

CVTA AGENDA 4/25/25; ITEM B.

FY 2026 Operating & Capital Budgets

Central Virginia Transportation Authority

BACKGROUND: As part of its duties prescribed in the Code of Virginia and under its adopted bylaws, the Central Virginia Transportation Authority is required to develop an annual budget. The specific language in the CVTA bylaws is as follows:

Budget and Fiscal Year. After a duly convened public hearing held in accordance with the requirements of Virginia Code § 33.2-3706(A), the Authority shall adopt an annual budget for each fiscal year, which budget shall provide for all the revenues and the operating, capital, and administrative expenses of the Authority for the fiscal year. The fiscal year of the Authority will commence on July 1st each year and will terminate on the following June 30th. The annual budget for a fiscal year shall, except in the case of the Authority's first fiscal year, be adopted before such fiscal year begins. The Executive Director is authorized to administer the administrative budget approved by the Authority and may, in the exercise of that authority, but subject to the advice and consent of the chair of the Finance Committee, implement adjustments to the amounts allocated to line items within the administrative budget, provided that, after giving effect to those adjustments, the aggregate amount of the administrative budget is equal to or less than the then applicable Authority-approved administrative budget.

Notable changes between FY 2025 and FY 2026:

- Budgeted an additional FTE for administrative support in Admin/Staffing
- Shift of PlanRVA contracted staff services from Admin/Staffing to Contracted Services
- Financial Advisors – PFM task order for support of bond validation proceedings (variable fee depending on validation proceedings)
- Contracted Services – PlanRVA contracted hours, bond counsel validation costs (variable fee depending on validation proceedings), cost estimating task order for round 4 regional projects cycle
- Technology Services & Support – significant reduction due to website redesign being completed

REQUESTED ACTION: approve the FY 2026 Operating & Capital Budgets.

CVTA RESOLUTION: The following resolution is presented for Authority approval:

Resolved, that the Central Virginia Transportation Authority (CVTA) approves the FY 2026 Operating & Capital Budgets.

FY 2026 Proposed Operating and Capital Budgets

April 25, 2025



Agenda:

- 1) **Review Tax Collections and Allocations [Shephard 5 minutes]**
- 2) **Review YTD FY 2025 Operating Expenses [Shephard 5 minutes]**
- 3) **Review FY 2026 Proposed Operating and Capital Budgets [Parsons/Shephard 20 minutes]**
 - Action requested: Motion to adopt FY 2026 Operating and Capital Budgets (roll call vote).

Executive Summary:

FY 2025 – Overall operating expenses are tracking slightly higher than budgeted (56% spent at the end of Q2) primarily due to PlanRVA staff support; projections for the year are in line with budget

FY 2026 – Proposed *operating* expenses are 17% higher than FY 2025 primarily due to bond attorney validation fees, cost estimating bench fees, and one add'l FTE. A proposed *capital* budget for a new grants management and accounting system [\$25K; shared costs with PlanRVA] increases total spend 20% as compared to prior year.

Tax Collections and Allocations FY 2025 (July 1, 2024-June 30, 2025)

	June Tax Activity 09/30/24	July Tax Activity 10/31/24	August Tax Activity 11/30/24	September Tax Activity 12/31/24	October Tax Activity 01/31/25	November Tax Activity 02/28/25	December Tax Activity 03/31/25	January Tax Activity 04/30/25	February Tax Activity 05/31/25	March Tax Activity 06/30/25	YTD	LTD
Local Distribution Fund												
Receipt of Taxes:												
Sales and Use Tax	\$ 13,821,290	\$ 14,267,011	\$ 13,920,515	\$ 14,650,365	\$ 13,923,869	\$ 16,710,596					\$ 87,293,646	\$ 663,189,022
Local Fuels Tax	4,518,500	4,813,805	5,060,666	4,661,841	4,855,515	4,575,093					28,485,421	229,150,650
Total Receipt of Taxes	18,339,791	19,080,816	18,981,181	19,312,206	18,779,384	21,285,689	-	-	-	-	115,779,066	892,339,672
Cash Outflows & Transfers:												
Transfers:												
Operating Fund	741,166	-	-	-	-	-	-	-	-	-	741,166	2,760,934
Regional Fund	6,159,519	6,678,286	6,643,413	6,759,272	6,572,784	7,449,991					40,263,265	311,352,558
Payments to GRTC	2,639,794	2,862,122	2,847,177	2,896,831	2,816,908	3,192,853					17,255,685	133,436,811
Total transfers	9,540,478	9,540,408	9,490,590	9,656,103	9,389,692	10,642,845	-	-	-	-	58,260,116	447,550,303
Local Distributions:												
Ashland	33,081	37,711	37,472	39,179	36,550	41,095					225,087	1,546,264
Charles City	44,553	47,071	42,498	57,578	50,054	66,814					308,566	2,578,734
Chesterfield	2,495,633	2,689,317	2,769,809	2,649,624	2,688,529	3,108,614					16,401,526	128,028,048
Goochland	246,777	247,498	257,787	263,867	251,107	267,760					1,534,796	11,265,500
Hanover	1,275,402	1,351,690	1,312,089	1,362,256	1,281,264	1,425,509					8,008,210	61,751,610
Henrico	2,766,795	3,006,344	2,864,301	3,085,370	2,928,026	3,435,483					18,086,318	141,580,855
New Kent	191,331	193,312	222,988	253,613	272,630	170,694					1,304,568	10,496,832
Powhatan	208,017	227,479	226,807	232,363	230,352	250,488					1,375,506	10,082,459
Richmond	1,537,724	1,739,987	1,756,840	1,712,253	1,651,180	1,876,388					10,274,373	77,459,067
Total local distributions	8,799,312	9,540,408	9,490,590	9,656,103	9,389,692	10,642,845	-	-	-	-	57,518,950	444,789,370
Local Distribution Fund ending balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0)
Operating Fund												
Beginning balance, July 1, 2024											\$ 259,209	
Transfer from Local Distribution Fund	\$ 741,166	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	741,166	
Prior year accounts payable	-										-	
Payment of operating costs	(46,679)	(116,503)	-	(160,194)	(51,065)						(374,441)	
Interest income	592	2,095	2,947	2,593	2,194	1,850					12,271	
Operating Fund ending balance	\$ 695,079	\$ (114,408)	\$ 2,947	\$ (157,601)	\$ (48,871)	\$ 1,850	\$ -	\$ -	\$ -	\$ -	\$ 638,205	
Regional Fund												
Beginning balance, July 1, 2024											\$ 283,197,740	
Transfer from Local Distribution Fund	\$ 6,159,519	\$ 6,678,286	\$ 6,643,413	\$ 6,759,272	\$ 6,572,784	\$ 7,449,991	\$ -	\$ -	\$ -	\$ -	40,263,265	
Payment for regional projects	(86,518)		(2,448,940)	(619,776)	(188,717)	(331,811)					(3,675,762)	
Interest income	1,265,857	907,476	2,203,365	999,587	999,628	921,809					7,297,721	
Receivable Due from Locality											-	
Regional Fund ending balance	\$ 7,338,857	\$ 7,585,762	\$ 6,397,838	\$ 7,139,083	\$ 7,383,695	\$ 8,039,989	\$ -	\$ -	\$ -	\$ -	\$ 327,082,964	
											Allocation to WCR	\$ 5,050,000
											Interest income	7,297,721
											Current WCR balance	\$ 12,347,721
											Required WCR	\$ 18,000,000

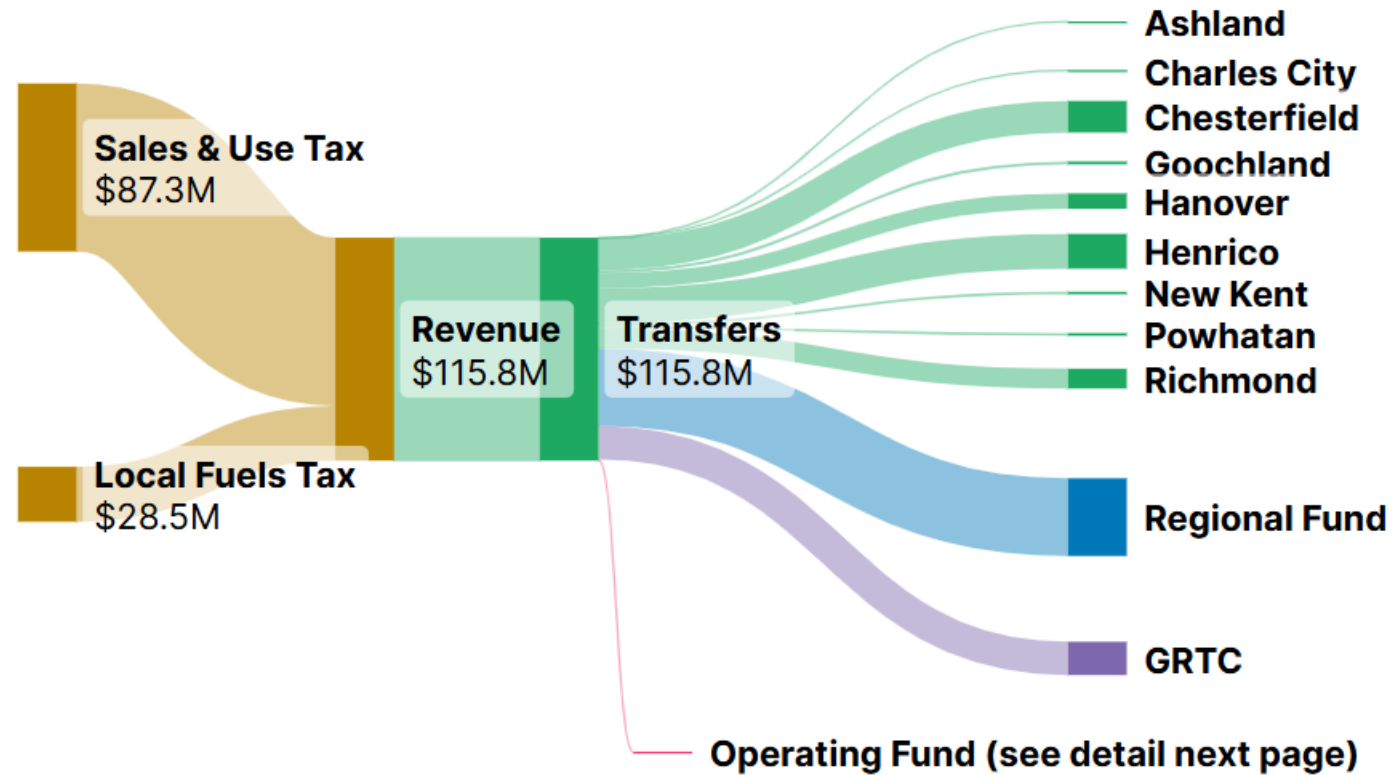
Notes:

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

* At its September 27, 2024 meeting, the Authority directed the allocation of \$5.05 million of investment earnings to fund a portion of the Working Capital Reserve (WCR). In order to fully fund the required reserve balance, beginning in FY2025, 100% of the monthly investment earnings from Regional Funds will be allocated to the WCR until it is fully funded.

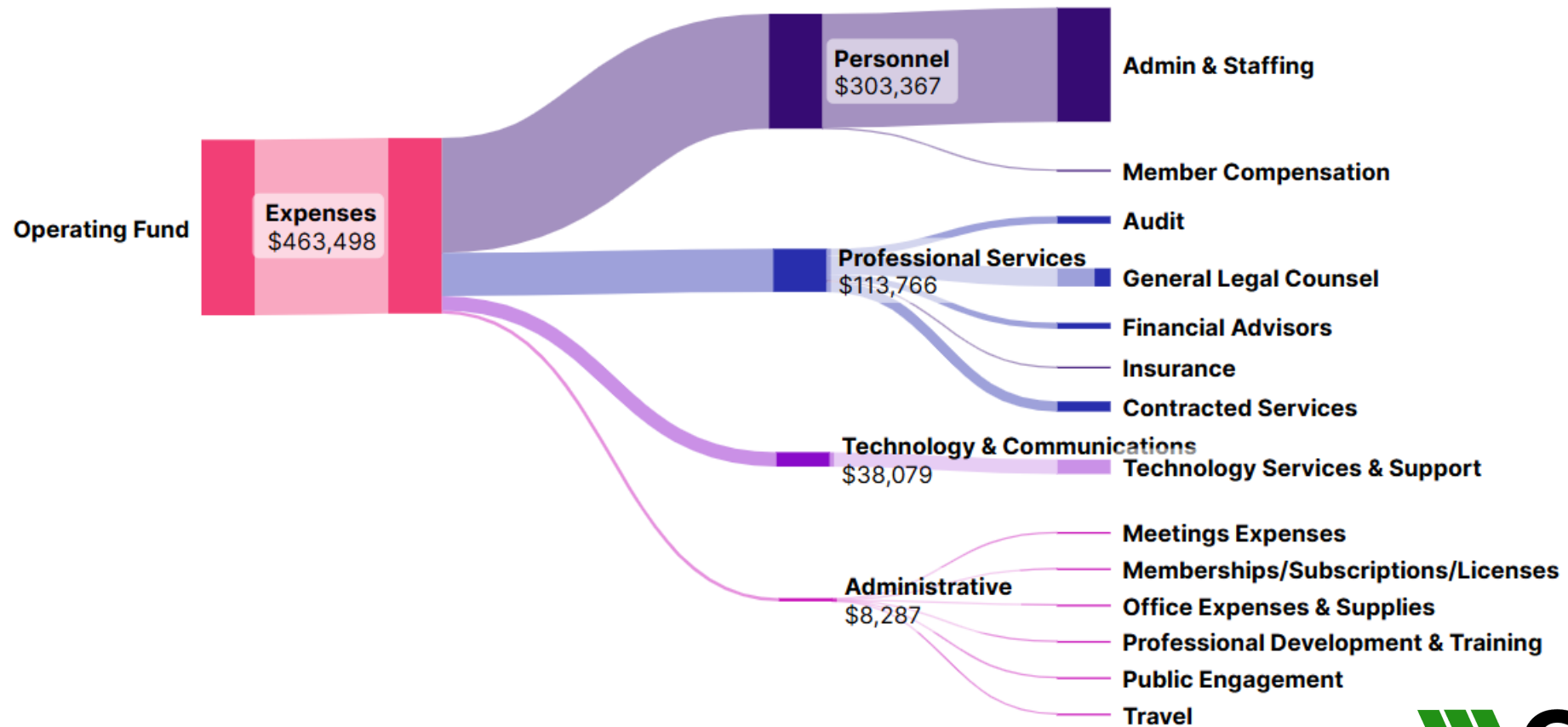
Tax Collections and Allocations FY 2025

Tax Collections and Allocations: Jun '24 - Nov '24



Actual Operating Expenses YTD Feb FY 2025

Actual Operating Expenses YTD Feb FY 2025



Proposed Operating & Capital Budgets For FY 2026

CATEGORY	Proposed FY 2026	FY 2025	% Variance	\$ Variance
Personnel	\$ 376,000	\$ 492,500	-24%	\$ (116,500)
Admin & Staffing	370,000	486,500	-24%	(116,500)
Member Compensation	6,000	6,000	0%	-
Professional Services	\$ 488,000	\$ 200,582	143%	\$ 287,418
Audit	22,000	19,000	16%	3,000
General Legal Counsel	48,000	48,000	0%	-
Financial Advisors	82,000	20,000	310%	62,000
Insurance	5,000	3,582	40%	1,418
Contracted Services	331,000	110,000	201%	221,000
Technology & Communications	\$ 15,000	\$ 50,000	-70%	\$ (35,000)
Technology Services & Support	15,000	50,000	-70%	(35,000)
Administrative	\$ 98,333	\$ 89,118	10%	\$ 9,215
Meetings Expenses	4,000	4,000	0%	-
Memberships/Subscriptions/Licenses	15,000	15,000	0%	-
Office Expenses & Supplies	1,000	500	100%	500
Professional Development & Training	10,000	10,000	0%	-
Public Engagement	30,000	30,000	0%	-
Travel	10,000	10,000	0%	-
Depreciation expense	8,333			
Contingency	20,000	19,618	2%	382
Total: Operating Only	\$ 977,333	\$ 832,200	17%	\$ 145,133

Capital Budget	\$ 25,000	-	NA	\$ 25,000
Total: Operating + Capital Budget	\$ 1,002,333	\$ 832,200	20%	\$ 170,133

Assumptions:

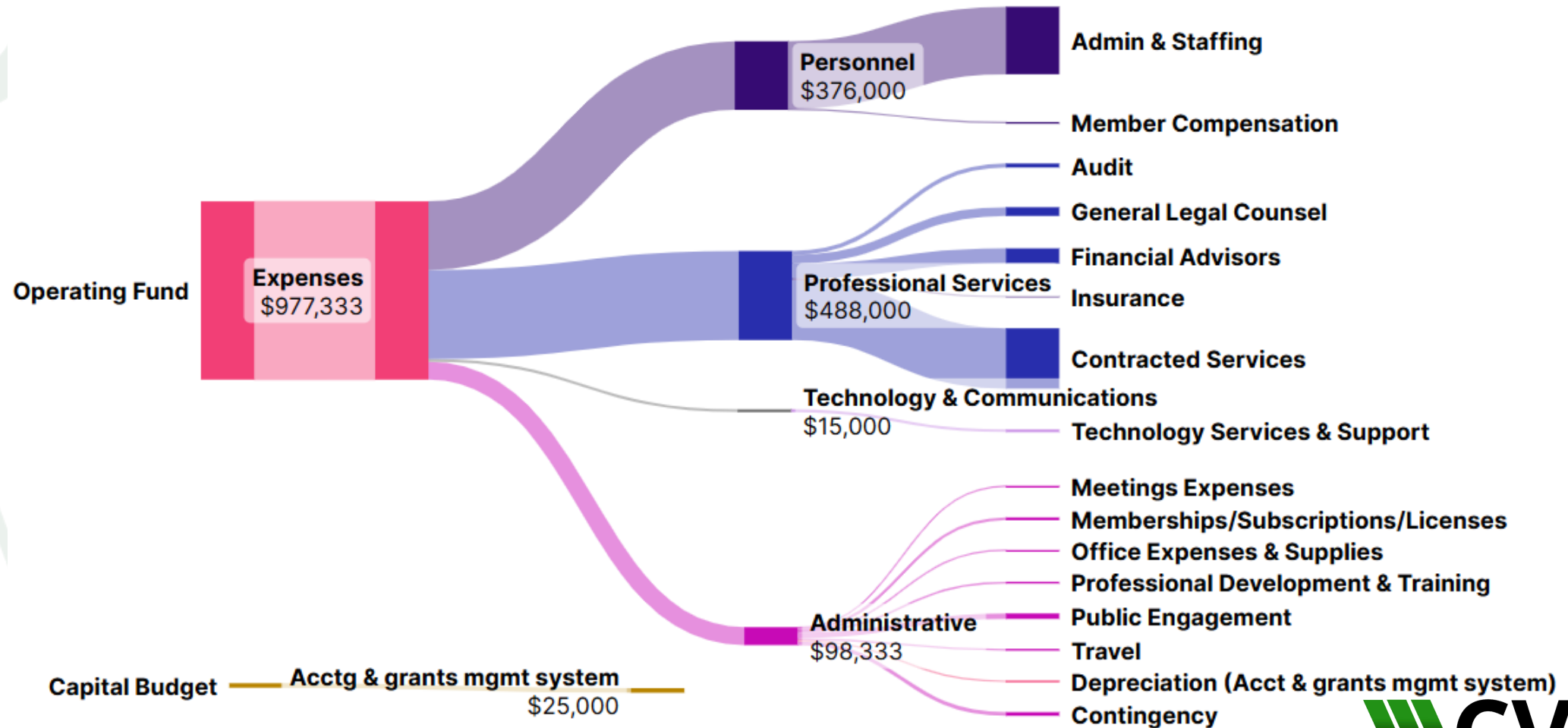
- Staffing: 5% merit/COLA pool for ED and PlanRVA staff; 1 new FTE (Exec. Asst)

Changes from prior year (FY25):

- Presentation changes
 - PlanRVA staff shifted from “Admin & Staffing” to “Contracted Services”
 - PFM task orders shifted from “Contracted Services” to “Financial Advisors”
- Increases to Contracted Svcs primarily due to bond attorney validation fees and cost estimating bench fees
- Nominal increases to audit, financial advisor retainer, and insurance
- Proposed capital budget to support a new grants management & accounting system (replacing Quickbooks; shared costs with PlanRVA)

Proposed Operating & Capital Budgets For FY 2026

Proposed Operating and Capital Budgets FY 2026



Visit us at cvtava.org



Email
chet@cvtava.org



Phone
804.924.7039

