

NOTES

This meeting is open to the public. Members of the public are invited to attend in person or virtually. Please alert the CVTA at CVTA@PlanRVA.org if electronic transmission of this meeting fails for the public. Please refer to our [Statement Regarding Virtual Meeting Participation by Members of the Public](#) for more information.

Check out our complete [Public Participation Guide](#) online to learn about the different ways you can stay connected and involved.

Meetings are also live streamed and archived on our YouTube Channel at [Plan RVA - YouTube](#).

Members of the public are invited to submit public comments either verbally or in writing. Written comments can be submitted through the Q&A/Chat function on Zoom by email to CVTA@PlanRVA.org. Written comments will be read aloud or summarized during the meeting when possible and will be included in the meeting minutes. Verbal comments will be taken during the Public Comment Period on the agenda. Please indicate by raising your hand (in-person participants, where applicable) or through the Q&A/Chat functions on Zoom (virtual participants) if you would like to comment. When acknowledged by the Chairman, please clearly state your name so that it may be recorded in the meeting minutes.



The old tavern was a stagecoach stop on the route that between Richmond and Charlottesville and in the late 18th century was changed. The area of the 18th century, on Highway, Barlow and historical markers covered a tavern here.

The Tavern, built in the mid-18th century, is a typical, well-preserved, traditional house of the Piedmont region. The sycamore trees that stood here for many years and the Tavern, its main.

Since the early 19th century, the Tavern has served the educational and cultural needs of the community as part of the Montpelier School for the deaf and in the 19th century, Memorial Library.

Central Virginia Transportation Authority (CVTA) Finance Committee

Powered By:



PlanRVA is where the region comes together to look ahead. Established in 1969, PlanRVA promotes cooperation across the region's nine localities and supports programs and organizations like the Richmond Regional Transportation Planning Organization, Central Virginia Transportation Authority, the Emergency Management Alliance of Central Virginia, Lower Chickahominy Watershed Collective and Don't Trash Central Virginia.

AGENDA

CVTA FINANCE COMMITTEE

Wednesday, August 9, 2023, 9:00 a.m.

PlanRVA James River Boardroom
424 Hull Street, Suite 300, Richmond, VA 23224

If you wish to participate in this meeting virtually, please register via Zoom at the following link:
https://planrva-org.zoom.us/webinar/register/WN_KOiflqNrS42zEKhJK-rKLg

Welcome and Introductions

(Peterson)

Certification of a Quorum

(Firestone)

ADMINISTRATION

1. Confirmation of Member Participation from a Remote Location

(as needed/Peterson)

Action requested (if there are member requests to participate remotely): motion to confirm that the Chair's decision to approve or disapprove the member(s) request to participate from a remote location was in conformance with the CVTA Policy for Remote Participation of Members; and, the voice of the remotely participating member(s) can be heard by all persons at the primary or central meeting location (voice vote).

2. Consideration of Amendments to the Action Meeting Agenda

(Peterson)

3. **Approval of June 14, 2023, Meeting Minutes** – page 4

(Peterson)

Action requested – motion to approve the CVTA Finance Committee minutes as presented (voice vote).

4. Open Public Comment Period

(Peterson/5 minutes)

5. CVTA Finance Committee Chairman's Report

(Peterson/5 minutes)

6. CVTA Activities Report

(25 minutes)

- a. **Financial Activities and Investment Reports** *(Parsons)* – page 8
- b. **Non-Binding Governance Documents** *(Parsons)* – page 13
- c. **Fiscal Strategy Roadmap** *(Parsons)* – page 16
- d. **TAC Activities Report** *(Clarke)*

NEW BUSINESS

7. Election of CVTA Finance Committee Officers

(Peterson/15 minutes)

Action requested: motion to elect _____ as FY24 Chairman and _____ as FY24 Vice Chairman.

8. Overview of Investment Strategies – page 17

(Longnaker/15 minutes)

Information item

9. Bond Counsel RFP

(Gregory/15 minutes)

Information item. Note: a handout will be distributed at the meeting.

OTHER BUSINESS

1. Future Meeting Topics – page 20

(Chairman/5 minutes)

2. CVTA Finance Committee Member Comments

(Chairman/5 minutes)

3. Next Meeting: September 13, 2023

PlanRVA Boardroom, 424 Hull Street, Suite 300, Richmond, VA 23224

(Chairman)

4. Adjournment

(Chairman)

MINUTES

CVTA FINANCE COMMITTEE

Wednesday, June 14, 2023, 9:00 a.m.

PlanRVA James River Boardroom
424 Hull Street, Suite 300, Richmond, VA 23224

Members Present:

Jurisdiction/Agency	Member	Present	Absent
Chesterfield County	Kevin P. Carroll	X	
Hanover County	W. Canova Peterson, Chair	X	
Henrico County	Frank J. Thornton	X	
New Kent County	Patricia A. Paige, Vice Chair		X
City of Richmond	Levar M. Stoney	X	

The technology used for the CVTA Finance Committee meeting was a web-hosted service created by Zoom and YouTube Live Streaming and was open and accessible for participation by members of the public. A recording of this meeting is available on our [Plan RVA YouTube Channel](#).

Virtual participation of this meeting by members of the committee is authorized under the City of Richmond Res. No. 2020-R025, - declaration of a local emergency due to the potential spread of COVID-19, adopted March 16, 2020. The resolution is available [here](#).

Welcome and Introductions

The Central Virginia Transportation Authority (CVTA) Finance Committee Chair W. Canova Peterson, presided and called the CVTA Finance Committee meeting to order at 9:06 a.m.

Certification of a Quorum

Janice Firestone, Program Manager, certified that a quorum was present.

ADMINISTRATION

1. Confirmation of Member Participation from a Remote Location

Chair Peterson announced there were no members requesting to participate remotely.

2. Consideration of Amendments to the Meeting Agenda

Kevin Carroll announced that he would like to remove the FY24 officer election item from the agenda. The CVTA Bylaws state that the committee membership for the two localities other than Chesterfield, Henrico and Richmond is to be determined by the full Authority. This needs to be done prior to officer elections.

On motion by Kevin Carroll, seconded by Levar M. Stoney, the CVTA Finance Committee voted to amend the agenda to remove the Chair and Vice Chair elections (voice vote).

3. Approval of May 10, 2023, CVTA Finance Committee Action Meeting Minutes

On motion of Levar M. Stoney, seconded by Frank J. Thornton, the CVTA Finance Committee voted to approve the minutes as presented (voice vote).

4. Open Public Comment Period

There were no public comments received and no requests to address the committee.

5. CVTA Finance Committee Chairman's Report

Chair Peterson did not have a formal report.

6. CVTA Activities Report

a. Financial Activities and Investment Reports

Chet Parsons, PlanRVA, gave an overview of the monthly investment report and the tax collection and allocation summary and offered to answer any questions. He noted that Rebecca Longnaker, Chesterfield County, has indicated an availability of funds for reinvestment and asked the Committee to authorize staff to work with Ms. Longnaker to move forward with reinvesting the funds.

Committee members recommended having Ms. Longnaker come before the committee to present the options that are currently available.

On motion by Kevin Carroll, seconded by Levar M. Stoney, the CVTA Finance Committee voted to authorize staff to work with Ms. Longnaker to determine the best reinvestment strategy (voice vote).

b. Draft FY 2024 Administrative & Operating Budget Update

Mr. Parsons provided an update on the FY24 Administrative and Operating budget. He detailed some of the goals for the upcoming year, including increasing public engagement/promotional materials, the continuation of publishing an annual report, establishment of an operating reserve. He noted the surplus from FY23 is expected to be carried over to FY24.

Committee members suggested creating public service announcements for the CVTA. There was also a discussion about the budgeted amounts. Mr. Parsons reported that despite the surplus from FY23, the budgeted amounts for FY24 were not reduced. The intent is to be conservative and ensure each line item has sufficient funding for the full budget year. Committee members expressed a desire to take a look at potential protections that can be put in place.

The proposed budget will be brought before the full Authority in July. Committee members suggested reducing the budget public engagement amount.

On motion by Kevin Carroll, seconded by Frank J. Thornton, the CVTA Finance Committee voted to recommend full Authority approval of the FY2024 Administrative and Operating Budget, subject to the amount for public engagement line item being reduced to \$25,000 (roll call vote; see below).

Jurisdiction/Agency	Member	Aye	Nay	Abstain	Absent
Chesterfield County	Kevin P. Carroll	X			
Hanover County	W. Canova Peterson	X			
Henrico County	Frank J. Thornton	X			
New Kent County	Patricia A. Paige				X
City of Richmond	Levar M. Stoney	X			

c. Bond Counsel Update

Mr. Parsons reported that since the last presentation from PFM, a table has been drafted to highlight what would happen in the first six months after the Authority authorizes the issuance of debt.

The RFP for bond counsel will be ready for Authority review and approval as soon as staff is authorized to bring it to the Authority. Committee members requested having this matter on the next Authority agenda to determine when the RFP should be issued.

d. TAC Activities Report

Dironna Moore Clarke, CVTA TAC Chair, provided a report on the group’s activity and summarized the following topics:

- The Fall Line Working Group reviewed documents for the Wayfinding Plan. VDOT’s design guidelines give the localities preferred design options. The Wayfinding Plan is wayfinding and signage along the trail. The BikeWalk vision plan links history and cultural areas along the trail.
- TAC recommended Authority approval of three SPAs for the Fall Line Trail in Hanover County.
- TAC elected Ms. Clarke to serve another year as Chair and Barbara K. Smith to serve another year as Vice Chair.

OTHER BUSINESS

1. GRTC Regional Public Transportation Plan

Adrienne Torres, GRTC, was present remotely and gave a presentation on the plan. She reviewed the priorities, zones and budget. Committee members had questions and Ms. Torres offered clarification on the budgeted figures.

On motion by Kevin Carroll, seconded by Levar M. Stoney, the CVTA Finance Committee voted to recommend approval of the GRTC Regional Public Transportation Plan (voice vote).

2. Election of FY24 CVTA Finance Committee Chair and Vice Chair (this item was removed from the agenda and not heard.)

3. Legal Services Fees

Eric Gregory, legal counsel, explained the requested increase in monthly legal services fees. Committee members discussed the importance of having legal counsel available to members.

On motion by Kevin Carroll, seconded by Frank J. Thornton, the CVTA Finance Committee voted to recommend approval of \$4,000 per month legal services fee to Hefty, Wiley & Gore, P.C., effective July 1, 2023 (roll call vote; see below).

Jurisdiction/Agency	Member	Aye	Nay	Abstain	Absent
Chesterfield County	Kevin P. Carroll	X			
Hanover County	W. Canova Peterson	X			
Henrico County	Frank J. Thornton	X			
New Kent County	Patricia A. Paige				X
City of Richmond	Levar M. Stoney	X			

4. Future Meeting Topics

Frank Thornton requested having a presentation on financial protections on an upcoming agenda. Specifically, the presentation would cover how to avoid the appearance that CVTA funds are meant to supplement existing VDOT funded projects and ways to ensure the CVTA maintains and improves its financial footing and mission.

There were no other future meeting topics suggested by members.

5. CVTA Finance Committee Member Comments

There were no member comments.

6. Next Meeting

The next meeting is scheduled for July 12, 2023, beginning at 9:00 a.m. in the PlanRVA James River Board Room, 424 Hull St., Suite 300, Richmond, VA 23224 and via Zoom.

7. Adjournment

Chair Peterson adjourned the meeting at 9:56 a.m.

MONTHLY INVESTMENT REPORT

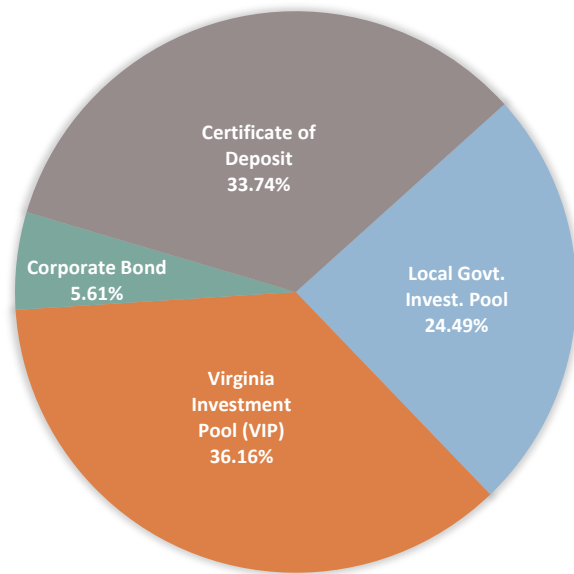
REBECCA R. LONGNAKER, CPA, MGT
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 www.chesterfield.gov/treasurer

This investment report for May 2023 is presented in accordance with the Investment Policy of the Treasurer of Chesterfield County, Virginia. The objective of the policy is to obtain the highest possible yield on available financial assets, consistent with constraints imposed by safety objectives, cash flow considerations and the laws of the Commonwealth of Virginia that restrict the placement of public funds. All investments held are in compliance with this policy.

Investments at a glance (as of 5/31/2023)

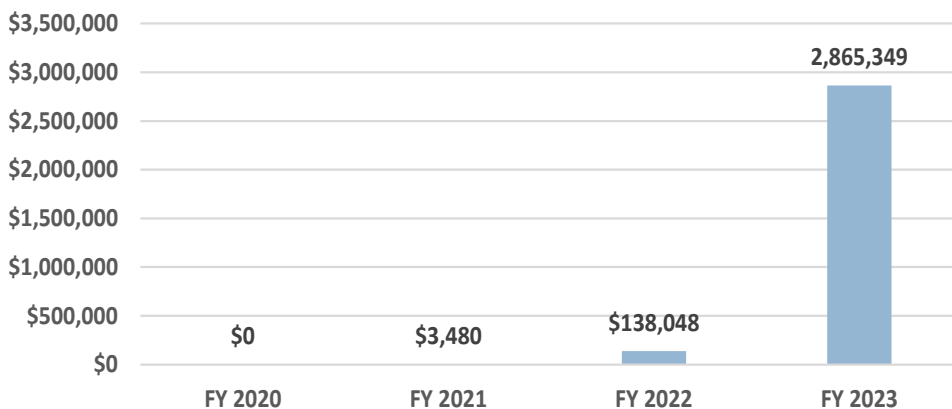
Total Book Value	\$178,241,228.05
Average Days to Maturity	63
Yield to Maturity 365 Day Equivalent	5.00%

Investment Type Allocation



Portfolio Mix	Balance
Local Govt. Invest. Pool (LGIP)	\$43,644,988.24
Virginia Investment Pool (VIP)	\$64,458,761.84
Federal Agency Discount	\$0
Federal Agency Coupon	\$0
Corporate Bond	\$10,000,000.00
Commercial Paper	\$0
Certificate of Deposit	\$60,137,477.97
US Treasury Discount	\$0
Total	\$178,241,228.05

Cumulative Interest Earnings FY2023



Interest earnings through May reflect sharp increases in yields over the last twelve months. Cash flow projections provided by the financial advisory committee allow for investments up to one year, while the balance of the portfolio remains in pooled funds. As new funds are received and maturities occur, funds will be invested as cash flow projections allow.

Benchmark Comparisons

The 91-Day Treasury Bill, 6-Month Treasury Bill and the Virginia Treasury Prime Liquidity are used as benchmarks for Central Virginia Transit Authority's (CVTA) portfolio performance. The portfolio outperformed one of the yield benchmarks and all of the year over year change benchmarks for the month of May. High inflation continues to keep short term yields high.

YIELD BENCHMARKING			
	CURRENT YIELD	YEAR AGO	YoY CHANGE
Portfolio	5.00%	0.42%	4.58% pts
91-day T-Bill	5.31%	0.99%	4.32% pts
6-month T-Bill	5.27%	1.49%	3.78% pts
Va. Treas. Prime Liq.	4.24%	0.88%	3.36% pts

Compliance Report

The Treasurer's Investment Policy specifies limits on categories of investments to obtain diversification and avoid incurring unreasonable risk inherent in over-investing in specific instruments. CVTA's Investment Portfolio is in compliance with the Treasurer's Investment Policy.

Investment Category	Code of Virginia			Treasurer's Investment Policy			May Actual %
	Maximum Maturity	Authorized % Limit	Rating Requirement	Maximum Maturity	Authorized % Limit	Rating Requirement	
Local Government Investment Pool (LGIP)	N/A	100%	N/A	N/A	100%	N/A	24.49%
Virginia Investment Pool Trust Fund (VIP)	N/A	100%	N/A	N/A	100%	N/A	36.16%
Federal Agency Discount	No Limit	100%	N/A	5 Years	100%	N/A	0.00%
Federal Agency Coupon	No Limit	100%	N/A	5 Years	100%	N/A	0.00%
Corporate Bonds	5 Years	100%	AA/Aa	5 Years	100%	AA/Aa	5.61%
Commercial Paper	270 Days	35%	A1/P1/F1/D1	270 Days	35%	A1/P1/D1	0.00%
Certificate of Deposit	5 Years	100%	A1/P1/AA/Aa	5 Years	100%	A1/P1/AA/Aa	33.74%
U.S. Treasury Discount	No Limit	100%	N/A	5 Years	100%	N/A	0.00%

Understanding Key Investment Terms

Local Government Investment Pool (LGIP)	A State-administered fund that enables governmental entities to realize the economies of large-scale investing and professional funds management.
Virginia Investment Pool Trust Fund (VIP)	A fund, administered by the Virginia Municipal League (VML) and Virginia Association of Counties (VACo), that provides political subdivisions of the Commonwealth of Virginia the ability to pool their funds and invest under the direction and daily supervision of a professional fund manager.
Federal Agency Discount	Fixed income government agency obligations priced below par and maturing in more than one year.
Federal Agency Coupon	Fixed income government agency obligations with a stated interest rate and maturing in more than one year.
Corporate Bonds	Corporate Bonds are debt securities issued by publicly-held corporations to raise money for expansion or other business needs with a rating from at least two agencies of Aa by Moody's Investor Service, Inc., AA by Standard and Poors, Inc. or AA by Fitch, and a maturity of no more than five years.
Commercial Paper	"Prime Quality" paper with a maturity of 270 days or less and rated at least prime 1, A-1, or F-1 by the major credit rating agencies.
Certificate of Deposit	Negotiable certificates of deposits of domestic banks and domestic offices of foreign banks with a rating of at least A-1 or P-1 for maturities one year or less, and AA or Aa for maturities over one year and not exceeding five years.
U.S. Treasury Discount	Fixed income government securities priced below par and maturing in less than one year.

MONTHLY INVESTMENT REPORT

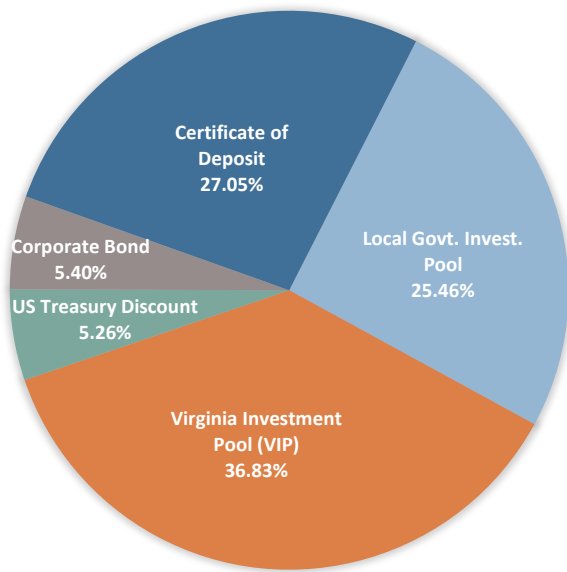
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Investments at a glance (as of 6/30/2023)

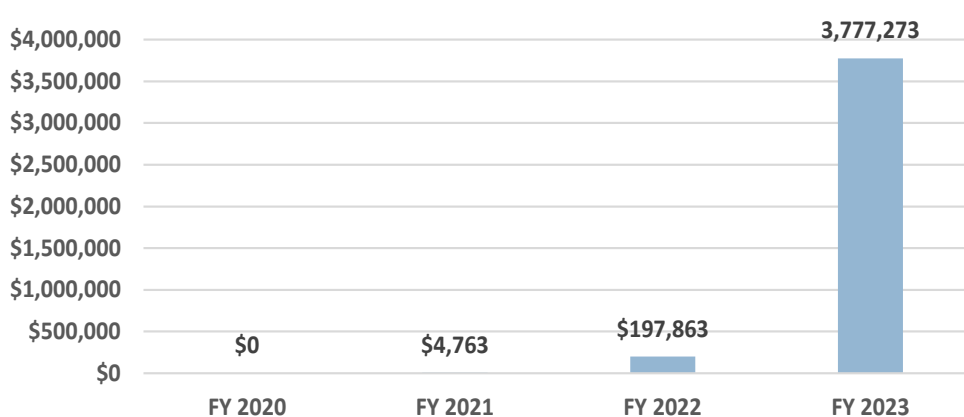
Total Book Value	\$185,251,797.63
Average Days to Maturity	59
Yield to Maturity 365 Day Equivalent	5.17%

Investment Type Allocation



Portfolio Mix	Balance
Local Govt. Invest. Pool (LGIP)	\$47,158,565.05
Virginia Investment Pool (VIP)	\$68,238,515.72
Federal Agency Discount	\$0
Federal Agency Coupon	\$0
Corporate Bond	\$10,000,000.00
Commercial Paper	\$0
Certificate of Deposit	\$50,115,077.97
US Treasury Discount	\$9,739,638.89
Total	\$185,251,797.63

Cumulative Interest Earnings FY2023



Interest earnings for Fiscal Year 2023 reflect sharp increases in yields since inception. Cash flow projections provided by the financial advisory committee allow for investments up to one year, while the balance of the portfolio remains in pooled funds. As new funds are received and maturities occur, funds will be invested as cash flow projections allow.

Benchmark Comparisons

The 91-Day Treasury Bill, 6-Month Treasury Bill and the Virginia Treasury Prime Liquidity are used as benchmarks for Central Virginia Transit Authority's (CVTA) portfolio performance. The portfolio outperformed one of the benchmarks for the month of June. High inflation continues to keep short term yields high.

YIELD BENCHMARKING			
	CURRENT YIELD	YEAR AGO	YoY CHANGE
Portfolio	5.17%	2.17%	3.00% pts
91-day T-Bill	5.42%	1.54%	3.88% pts
6-month T-Bill	5.42%	2.17%	3.25% pts
Va. Treas. Prime Liq.	4.34%	1.16%	3.18% pts

Compliance Report

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Investment Category	Code of Virginia			Treasurer's Investment Policy			June Actual %
	Maximum Maturity	Authorized % Limit	Rating Requirement	Maximum Maturity	Authorized % Limit	Rating Requirement	
Local Government Investment Pool (LGIP)	N/A	100%	N/A	N/A	100%	N/A	25.46%
Virginia Investment Pool Trust Fund (VIP)	N/A	100%	N/A	N/A	100%	N/A	36.83%
Federal Agency Discount	No Limit	100%	N/A	5 Years	100%	N/A	0.00%
Federal Agency Coupon	No Limit	100%	N/A	5 Years	100%	N/A	0.00%
Corporate Bonds	5 Years	100%	AA/Aa	5 Years	100%	AA/Aa	5.40%
Commercial Paper	270 Days	35%	A1/P1/F1/D1	270 Days	35%	A1/P1/F1/D1	0.00%
Certificate of Deposit	5 Years	100%	A1/P1/AA/Aa	5 Years	100%	A1/P1/AA/Aa	27.05%
U.S. Treasury Discount	No Limit	100%	N/A	5 Years	100%	N/A	5.26%

Understanding Key Investment Terms

Local Government Investment Pool (LGIP)	A State-administered fund that enables governmental entities to realize the economies of large-scale investing and professional funds management.
Virginia Investment Pool Trust Fund (VIP)	A fund, administered by the Virginia Municipal League (VML) and Virginia Association of Counties (VACo), that provides political subdivisions of the Commonwealth of Virginia the ability to pool their funds and invest under the direction and daily supervision of a professional fund manager.
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Commercial Paper	"Prime Quality" paper with a maturity of 270 days or less and rated at least prime 1, A-1, or F-1 by the major credit rating agencies.
Certificate of Deposit	Negotiable certificates of deposits of domestic banks and domestic offices of foreign banks with a rating of at least A-1 or P-1 for maturities one year or less, and AA or Aa for maturities over one year and not exceeding five years.
U.S. Treasury Discount	Fixed income government securities priced below par and maturing in less than one year.

CENTRAL VIRGINIA TRANSPORTATION AUTHORITY
Tax Collections and Allocations
For the Fiscal Year Ended June 30, 2023

	June Tax Activity 09/30/22	July Tax Activity 10/31/22	August Tax Activity 11/30/22	September Tax Activity 12/31/22	October Tax Activity 01/31/23	November Tax Activity 02/28/23	December Tax Activity 03/31/23	January Tax Activity 04/30/23	February Tax Activity 05/31/23	March Tax Activity 06/30/23	YTD	LTD
Local Distribution Fund												
Receipt of Taxes:												
Sales and Use Tax	\$ 13,407,200	\$ 13,047,777	\$ 13,542,014	\$ 12,840,817	\$ 12,813,800	\$ 15,805,441	\$ 11,981,650	\$ 12,576,682	\$ 13,879,838	\$ 13,246,836	\$ 133,142,054	\$ 384,275,524
Local Fuels Tax	4,078,688	4,255,546	4,387,566	4,341,669	4,141,037	4,284,362	4,266,361	4,374,320	4,388,013	4,242,017	42,759,580	134,680,844
Total Receipt of Taxes	17,485,888	17,303,323	17,929,581	17,182,486	16,954,837	20,089,803	16,248,011	16,951,002	18,267,851	17,488,853	175,901,634	518,956,368
Cash Outflows & Transfers:												
Transfers:												
Operating Fund	694,720	-	-	-	-	-	-	-	-	-	694,720	1,694,720
Regional Fund	5,876,909	6,056,163	6,275,353	6,013,870	5,934,193	7,031,431	5,686,804	5,932,851	6,393,748	6,121,099	61,322,420	181,041,577
Payments to GRTC	2,518,675	2,595,498	2,689,437	2,577,373	2,543,226	3,013,470	2,437,202	2,542,650	2,740,178	2,623,328	26,281,037	77,589,247
Total transfers	9,090,304	8,651,662	8,964,790	8,591,243	8,477,419	10,044,901	8,124,006	8,475,501	9,133,925	8,744,426	88,298,177	260,325,544
Local Distributions:												
Ashland	28,516	27,594	29,180	28,144	27,294	29,636	26,246	28,570	28,515	27,764	281,460	864,664
Charles City	53,451	51,573	86,851	40,999	46,647	52,502	40,546	38,956	53,597	158,271	623,393	1,673,672
Chesterfield	2,417,341	2,501,579	2,529,843	2,431,882	2,414,277	2,880,788	2,320,440	2,398,018	2,641,898	2,325,796	24,861,863	74,312,125
Goochland	210,245	207,704	217,923	234,866	198,075	221,185	213,798	194,903	274,180	201,501	2,174,381	6,425,866
Hanover	1,182,336	1,182,679	1,204,312	1,175,714	1,163,194	1,260,634	1,101,662	1,210,909	1,210,849	1,183,926	11,876,216	35,801,965
Henrico	2,638,257	2,906,859	2,925,750	2,772,313	2,709,460	3,414,716	2,552,740	2,821,789	2,803,349	2,860,999	28,406,231	83,052,907
New Kent	205,264	194,779	187,894	184,025	211,067	210,414	182,203	221,548	189,252	193,430	1,979,876	6,137,425
Powhatan	189,371	194,965	193,847	192,606	190,330	187,570	167,620	165,432	202,753	178,813	1,863,307	5,727,375
Richmond	1,470,804	1,383,930	1,589,189	1,530,694	1,517,075	1,787,455	1,518,749	1,395,377	1,729,531	1,613,926	15,536,730	44,634,825
Total local distributions	8,395,584	8,651,662	8,964,790	8,591,243	8,477,419	10,044,901	8,124,006	8,475,501	9,133,925	8,744,426	87,603,457	258,630,825
Local Distribution Fund ending balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0)
Operating Fund												
Beginning balance, July 1, 2022											\$ 332,130	
Transfer from Local Distribution Fund	\$ 694,720	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	694,720
Prior year accounts payable	-	-	-	-	-	-	-	-	-	-	-	-
Payment of operating costs	-	-	(101,268)	-	-	(99,892)	-	-	(76,363)	-	(277,523)	
Interest income	544	2,453	2,853	2,992	3,222	2,770	3,052	3,062	2,983	2,911	26,843	
Operating Fund ending balance	\$ 695,264	\$ 2,453	\$ (98,414)	\$ 2,992	\$ 3,222	\$ (97,122)	\$ 3,052	\$ 3,062	\$ (73,380)	\$ 2,911	\$ 776,170	
Regional Fund												
Beginning balance, July 1, 2022											\$ 120,023,557	
Transfer from Local Distribution Fund	\$ 5,876,909	\$ 6,056,163	\$ 6,275,353	\$ 6,013,870	\$ 5,934,193	\$ 7,031,431	\$ 5,686,804	\$ 5,932,851	\$ 6,393,748	\$ 6,121,099	61,322,420	181,041,577
Interest income	149,625	121,165	158,060	539,807	684,662	256,669	607,719	386,186	439,198	886,560	4,229,650	
Regional Fund ending balance	\$ 6,026,534	\$ 6,177,328	\$ 6,433,413	\$ 6,553,677	\$ 6,618,855	\$ 7,288,100	\$ 6,294,523	\$ 6,319,037	\$ 6,832,946	\$ 7,007,658	\$ 185,575,628	

Notes:
* Activity month is reported. CVTA receives funds three months after the activity month

CENTRAL VIRGINIA TRANSPORTATION AUTHORITY

NON-BINDING GOVERNANCE

GUIDANCE DOCUMENT # X

**Approved and
Adopted
July 14, 2023**

FINANCE COMMITTEE MEMBERSHIP

Pursuant to its authority under § 33.2-3708 of the *Code of Virginia*, the Central Virginia Transportation Authority adopted Bylaws and established a Finance Committee to advise the Authority on all financial matters and overseeing financial activities undertaken by the Authority, as set forth therein. Article V, Subsection B.2 of the Bylaws provide that the Finance Committee shall consist of five (5) Members of the Authority; three (3) shall be from the jurisdictions with the highest populations and two (2) shall be appointed by the Authority. The Authority includes a member of the Commonwealth Transportation Board (CTB) who resides in a locality embraced by the Authority, appointed by the Governor, pursuant to Va. Code § 33.2-3703.

In order to facilitate appropriate and effective communication between the Authority's Finance Committee, the CTB, the Commissioner of the Department of Transportation, and his Department, the Authority hereby adopts this non-binding governance guidance document to provide that the Authority's CTB Member should be included as an *ex officio*, non-voting, advisory member of the Authority's Finance Committee.

CENTRAL VIRGINIA TRANSPORTATION AUTHORITY

NON-BINDING GOVERNANCE

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The Authority hereby adopts this non-binding governance guidance document to provide for and facilitate appropriate representation of the Authority member jurisdictions with the lower populations on the Finance Committee. The two (2) Members appointed to the Finance Committee by the Authority should serve terms of two (2) years, commencing on July 1st of each fiscal year or upon appointment, whichever is earlier, and ending on July 30th of the second year following the date of appointment. If a Finance Committee seat held by a Member representing a jurisdiction with a lower population becomes vacant, the Authority should fill the remainder of the term created by the vacancy consistent with this guidance document.

CENTRAL VIRGINIA TRANSPORTATION AUTHORITY

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FINANCE COMMITTEE MEMBERSHIP

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The Authority hereby adopts this non-binding governance guidance document to provide for and facilitate appropriate representation of the Authority member jurisdictions with the lower populations on the Finance Committee. The two (2) Members appointed to the Finance Committee by the Authority should represent the jurisdictions with the lower populations and such appointments should rotate among these Members in alphabetical order. If a Finance Committee seat held by a Member representing a jurisdiction with a lower population becomes vacant, the Authority should fill the vacancy consistent with this guidance document.

CVTA Fiscal Strategy FY 2024 - Draft

Note: This is only a preliminary outline requested by the Chair. All items to be expanded in detail for review by CVTA Committees and full Authority

Purpose: Allow CVTA to generate greater project funding capacity by transitioning from an incremental (PAYGO only) funding model to incorporate debt issuance as needed

1. Assess CVTA's long-term funding needs
 - Identify major regional projects (2023)
 - Regular updates to allocations plan (biannual?)
 - CVTA project dashboard – real-time assessment of financed project status (Incremental)
2. Update financial policies to create guard rails for issuance of debt and reserve levels
 - Additional detail on regional fund coverage and safeguards (2023)
 - Revisit Financial Policies to ensure transition of focus from Authority administration to Executive Director administration and streamline approval processes (2023)
3. Initiate legwork on preparation for debt issuance (an inaugural bond issuance takes a significant amount of lead time)
 - Bond counsel RFP process (TBD)
 - Confidential ratings assessment (TBD)
 - Process timeline for issuance of debt to support project financing (Dependent on Item 1)

Authorized Investments

As a unit of local government in the Commonwealth of Virginia, the County of Chesterfield is restricted by the Code of Virginia, Title 2.2, to the types of securities as described in Sec. 2.2-4501 through 2.2-4516 below.

- a. Stocks, bonds, notes and other evidences of indebtedness of the Commonwealth of Virginia and those unconditionally guaranteed as to the payment of principal and interest by the Commonwealth
- b. Bonds, notes and other direct obligations of the United States and securities unconditionally guaranteed as to the payment of principal and interest by the United States or any agency thereof
- c. Stocks, bonds, notes and other evidences of indebtedness of any state of the United States upon which there is no default for more than ninety days; provided, that within the twenty fiscal years next preceding the making of such investment, such state has not been in default for more than ninety days in the payment of any part of principal or interest of any debt authorized by the legislature of such state to be contracted
- d. Stocks, bonds, notes and other evidences of indebtedness of any county, city, town, district, authority or other public body of the Commonwealth of Virginia upon which there is no default
- e. Bonds and other obligations issued, guaranteed or assumed by the International Bank for Reconstruction and Development by the Asian Development Bank and the African Development Bank
- f. "Prime Quality" commercial paper, with a maturity of 270 days or less, of issuing corporations organized under the laws of the United States or of any state thereof including paper issued by banks and bank holding companies. "Prime quality" shall be as rated by at least two of the following: Moody's Investors Service, Inc., within its NCO/Moody's rating of prime 1, by Standard & Poor's, Inc., within its rating of A-1, by Fitch Investor's Services, Inc., within its rating of F-1, by Duff and Phelps, Inc., within its rating of D-1, or by their corporate successors
- g. Bankers' Acceptances
- h. Certificates representing ownership of either treasury bond principal at maturity or its coupons for accrued periods. The underlying United States Treasury bonds or coupons shall be held by a third-party independent of the seller of such certificates
- i. Securities lending from the portfolio of investments of which they have custody and control
- j. Overnight, term and open repurchase agreements that are collateralized with securities that are approved for direct investment

- k. One or more open-end investment funds, provided that the funds are registered under the Securities Act (§ [13.1-501](#) et seq.) of the Commonwealth or the Federal Investment Co. Act of 1940, and that the investments by such funds are restricted to investments otherwise permitted by law for political subdivisions as set forth in this chapter, or investments in other such funds whose portfolios are so restricted
- l. Negotiable certificates of deposit and negotiable bank deposit notes of domestic banks and domestic offices of foreign banks with a rating of at least A-1 by Standard & Poor's and P-1 by Moody's Investor Service, Inc., for maturities of one year or less, and a rating of at least AA by Standard & Poor's and Aa by Moody's Investor Service, Inc., for maturities over one year and not exceeding five years
- m. High quality corporate notes with a rating of at least Aa by Moody's Investors Service, Inc., and a rating of at least AA by Standard and Poors, Inc., and a maturity of no more than five years
- n. Qualified investment pools that are jointly administered and organized as a trust fund pursuant to Article 1 of Chapter 13 of Title 15.2 that has a professional investment manager

Diversification

The County will diversify use of the investment instruments to avoid incurring unreasonable risk inherent in over-investing in specific instruments, individual financial institutions or maturities while attaining market average rates of return. The following table represents maximum allowable percentages of instruments comprising the County’s portfolio.

<u>Diversification by Instrument</u>	<u>Percent of Portfolio</u>
U. S. Treasury Obligations (Bills, notes and bonds).....	100%
U. S. Government Agency Securities and Instrumentalities of Government Sponsored Corporations	100%
Municipal Bonds.....	100%
Commercial Paper.....	35%
Repurchase Agreements (Repo’s).....	100%
Money Market Funds (Open end investment funds)	75%
Negotiable Certificates of Deposit (CD’s)	100%
Corporate bonds (notes).....	100%

Insert from Chesterfield County Treasurer's Office Investment policy

Local Government Investment Pool	100%
Virginia Investment Pool.....	100%

Diversification by Institution:

Commercial Paper.....	No more than 25% of the total portfolio with any one institution.
Repurchase Agreements (Repo's).....	No more than 15% of the total portfolio with any one institution.
Money Market Funds (Open end investment funds)	No more than 10% of the total portfolio with any one institution.
Certificates of Deposit (CD's) Commercial Banks	No more than 45% of the total portfolio with any one institution.
Corporate bonds (notes).....	No more than 15% of the total portfolio with any one institution.

Diversification of Funds to be invested in any one issue:

- In
- No limit – FDIC, FSLIC, Collateralized Certificates of Deposit
- No limit – U. S. Treasuries and Agencies
- Maximum 5% of total portfolio for any Commercial Paper issue

CVTA FINANCE COMMITTEE AGENDA – August 9, 2023
FUTURE MEETING TOPICS*

- Draft Quarterly Reporting
- FY23 Annual Certification
- FY24 Local Allocation Plan
- Regional Projects Fund Allocation
- Financial Policies and Procedures Amendment
- Review of requests for proposals for bond counsel
- Moody's Investors Service informal confidential rating review results.

*Draft: This is not a comprehensive list of considerations and is subject to change.