

Hampton Roads Transportation Accountability Commission Amended HRTAC FY2020 HRTAC Administrative and Project Development Budget

At the Thursday, October 17, 2019, Regular Hampton Road Transportation Accountability Commission (HRTAC) meeting, the Commission approved the Amended HRTAC FY2020 Administrative and Project Development Budget.

Background for the Amendment:

State Code assigns responsibility of compliance of payment of the regional tax on motor fuels in Planning District 23 to the Department of Motor Vehicles (DMV). DMV conducts audits of the distributors required to make returns and pay or collect taxes under the law. Last fiscal year, DMV's External Audit Division expanded to four full-time auditors working on regional fuels tax collections, along with assistance from three other auditors and management oversight. In accordance with §58.1-2299.20, Code of Virginia, the actual costs for DMV's audit program will be paid by the Northern Virginia Transportation Commission (NVTC), the Potomac Rappahannock Transportation Commission (PRTC), and HRTAC. Between the three Commissions, the DMV audit group completed six audits last year and nine more are in process. The total cost for the auditors was \$378,769. The cost for each transportation district is based on their share of the total revenue distributed for the fiscal year. HRTAC's share of auditor costs for FY2019 was 52.8%, or \$199,933.31. For FY19, the completed audits generated over \$11 million in additional revenue for HRTAC. The Commission was notified of the increased audit costs beginning with DMV's FY2019 invoice received on August 16, 2019. Previous year end audit costs had been significantly lower. To best prepare for this ongoing expense, HRTAC Staff has prepared a \$220,000.00 budget amendment to cover these costs and is requesting that the Finance Committee recommend that the Commission endorse the Proposed Amendment to the Approved HRTAC FY2020 Administrative and Project Development Budget. At the Thursday, September 12, 2019 Finance Committee meeting, the Finance Committee endorsed the Proposed Amendment to the HRTAC FY2020 Administrative and Project Development Budget and authorized the Finance Committee Chair to recommend the proposed amendment to the approved budget to the Commission. On Thursday, September 19, 2019, during its Regular Meeting, the Commission authorized the Finance Committee to conduct a public hearing on the Proposed Amendment to the HRTAC FY2020 Administrative and Project Development Budget. The Finance Committee conducted a public hearing on the Proposed Amendment to the HRTAC FY2020 Administrative and Project Development Budget that was held on Wednesday, October 9, 2019. There were no public comments made or received in writing.



Approved Amended HRTAC FY2020 Administrative and Project Development Budget

CATEGORY	Approved Budget as Amended 10/17/2019
REVENUES	
HRTF Support *	-
Interest/Investment Income	\$ 5,817,390
TOTAL REVENUE	5,817,390
EXPENDITURES	
PERSONNEL**	
HRTAC Staff/Fringes/Leave Reserve	561,770.49
HRTPO/HRPDC Support Staff**	101,000
SUBTOTAL PERSONNEL	662,770.49
PROFESSIONAL SERVICES	
Audit	244,000
Trustee	15,000
Bank Fees & Investment Services	355,000
Legal	927,000
Financial Advisors	795,000
Insurance - D&O/Liability	4,120
Recruiting	2,000
Bond Issuance Expense/TIFIA	2,750,000
SUBTOTAL PROFESSIONAL SERVICES	5,092,120
TECHNOLOGY/COMMUNICATION**	
IT/Communications	5,000
LAN system/ Cloud	10,000
Website Consultant	2,000
SUBTOTAL TECHNOLOGY/COMMUNICATION	17,000
ADMINISTRATIVE **	
Public Notices/Advertising	1,000
Office Space	12,000
Office Supplies**	5,000
Furniture	500
Printing/Copying**	6,000
Dues/Subscriptions	1,000
Travel	8,000
Meeting Expenses**	5,000
Telephone**	1,500
Postage**	500
Professional Development	5,000
SUBTOTAL ADMINISTRATIVE	45,500
TOTAL EXPENDITURES	\$ 5,817,390

* HRTF Support will be used if the Interest/Investment Income is less than budgeted.

**Includes items to be reimbursed to HRPDC/HRTPO

