.20	516	151	5/30/2025	5/30/2024	5.100	1.38
Mass Mutual Global Funding 2.75 6/22/2024	57629WCE8	5,000,000.00	5,048,274.39	4,932,300.00	S&P-AA+	Moody's-Aa3	0.29	174	174	6/22/2024		0.701	0.48
Mass Mutual Global Funding 3.4 3/8/2026	57629WCH1	25,000,000.00	24,067,177.00	24,343,250.00	S&P-AA+	Moody's-Aa3	1.43	798	798	3/8/2026		5.230	2.10
Mass Mutual Global Funding 3.4 3/8/2026	57629WCH1	10,000,000.00	9,642,488.30	9,737,300.00	S&P-AA+	Moody's-Aa3	0.57	798	798	3/8/2026		5.150	2.10
Mass Mutual Global Funding 3.6 4/9/2024	57629WBV1	7,210,000.00	7,272,784.20	7,168,614.60	S&P-AA+	Moody's-Aa3	0.41	100	100	4/9/2024		0.400	0.27
Mass Mutual Global Funding 4.5 4/10/2026	57629WF62	9,000,000.00	8,874,191.61	8,973,360.00	S&P-AA+	Moody's-Aa3	0.51	831	831	4/10/2026		5.157	2.17
MetLife 2.8 3/21/2025	59217GEW5	17,500,000.00	17,374,480.25	17,039,400.00	S&P-AA-	Moody's-Aa3	1.00	446	446	3/21/2025		3.420	1.20
MetLife 3.45 12/18/2026	59217GBY4	14,899,000.00	14,029,366.13	14,340,436.49	S&P-AA-	Moody's-Aa3	0.85	1,083	1,083	12/18/2026		5.620	2.84

Description	CUSIP/Ticker	Face Amount/Shares	Book Value	Market Value	Credit Rating 1	Credit Rating 2	% of Portfolio	Days To Maturity	Days To Call/Maturity	Maturity Date	Next Call Date	YTM @ Cost	Duration To Maturity
MetLife 4.4 6/30/2027	59217GFB0	15,000,000.00	14,741,623.31	14,737,050.00	S&P-AA-	Moody's-Aa3	0.86	1,277	1,277	6/30/2027		4.942	3.28
Morgan Stanley 4.754 4/21/2026	61690U4T4	10,000,000.00	9,782,491.07	9,993,300.00	Fitch-AA-	Moody's-Aa3	0.57	842	842	4/21/2026		5.780	2.19
Morgan Stanley 5.882 10/30/2026-26	61690U7W4	15,000,000.00	15,439,893.14	15,423,450.00	Fitch-AA-	Moody's-Aa3	0.86	1,034	1,004	10/30/2026	9/30/2026	4.759	2.63
Morgan Stanley 5.882 10/30/2026-26	61690U7W4	20,000,000.00	20,568,353.68	20,564,600.00	Fitch-AA-	Moody's-Aa3	1.14	1,034	1,004	10/30/2026	9/30/2026	4.793	2.63
New York Life4.7 4/2/2026	64952WFB4	10,000,000.00	9,843,915.33	9,999,000.00	S&P-AA+	Moody's-Aaa	0.57	823	823	4/2/2026		5.450	2.14
New York Life4.7 4/2/2026	64952WFB4	11,890,000.00	11,691,708.62	11,888,811.00	S&P-AA+	Moody's-Aaa	0.68	823	823	4/2/2026		5.501	2.14
New York Life5.45 9/18/2026	64953BBF4	11,000,000.00	11,009,193.26	11,242,330.00	S&P-AA+	Moody's-Aaa	0.63	992	992	9/18/2026		5.416	2.52
New York Life5.45 9/18/2026	64953BBF4	12,500,000.00	12,655,775.00	12,775,375.00	S&P-AA+	Moody's-Aaa	0.71	992	992	9/18/2026		4.950	2.52
New York Life 0.9 10/29/2024	64952WEJ8	7,500,000.00	7,496,254.94	7,249,500.00	S&P-AA+	Moody's-Aaa	0.43	303	303	10/29/2024		0.961	0.83
New York Life 2.875 4/10/2024	64952WDG5	4,525,000.00	4,556,070.61	4,489,705.00	S&P-AA+	Moody's-Aaa	0.26	101	101	4/10/2024		0.378	0.28
Pacific Life 1.2 6/24/2025	6944PL2B4	5,000,000.00	4,802,899.72	4,742,150.00	S&P-AA-	Moody's-Aa3	0.29	541	541	6/24/2025		4.050	1.47
Pacific Life 1.375 4/14/2026	6944PL2E8	20,000,000.00	18,160,238.15	18,473,400.00	S&P-AA-	Moody's-Aa3	1.14	835	835	4/14/2026		5.750	2.25
Pacific Life 1.375 4/14/2026	6944PL2E8	20,000,000.00	18,140,185.29	18,473,400.00	S&P-AA-	Moody's-Aa3	1.14	835	835	4/14/2026		5.800	2.25
Pacific Life 5.5 8/28/2026	6944PL2W8	17,000,000.00	16,982,864.16	17,312,290.00	S&P-AA-	Moody's-Aa3	0.97	971	971	8/28/2026		5.539	2.47
PEFCO 0.55 7/30/2024	74274TAG5	10,000,000.00	9,756,941.14	9,746,500.00	Moody's-Aaa	Fitch-AA+	0.57	212	212	7/30/2024		4.960	0.58
Pricoa Global Funding 2.4 9/23/2024	74153WCL1	9,000,000.00	9,110,446.27	8,800,650.00	S&P-AA-	Moody's-Aa3	0.51	267	267	9/23/2024		0.700	0.72
Pricoa Global Funding 2.4 9/23/2024	74153WCL1	10,000,000.00	9,786,723.05	9,778,500.00	S&P-AA-	Moody's-Aa3	0.57	267	267	9/23/2024		5.510	0.72
Pricoa Global Funding 4.2 8/28/2025	74153WCR8	15,000,000.00	14,650,087.85	14,841,000.00	S&P-AA-	Moody's-Aa3	0.86	606	606	8/28/2025		5.696	1.60
Pricoa Global Funding 5.55 8/28/2026	74153WCT4	10,000,000.00	10,196,971.46	10,205,700.00	S&P-AA-	Moody's-Aa3	0.57	971	971	8/28/2026		4.747	2.47
Protective Global Life 1.303 9/20/2026	74368CBH6	10,000,000.00	8,886,384.84	9,058,800.00	S&P-AA-	Fitch-AA-	0.57	994	994	9/20/2026		5.800	2.67
Protective Global Life 4.714 7/6/2027	74368CBP8	6,000,000.00	5,756,085.33	5,963,340.00	S&P-AA-	Fitch-AA-	0.34	1,283	1,283	7/6/2027		6.019	3.20
Protective Global Life 4.714 7/6/2027	74368CBP8	7,655,000.00	7,343,805.53	7,608,227.95	S&P-AA-	Fitch-AA-	0.44	1,283	1,283	7/6/2027		6.019	3.20
Protective Global Life 5.366 1/6/2026	74368CBQ6	17,295,000.00	17,111,799.97	17,416,065.00	S&P-AA-	Fitch-AA-	0.99	737	737	1/6/2026		5.930	1.89
Protective Global Life 5.366 1/6/2026	74368CBQ6	10,000,000.00	9,916,320.74	10,070,000.00	S&P-AA-	Fitch-AA-	0.57	737	737	1/6/2026		5.810	1.89
Protective Global Life 5.366 1/6/2026	74368CBQ6	15,016,000.00	14,906,987.96	15,121,112.00	S&P-AA-	Fitch-AA-	0.86	737	737	1/6/2026		5.750	1.89
Roche Holdings 5.265 11/13/2026-26	771196CE0	10,000,000.00	10,091,991.11	10,219,200.00	S&P-AA	Moody's-Aa2	0.57	1,048	1,017	11/13/2026	10/13/2026	4.916	2.68
Southern California Gas Co. 3.2 6/15/2025-25	842434CP5	17,000,000.00	16,600,185.35	16,575,340.00	Fitch-AA-	Moody's-Aa3	0.97	532	440	6/15/2025	3/15/2025	4.919	1.43
USAA Capital 3.375 5/1/2025	90327QD89	10,000,000.00	9,971,635.22	9,789,100.00	S&P-AA	Moody's-Aa1	0.57	487	487	5/1/2025		3.600	1.31
Sub Total / Average Corporate Notes 50% Maximum		530,081,000.00	520,768,796.13	521,849,004.63			30.28	701	677			4.475	1.83
LGIP 100% Maximum													
Commonwealth of Virginia LGIP	LGIP0825	12,867.35	12,867.35	12,867.35	S&P-AAA	NR	0.00	1	1	N/A	N/A	5.676	0.00
Commonwealth of Virginia LGIP	LGIP0549	10,909,220.54	10,909,220.54	10,909,220.54	S&P-AAA	NR	0.62	1	1	N/A	N/A	5.676	0.00
Sub Total / Average LGIP 100% Maximum		10,922,087.89	10,922,087.89	10,922,087.89			0.62	1	1			5.676	0.00
Money Market60% Maximum													
Freedom Bank ICS MM	MM2554	5,221,164.65	5,221,164.65	5,221,164.65	NR	NR	0.30	1	1	N/A	N/A	5.500	0.00
John Marshall Bank ICS MM	MM60000	6,356,681.15	6,356,681.15	6,356,681.15	NR	NR	0.36	1	1	N/A	N/A	5.630	0.00
Truist MM	MM1006	406,976.54	406,976.54	406,976.54	NR	NR	0.02	1	1	N/A	N/A	5.216	0.00
United Bank Ck MM	MM0667	9,111.00	9,111.00	9,111.00	NR	NR	0.00	1	1	N/A	N/A	0.000	0.00
United Bank MM	MM3272	3,534,927.28	3,534,927.28	3,534,927.28	NR	NR	0.20	1	1	N/A	N/A	5.540	0.00
Sub Total / Average Money Market60% Maximum		15,528,860.62	15,528,860.62	15,528,860.62			0.89	1	1			5.552	0.00
Municipal Bonds - US 30% Maximum													
Calvert County MD 2 5/1/2024	131537T51	2,330,000.00	2,341,569.14	2,308,470.80	S&P-AAA	Fitch-AAA	0.13	122	122	5/1/2024		0.500	0.33
Calvert County MD 2 5/1/2025	131537T69	2,620,000.00	2,666,441.72	2,529,819.60	S&P-AAA	Fitch-AAA	0.15	487	487	5/1/2025		0.650	1.32
Carroll CNTY MD 2 11/1/2024	144880CK5	2,385,000.00	2,416,265.90	2,330,311.95	S&P-AAA	Moody's-Aaa	0.14	306	306	11/1/2024		0.420	0.83
Carroll CNTY MD 2 11/1/2025	144880CL3	1,890,000.00	1,938,882.57	1,807,917.30	S&P-AAA	Moody's-Aaa	0.11	671	671	11/1/2025		0.570	1.80
Florida State Revenue Bonds 1.258 7/1/2025	341271AD6	7,000,000.00	7,022,376.67	6,641,810.00	S&P-AA	Fitch-AA	0.40	548	548	7/1/2025		1.039	1.48
Sub Total / Average Municipal Bonds - US 30% Maximum		16,225,000.00	16,385,536.00	15,618,329.65			0.93	456	456			0.753	1.23
Municipal Bonds - Virginia 30% Maximum													
Arlington County 0.79 8/1/2025	041431VG9	7,000,000.00	7,020,748.34	6,596,870.00	S&P-AAA	Moody's-Aaa	0.40	579	579	8/1/2025		0.600	1.57
City Richmond GO 2 7/15/2024	76541VWU7	3,000,000.00	3,024,036.10	2,954,100.00	S&P-AA+	Moody's-Aa1	0.17	197	197	7/15/2024		0.500	0.53
City Richmond GO 2 7/15/2025	76541VWV5	410,000.00	418,703.23	393,608.20	S&P-AA+	Moody's-Aa1	0.02	562	562	7/15/2025		0.600	1.51



**NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**  
**MEMORANDUM**

**7.**

**FOR:** Chair Jeanette Rishell and Members  
Northern Virginia Transportation Authority Finance Committee

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

**DATE:** February 1, 2024

**SUBJECT:** Monthly Revenue Report

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1. **Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on monthly revenue receipts and 30% funds distributed to member localities.
2. **Background:** The attached reports reflect funding received and distributed through January 2024 for FY2024.
3. **Comments:**
  - A. **FY2024 Revenues (Attachment A):**
    - I. The Authority has received approximately \$192 million through January 31, 2024, transfers from the Commonwealth.
      1. \$10.0 million of the annual Northern Virginia District Transfer.
      2. \$15.7 million in Regional Congestion Relief Fees (Grantor's Tax).
      3. \$149.3 million in Regional Sales Tax.
      4. \$17.3 million in Interstate Operation Enhance Program (IOEP), 12.1% lower than original VDOT estimates.
    - II. January 2024 represents the fifth month of sales tax receipts for FY2024. Attachment A shows a 10.5% positive variance between the budgeted sales tax receipts compared to the annualized actual sales tax receipts.
    - III. As of the end of January 31, 2024, the FY2024 Regional Congestion Relief Fees (Grantor's Tax) reflect a negative variance of 33.8% when compared to the FY2024 budget projections. Member localities have been experiencing similar trends. The Authority will continue to monitor the receipts and economic trends.
  - B. **FY2024 Distribution to localities (Attachment B)**
    - I. At the end of January, eight member jurisdictions had completed the required *Code of Virginia* Section 33.2-2510 required annual certification to receive FY2024 Local Distribution Funds (30%).
    - II. If the annual certification is not filed by August 1st, Local Distribution Fund Transfers are suspended. Subsequently, if the certification is not received, in acceptable form, by March 1st of the current fiscal year, the jurisdiction's share of the Local Distribution Fund will be irrevocably transferred to the Regional Revenue Fund.
    - III. Suspension of transfers has been discussed with jurisdictional staff where appropriate and reminders are sent monthly.

- IV. As of January 2024, \$53.9 million has been distributed in FY2024 Local Distribution funds to member jurisdictions.

**C. FY2020 to FY2024 Year over Year Revenue Comparison (Attachment C).**

- I. This chart reflects a month-to-month comparison of sales tax and grantors tax revenue and a year-to-year comparison of fiscal year to date sales tax revenues received as of January 2024 for FY2024.

**Attachments:**

- A. FY2024 Revenues Received by Tax Type Compared to NVTA Estimates, through January 2024
- B. FY2024 30% Distribution by Jurisdiction, as of January 2024
- C. Month to Month Comparison of Sales Tax Revenue and Fiscal Year to Date Receipts for January FY2020 to FY2024

# Attachment A

**NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**  
**SALES TAX REVENUES RECEIVED BY JURISDICTION, COMPARED TO NVTA ESTIMATES**  
 Based on: Revenue Data Through January 2024  
 FYE June 30, 2024

		Received	Annualized Revenue based on YTD Receipts	FY2024 Budget	Annualized Actual To Budget	
<b>Regional Sales Tax</b>						
<b>Transaction Months</b>	<b>5</b>	<b>To Date</b>	<b>on YTD Receipts</b>	<b>Budget</b>	<b>Actual To Budget</b>	
Total Sales Tax Revenue		\$ 149,332,091	358,397,018	\$ 324,471,940	\$ 33,925,078	10.5%
<b>Interstate Operation Enhance Program</b>						
<b>Transaction Months</b>	<b>1</b>	<b>To Date</b>	<b>on YTD Receipts</b>	<b>Budget</b>	<b>Actual To Budget</b>	
Interstate Operation Enhance Program		\$ 17,274,354	17,274,354	\$ 19,653,162	\$ (2,378,808)	-12.1%
<b>Regional Congestion Relief Fee</b>						
<b>Transaction Months</b>	<b>6</b>	<b>To Date</b>	<b>on YTD Receipts</b>	<b>Budget</b>	<b>Actual To Budget</b>	
Total Regional Congestion Relief Fee		\$ 15,677,353	\$ 31,354,707	\$ 47,391,543	(16,036,836)	-33.8%
<b>NVTD Transfer from COVA</b>						
<b>Transaction Months</b>	<b>2</b>	<b>To Date</b>	<b>on YTD Receipts</b>	<b>Budget</b>	<b>Actual To Budget</b>	
Total NVTD Transfer from COVA		\$ 10,000,000	\$ 20,000,000	\$ 20,000,000	\$ -	0.0%
<b>Total Revenue Received</b>		<b>\$ 192,283,798</b>	<b>427,026,079</b>	<b>\$ 411,516,645</b>	<b>\$ 15,509,434</b>	<b>3.77%</b>

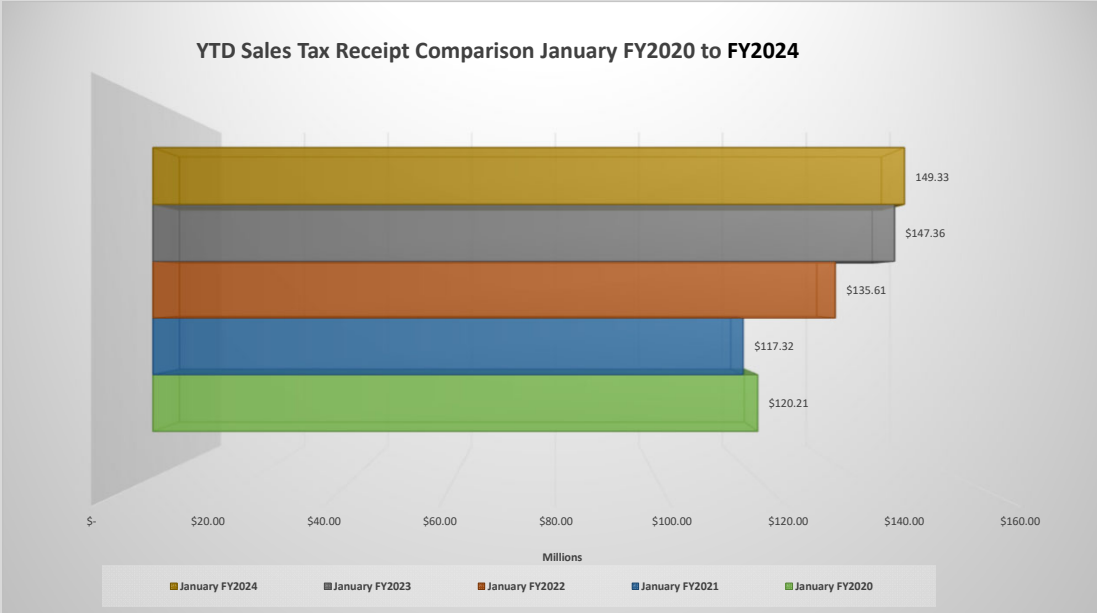
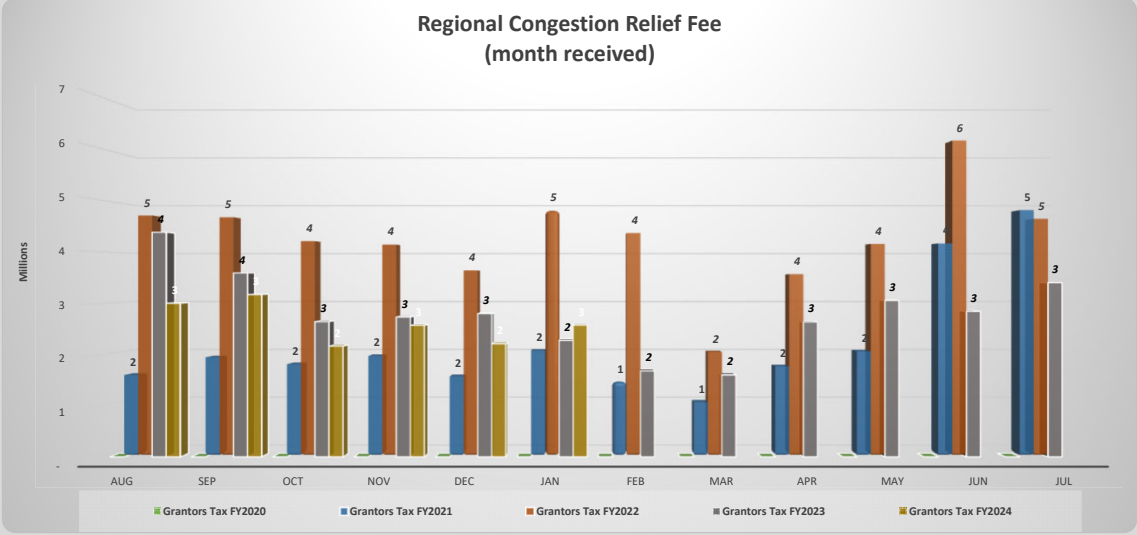
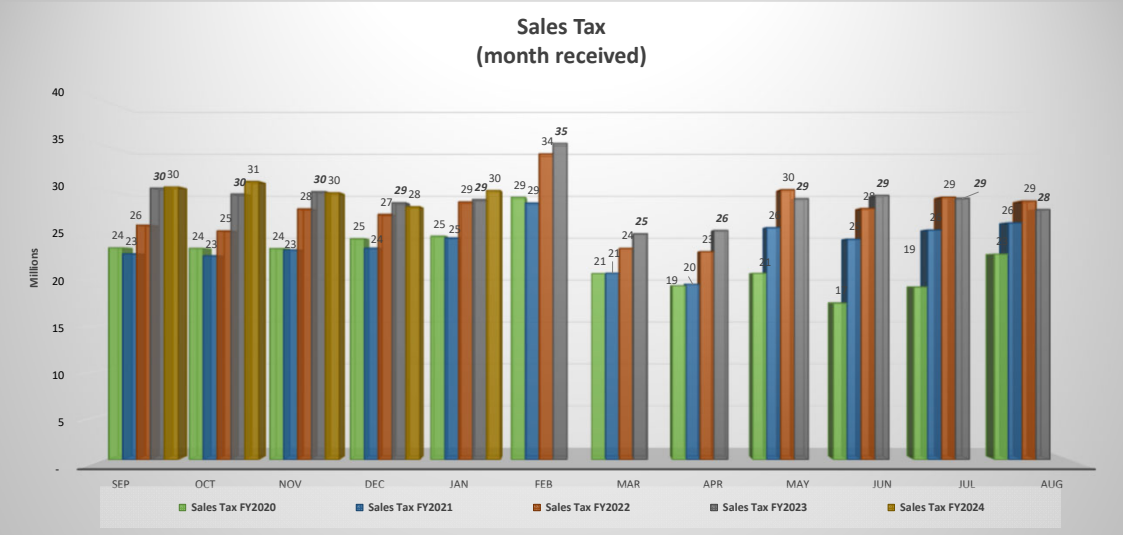


# Attachment B

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY FY2024 30% DISTRIBUTION BY JURISDICTION											
Based on: Revenue Data Through January 2024											
Jurisdiction	Interstate Operat Enhance Program	Regional Sales Tax	Regional Congestion Relief Fee	NVTD Transfer From COVA	CoVa NVTA Interest	Cumulative Total	30% Funds	As of 12/31/2023		Total Funds Transferred	
								Accrued Interest (1)	Prior Distributions		Current Month Distribution
								(+)			
City of Alexandria	\$ 1,165,759.80	\$ 10,199,065.24	\$ 1,025,087.90	\$ 672,439	\$ 22,294.85	\$ 13,084,646.96	\$ 3,925,394.09	\$ 8,247.89		\$ 3,933,641.98	
Arlington County	\$ 1,645,319.87	\$ 14,149,376.90	\$ 1,608,633.25	\$ 943,043	\$ 32,028.31	\$ 18,378,401.54	\$ 5,513,520.46	\$ 11,584.80	\$ 4,586,448.26	\$ 938,657.00	\$ 5,525,105.26
City of Fairfax	\$ 399,151.75	\$ 3,582,820.92	\$ 199,295.20	\$ 232,602	\$ 8,479.19	\$ 4,422,348.75	\$ 1,326,704.63	\$ 2,787.62		\$ 1,329,492.25	\$ 1,329,492.25
Fairfax County	\$ 7,174,737.79	\$ 62,015,333.08	\$ 6,610,169.80	\$ 4,146,355	\$ 136,684.55	\$ 80,083,280.42	\$ 24,024,984.13	\$ 50,480.38	\$ 19,983,860.38	\$ 4,091,604.13	\$ 24,075,464.51
City of Falls Church	\$ 174,346.39	\$ 1,599,108.77	\$ 70,487.10	\$ 99,573	\$ 3,410.79	\$ 1,946,926.20	\$ 584,077.86	\$ 1,227.24	\$ 484,655.87	\$ 100,649.23	\$ 585,305.10
Loudoun County	\$ 3,526,730.86	\$ 29,782,802.64	\$ 3,168,384.30	\$ 2,060,638	\$ 63,363.27	\$ 38,601,918.95	\$ 11,580,575.69	\$ 24,332.67	\$ 9,647,219.27	\$ 1,957,689.09	\$ 11,604,908.36
City of Manassas	\$ 388,559.82	\$ 3,455,351.54	\$ 257,683.00	\$ 226,812	\$ 7,394.08	\$ 4,335,800.22	\$ 1,300,740.07	\$ 2,733.07	\$ 1,096,855.92	\$ 206,617.22	\$ 1,303,473.14
City of Manassas Park	\$ 96,991.71	\$ 778,551.05	\$ 80,254.90	\$ 57,304	\$ 1,505.80	\$ 1,014,606.97	\$ 304,382.09	\$ 639.56	\$ 259,133.57	\$ 45,888.08	\$ 305,021.65
Prince William County	\$ 2,702,756.01	\$ 23,769,680.81	\$ 2,657,357.90	\$ 1,561,234	\$ 53,263.25	\$ 30,744,292.38	\$ 9,223,287.71	\$ 19,379.62	\$ 7,664,103.43	\$ 1,578,563.90	\$ 9,242,667.33
Total Revenue	\$ 17,274,354.00	\$ 149,332,090.95	\$ 15,677,353.35	\$ 10,000,000.00	\$ 328,424.09	\$ 192,612,222.39	\$ 57,783,666.73	\$ 121,412.85	\$ 43,722,276.70	\$ 14,182,802.88	\$ 53,971,437.60
Interest 12/31/2023						\$ 192,612,222.39	\$ 57,783,666.73				\$ 57,905,079.58

# Attachment C

## FY2024 January 2024



**NORTHERN VIRGINIA TRANSPORTATION AUTHORITY**  
**MEMORANDUM**

**8.**

**FOR:** Chair Jeanette Rishell and Members  
Northern Virginia Transportation Authority Finance Committee

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

**DATE:** February 1, 2024

**SUBJECT:** Monthly Operating Budget Report

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- 1. Purpose:** To update the Northern Virginia Transportation Authority (NVTA) Finance Committee on the Authority's Operating Budget for FY2024.
- 2. Background:** The Authority elected to fund the Operating Budget for FY2024 through transfers from the Regional Revenue Fund.
- 3. Monthly Operating Budget Report:** Through December 31, 2023, the FY2024 Operating Budget has produced the following:
  - A.** The Operating Budget will be fully funded through quarterly transfers of \$1,070,836 from the Regional Revenue Fund.
  - B.** As of December 31, 2023, the attached Income Statement reflects the Authority utilized 39% of its FY2024 expenditure budget through 50% of the fiscal year. Expenditures for PIMMS and the Website Modernization will be incurred as the projects progress.
  - C.** As of December 31, 2023, all expense categories remained within budget.
  - D.** The attached statement shows the total Operating Budget income and expenditure activity for December 31, 2023.

**Attachment:** FY2024 Monthly Operating Budget through December 31, 2023

# Attachment

Combined Funds

		----- Current Year -----				
Account Object	Description	Current Month	Current YTD	Budget	Variance	%
Expenses						
410000	Personnel Expenses					
110	Salaries-Regular Pay	242,298.75	1,048,091.80	2,220,795.00	1,172,703.20	47
130	Health & Dental Benefits	15,304.35	127,349.13	383,809.00	256,459.87	33
131	Payroll Taxes	14,245.38	66,630.57	171,171.00	104,540.43	39
132	Retirement VRS	14,823.11	74,639.39	193,402.00	118,762.61	39
133	Life Insurance	2,194.25	11,447.36	30,656.00	19,208.64	37
134	Flex Spending/Dependent Care	46.58	232.90	1,165.00	932.10	20
135	Workers Comp		1,525.00	2,397.00	872.00	64
137	Disability Insurance	4,032.69	13,904.86	22,388.00	8,483.14	62
	<b>Total Account</b>	<b>292,945.11</b>	<b>1,343,821.01</b>	<b>3,025,783.00</b>	<b>1,681,961.99</b>	<b>44</b>
420000	Professional Services					
210	Audit & Accounting Services		29,000.00	58,750.00	29,750.00	49
220	Bank Service			750.00	750.00	
230	Insurance		12,621.00	12,375.00	-246.00	102
240	Payroll Services	358.31	2,529.66	5,920.00	3,390.34	43
260	Public Outreach & Regional Event Support	25.99	10,106.08	49,640.00	39,533.92	20
261	Legal/Bond Counsel Services			75,000.00	75,000.00	
262	Financial Advisory Services		8,750.00	36,955.00	28,205.00	24
263	Bond Trustee Fees		2,687.50	2,700.00	12.50	100
264	Legislative Services	10,768.91	40,245.33	85,000.00	44,754.67	47
265	Investment Custody Svc		5,020.00	25,000.00	19,980.00	20
	<b>Total Account</b>	<b>11,153.21</b>	<b>110,959.57</b>	<b>352,090.00</b>	<b>241,130.43</b>	<b>32</b>
430000	Technology/Communication					
310	Acctg & Financial Report Systems		52,018.10	113,035.00	61,016.90	46
330	IT Support Svc Incl Hosting	2,578.45	18,085.43	46,220.00	28,134.57	39
335	GIS/Project Mgt/Modeling	3,909.00	9,909.00	238,294.00	228,385.00	4
340	Phone Service & Web Ex Chgs	1,328.39	7,956.71	18,035.00	10,078.29	44
350	Web Develop & Hosting	191.25	1,494.30	263,090.00	261,595.70	1
940	Computer HW SW & Peripheral	720.00	1,138.00	1,000.00	-138.00	114
	<b>Total Account</b>	<b>8,727.09</b>	<b>90,601.54</b>	<b>679,674.00</b>	<b>589,072.46</b>	<b>13</b>
440000	Administrative Expenses					
405	Building/Office Related Expenses			3,000.00	3,000.00	
410	Advertisement		805.57	3,000.00	2,194.43	27
411	Dues & Subscriptions	1,666.81	10,901.30	20,725.00	9,823.70	53
412	Duplication & Printing	291.66	2,925.01	13,500.00	10,574.99	22
414	Hosted Meeting Expenses	443.69	1,825.15	5,500.00	3,674.85	33
415	Mileage/Transportation	711.38	3,684.61	11,000.00	7,315.39	33
417	Office Lease	20,352.20	144,714.10	244,375.00	99,660.90	59
418	Office Supplies	409.73	2,540.51	7,600.00	5,059.49	33
419	Postage & Delivery			700.00	700.00	
420	Professional Develop & Training	599.00	14,736.13	23,000.00	8,263.87	64
	<b>Total Account</b>	<b>24,474.47</b>	<b>182,132.38</b>	<b>332,400.00</b>	<b>150,267.62</b>	<b>55</b>

Combined Funds

Account Object	Description	----- Current Year -----				
		Current Month	Current YTD	Budget	Variance	%
	<b>Total Expenses</b>	<b>337,299.88</b>	<b>1,727,514.50</b>	<b>4,389,947.00</b>	<b>2,662,432.50</b>	<b>39</b>
	Net Income from Operations	-337,299.88	-1,727,514.50			
	Other Revenue					
383000	Transfer Operating Budget from Regional Revenue		1,070,546.00	4,283,343.00	-3,212,797.00	25 25
	<b>Total Other Revenue</b>	<b>0.00</b>	<b>1,070,546.00</b>	<b>4,283,343.00</b>	<b>-3,212,797.00</b>	<b>25</b>
	Other Expenses					
521000	Transfers					
820	Transfer to Operating Reserve			841,990.00	841,990.00	
825	Transf to Equip Reserve			50,000.00	50,000.00	
	<b>Total Account</b>			<b>891,990.00</b>	<b>891,990.00</b>	
	<b>Total Other Expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>891,990.00</b>	<b>891,990.00</b>	
	Net Income	-337,299.88	-656,968.50			