



NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

MEMORANDUM

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

FROM: Mayor Parrish, Chairman, Finance Committee

DATE: March 16, 2017

SUBJECT: Finance Committee Report of the February 16, 2017 Meeting

1. **Purpose:** To provide a report of the monthly activities of the Northern Virginia Transportation Authority's (NVTA) Finance Committee.
2. **Background:** The Finance Committee last met on February 16, 2017. The March meeting was cancelled due to no action items. The next meeting is scheduled for April 20, 2017 at 1:00PM. The following summarizes the February 16th meeting:
3. **Action Items:**
 - a. **Financial Statement Audit Services.**
 - i. The Finance Committee also serves as the NVTA Audit Committee and is responsible for approving the selection of an audit firm and audit plan supporting the preparation of annual financial statements. (NVTA Bylaws – article V. section B.1.(g))
 - ii. The current audit service contract with PBMARES, LLP ended with the FY2016 audit.
 - iii. The Committee received a report of the joint procurement process undertaken by the Northern Virginia Transportation Commission (NVTC), Potomac and Rappahannock Transportation Commission (PRTC) and the Virginia Railway Express (VRE) for a base period of three years beginning in FY2015, with options for two additional two year periods. The selection committee of this joint procurement included the NVTA Chief Financial Officer.
 - iv. The joint procurement selection committee recommended the contract award to PBMares, LLP. This same firm has undertaken the NVTA audits since FY2014. Staff recommended exercising a contract rider option under the joint procurement to synchronize audit service contracts with NVTC, PRTC and VRE with the understanding that it will probably be in the NVTA's best interest to participate in future audit Requests for Proposals (RFPs) jointly with NVTC, PRTC and VRE.
 - v. The Committee members in attendance unanimously agreed to recommend Authority approval of utilizing a contract rider option contained in the contract between PBMares, LLP and VRE.

b. Budget Transfer to Advance the FY2018 Planning Technology Project

- i. The Committee reviewed a staff recommendation to advance the budgeted FY2018 Planning Technology Project and thereby implement the GIS mapping functionality within 30 to 45 days of funding availability through a proposed budget transfer.
- ii. Advancing the project timing would not require additional member jurisdiction funding or have negative fiscal implications for the Authority.
- iii. Accelerating the GIS deployment will improve the transparency of the Authority's approved FY2014 through FY2017 Project Plans and the TransAction Update project.
- iv. The Committee members in attendance unanimously agreed to recommend Authority approval of the budget transfer.

c. 2017 Finance Committee Meeting Schedule

- i. The Committee adopted the following meeting schedule.

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

4. Discussion Items:

a. Financial Advisory Services.

- i. The current Financial Advisory Services contract was acquired through a contract rider on Prince William County Contract 7098NA9 with Public Financial Management (PFM).
- ii. Prince William County is issuing a new RFP for financial advisory services. Expecting this RFP will result in a new contract, the NVTA/PFM rider will expire.
- iii. Under a joint procurement two or more government entities work together to develop and issue a single request for proposal, receive and evaluate vender proposals, and select the vender they deem most appropriate for their organization.
- iv. Joint procurements can result in one vendor receiving contract awards from each of the government entities or the government entities may select different vendors.
- v. Joint procurements often result in favorable pricing and reduced administrative burdens, while allowing the benefit of multiple perspectives on vendor proposals, as well as allowing each government participant to make independent contract awards.

- vi. Prince William County is the lead agency in the joint procurement and has agreed to permit the NVTA to join the process.
- vii. NVTA’s current financial advisor PFM is aware of the need for the NVTA to take action to ensure access to financial advisory services once the current Prince William County contract is replaced.

b. Sole Source Purchase Declaration

- i. As required in the NVTA purchasing policy, the Finance Committee was advised of a (possible future) sole source procurement. Specifically, this procurement will be related to the acquisition of GIS software licenses from Environmental System research Institute (ESRI) ArcGIS.
- ii. The sole source basis is that the software is only available from one vendor, ESRI and it is also the most functionally compatible with member jurisdictions and agencies.

c. Investment Program Implementation

- i. The Finance Committee received an update on the implementation of the NVTA investment program.
- ii. The following table presents the fiscal year 2014 through 2018 interest revenue and estimates, based on the program implementation.

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

- iii. All interest earnings through this program benefit the Regional Revenue Fund and are a revenue source for future PayGo projects as determined by the Authority.
- iv. Investment reports are being finalized and reconciled and will become part of the regular report package to the Finance Committee and Authority.

d. Monthly Revenue Report. The Committee received a report on Authority revenues for FY2017 and 30% transfers to member jurisdictions. It was noted there are no recommendations for changes to the revenue estimates at this time.

e. Monthly Operating Budget Report. The Committee received a report on the Authority FY2017 Operating Budget. It was noted there are no recommendations for changes to the Operating Budget, other than noted above, at this time.