

**CVTA FINANCE COMMITTEE MEETING MINUTES**

**Wednesday, October 9, 2024, 9:00 a.m.**

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

**Authority and Committee Members Present:**

<b>Jurisdiction/Agency</b>	<b>Member</b>	Present	Absent
<b>Chesterfield County</b>	Kevin P. Carroll	X	
<b>Hanover County</b>	Sean Davis	X	
<b>Henrico County</b>	Dan Schmitt	X	
<b>Goochland County</b>	Neil Spoonhower, Chair	X	
<b>New Kent County</b>	John Moyer	X	
<b>City of Richmond</b>	Levar Stoney	X	
<b>Commonwealth Transportation Board</b>	J. Rex Davis	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](#).*

**Call to Order, Welcome and Introductions**

Chair Spoonhower called the CVTA Finance Committee meeting to order at 9:01 a.m.

**Pledge of Allegiance**

Chair Spoonhower led the attendees in the Pledge of Allegiance.

**Certification of a Quorum**

Roll call of attendance was taken and it was certified that a physical quorum was present.

**ADMINISTRATION**

**1. Confirmation of Member Participation from a Remote Location**

Chair Spoonhower reported that there were no members participating remotely.

**2. Consideration of Amendments to the Agenda**

Chair Spoonhower announced that the Other Business Item 1. will be heard after the action items on the agenda.

**3. Approval of August 14, 2024, CVTA Finance Committee Action Meeting Minutes**

On motion by Levar Stoney, seconded by John Moyer, the members of the CVTA Finance Committee voted unanimously to approve the meeting 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 Spoonhower did not have a formal report.

## **6. CVTA Executive Director's Report**

Chet Parsons, Executive Director, reported that Chair Davis is scheduling presentations to each of the locality boards/councils over the next several months. He also reported that the new CVTA website will be going live within the next month; more information will be shared at the next meeting.

## **7. CVTA Activities Report**

### **a. Financial Activities and Investment Reports**

Mr. Parsons gave an overview of the monthly financial activities and investment reports and offered to answer any questions. He noted that the current report details accruals through May 2024. The most recent investment report is for August 2024.

### **b. TAC Activities Report**

Barbara Smith, CVTA TAC Chair, came forward and gave a report of the recent TAC and Fall Line Working Group meetings.

- The Fall Line Trail Working Group and TAC are still reviewing the long-term management options for the trail.
- Trail maintenance is also being explored by the groups.
- TAC continues to review the CVTA Regional Project Selection and Allocation Framework.

## **OTHER BUSINESS**

### **1. Working Capital Reserve Strategy**

Kristy Choi, PFM, presented this item and reported that CVTA's financial policies outline a Working Capital Reserve ("WCR") equal to at least 3 months of the budgeted, annual Regional CVTA Funds. Using FY 2024 preliminary Regional CVTA Funds, the WCR requirement equal to approximately \$18 million.

Currently, CVTA has approximately \$11.6 million in investment interest earnings from the Regional CVTA Funds. At its September 27, 2024, Authority Meeting, the Board provided the following direction in regards to the allocation of \$11.6 million in investment earnings:

- Allocate \$1.5 million to fund wayfinding signs for the Fall Line Trail
- Allocate \$5.05 million to initially fund the WCR
- Allocate \$5.05 million to fund regional projects, to be determined

With \$5.05 million of initial funding, the Authority will need to fund an additional \$12.95 million to fully fund the WCR to its current requirement. Staff and PFM recommend that the Authority use 100% of its monthly investment earnings of Regional Funds to fund up the WCR until it is fully funded. Although investment earnings will fluctuate, it is estimated that it will take roughly 15 months (January 2026) to fully fund the WCR. The WCR requirement will be reevaluated by June 30, 2025 (set forth in the Financial Policies), and at that time, staff and PFM will reevaluate the funding status of the WCR

Committee members discussed having the strategy reviewed by PBMares to ensure it is compliant. There was a consensus to have staff develop a formal policy once any feedback is received by PBMares.

### **2. Regional Funding Deallocation Policy**

Mr. Parsons presented this item and noted that, if there are leveraged funds that are not able to be applied, the goal is to deallocate those funds so that they can be used on other projects. Staff and legal counsel have drafted the policy for TAC, Finance Committee and full Authority review.

Committee members discussed various scenarios and aspects of the draft policy. Eric Gregory, legal counsel, provided clarification that the policy, if adopted, can be revised if/when the Authority determines changes are necessary.

On motion by Levar Stoney, seconded by John Moyer, the members of the CVTA Finance Committee voted to recommend full Authority approval of the Regional Funding Deallocation Policy (roll call vote; see below):

<b>Member</b>	<b>Vote</b>
Kevin P. Carroll	Aye
Dan Schmitt	Aye
Neil Spoonhower	Aye
John Moyer	Aye
Levar Stoney	Aye

### **3. CVTA Audit Report**

Mr. Parsons introduced Michael Garber, PBMares, who reported that the Authority received a clean report on the FY24 audit. Mr. Garber provided an overview of the audit results and offered to answer any questions.

On motion by Levar Stoney, seconded by Kevin Carroll, the members of the CVTA Finance Committee voted to recommend full Authority approval of the FY24 Audit report (roll call vote; see below).

<b>Member</b>	<b>Vote</b>
Kevin P. Carroll	Aye
Dan Schmitt	Aye
Neil Spoonhower	Aye
John Moyer	Aye
Levar Stoney	Aye

### **4. Overview of Financial Reporting**

Mr. Parsons provided an overview of how the tax and investment reports that are presented each month are developed. Chair Spoonhower asked that staff provide this overview so that committee members could have a better understanding of how the information is collected and compiled for reporting to the Authority. Following the presentation, Mr. Parsons offered to answer any questions.

### **5. Next Steps – Bond Validation Process**

Mr. Parsons and Megan Martz Gilliland, Kaufman & Canoles, reviewed the next steps in the process. It was noted that a resolution to approve the bond documents will be ready for preview/approval soon so that they can be made part of the validation process.

### **6. CVTA Finance Committee Member Comments**

John Moyer commented on the importance of maintaining reserve funds so that they are available in the event of natural disasters or other events that might create unexpected expenditures.

### **7. Next Meeting**

The next meeting is scheduled for November 13, 2024, at 9:00 a.m. in the PlanRVA James River Board Room, 424 Hull St., Suite 300, Richmond, VA 23224 and via Zoom.

### **8. Adjournment**

The meeting was adjourned at 10:01 a.m.