

# Financial Activities and Investment Report: Preliminary June 30, 2025 results

August 13, 2025



## Agenda:

- 1) Review Tax Collections and Distributions [Shephard 5 minutes]
- 2) Review YTD FY 2025 Operating Expenses [Shephard 5 minutes]
- 3) Update on Financial Management System [Shephard 5 minutes]
- 4) Investment Report overview [Parsons 2 minutes]

## Executive Summary:

Tax Collections and Distributions total \$189M fiscal year to date 6/30/2025 [\$966M LTD].

FY25 Operating Expenses – Preliminary year end financial results are favorable. Overall operating expenses are 26% *under* budget, primarily due to certain changes in assumptions after the budget was approved related to staffing, contracted services, and public engagement.

Financial Mgmt System - Vendor selection is complete; final discovery and reference checks are in process; contract expected to be executed early August.

# Tax Collections and Distributions FY 2025

## CENTRAL VIRGINIA TRANSPORTATION AUTHORITY Tax Collections and Allocations For the Fiscal Year Ended 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
<b>Local Distribution Fund</b>												
<b>Receipt of Taxes:</b>												
Sales and Use Tax	\$ 13,821,290	\$ 14,267,011	\$ 13,920,515	\$ 14,650,365	\$ 13,923,869	\$ 16,710,596	\$ 12,288,027	\$ 12,252,650	\$ 15,254,631	\$ 14,765,626	\$ 141,854,580	\$ 717,749,956
Local Fuels Tax	4,518,500	4,813,805	5,060,666	4,661,841	4,855,515	4,575,093	4,770,047	4,890,508	4,281,976	4,741,657	47,169,608	247,834,837
Total Receipt of Taxes	18,339,791	19,080,816	18,981,181	19,312,206	18,779,384	21,285,689	17,058,074	17,143,158	19,536,606	19,507,284	189,024,188	965,584,794
<b>Cash Outflows &amp; Transfers:</b>												
<b>Transfers:</b>												
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	5,970,326	6,000,105	6,837,812	6,827,549	65,899,057	336,988,351
Payments to GRTC	2,639,794	2,862,122	2,847,177	2,896,831	2,816,908	3,192,853	2,558,711	2,571,474	2,930,491	2,926,093	28,242,454	144,423,579
Total transfers	9,540,478	9,540,408	9,490,590	9,656,103	9,389,692	10,642,845	8,529,037	8,571,579	9,768,303	9,753,642	94,882,677	484,172,863
<b>Local Distributions:</b>												
Ashland	33,081	37,711	37,472	39,179	36,550	41,095	33,842	32,474	37,218	38,935	367,556	1,688,733
Charles City	44,553	47,071	42,498	57,578	50,054	66,814	33,854	37,955	42,860	44,155	467,390	2,737,558
Chesterfield	2,495,633	2,689,317	2,769,809	2,649,624	2,688,529	3,108,614	2,491,197	2,521,500	2,809,519	2,830,993	27,054,734	138,681,257
Goochland	246,777	247,498	257,787	263,867	251,107	267,760	191,108	243,198	255,301	263,992	2,488,395	12,219,100
Hanover	1,275,402	1,351,690	1,312,089	1,362,256	1,281,264	1,425,509	1,184,888	1,131,613	1,299,577	1,366,678	12,990,968	66,734,367
Henrico	2,766,795	3,006,344	2,864,301	3,085,370	2,928,026	3,435,483	2,660,956	2,642,785	3,070,670	2,955,970	29,416,698	152,911,235
New Kent	191,331	193,312	222,988	253,613	272,630	170,694	208,266	231,078	215,840	227,792	2,187,545	11,379,809
Powhatan	208,017	227,479	226,807	232,363	230,352	250,488	204,062	194,749	223,048	233,929	2,231,294	10,938,247
Richmond	1,537,724	1,739,987	1,766,840	1,712,253	1,651,180	1,876,388	1,520,863	1,536,227	1,814,270	1,791,197	16,936,929	84,121,624
Total local distributions	8,799,312	9,540,408	9,490,590	9,656,103	9,389,692	10,642,845	8,529,037	8,571,579	9,768,303	9,753,642	94,141,511	481,411,930
Local Distribution Fund ending balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0)
<b>Operating Fund</b>												
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)	-	(39,675)	(34,867)	(53,700)	(61,463)	(564,146)	
Interest income	592	2,095	2,947	2,593	2,194	1,850	1,974	1,766	1,583	1,349	18,942	
Operating Fund ending balance	\$ 695,079	\$ (114,408)	\$ 2,947	\$ (157,601)	\$ (48,871)	\$ 1,850	\$ (37,701)	\$ (33,102)	\$ (52,117)	\$ (60,114)	\$ 455,171	
<b>Regional Fund</b>												
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	\$ 5,970,326	\$ 6,000,105	\$ 6,837,812	\$ 6,827,549	65,899,057	
Payment for regional projects	(86,518)		(2,448,940)	(619,776)	(188,717)	(331,811)	(2,416,834)	-	(51,503)	(1,704,298)	(7,848,396)	
Interest income	1,265,857	907,476	2,203,365	999,587	999,628	921,809	1,033,747	3,799,534	1,274,947	1,213,168	14,619,117	
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	\$ 4,587,238	\$ 9,799,640	\$ 8,061,256	\$ 6,336,420	\$ 355,867,518	
											<b>Required WCR</b>	<b>\$ 18,000,000</b>

**Notes:**

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

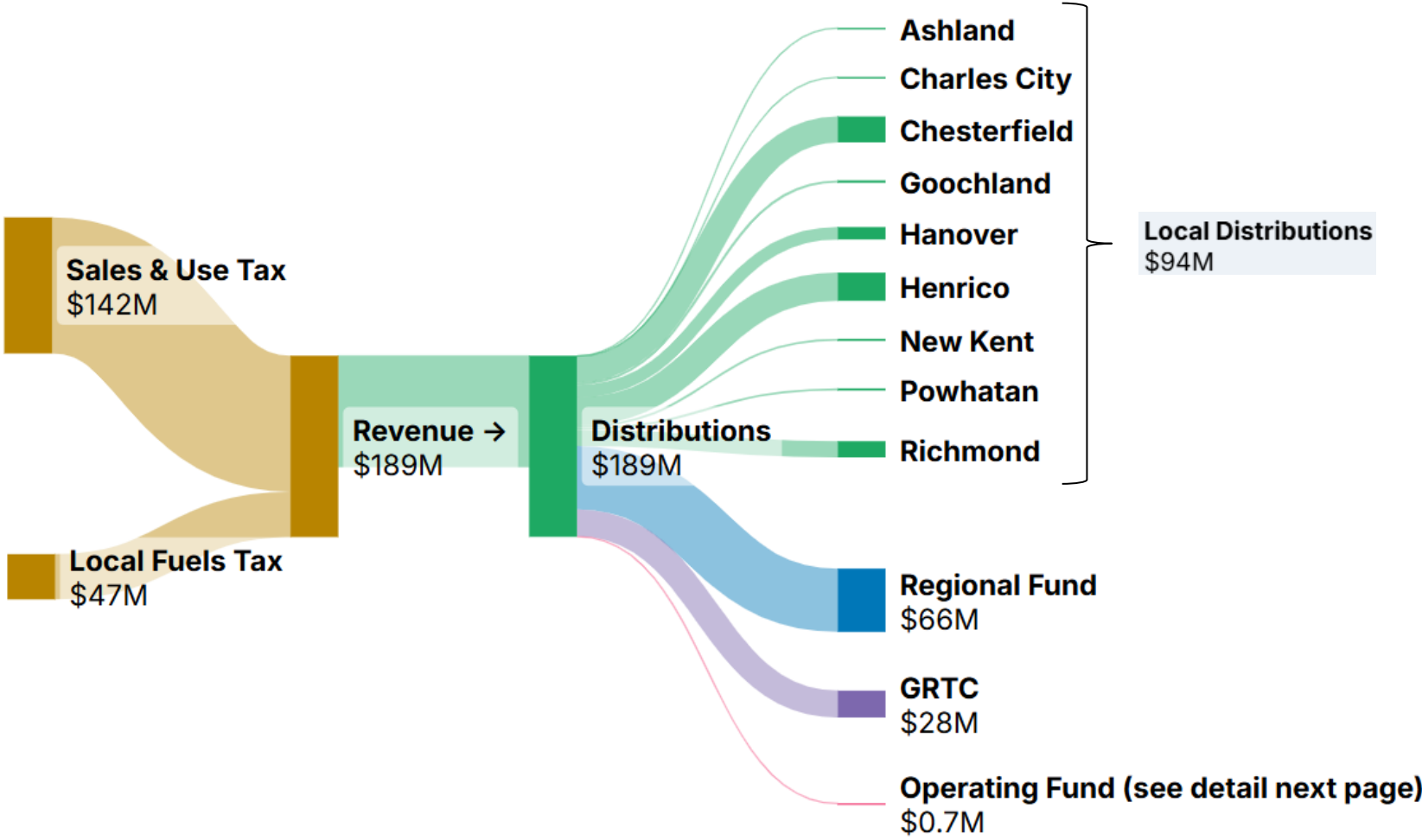
\* Each locality has independently validated their individual distribution amount.

\* 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.

\* As of May 31, 2025, the required WCR of \$18,000,000.00 is fully funded.

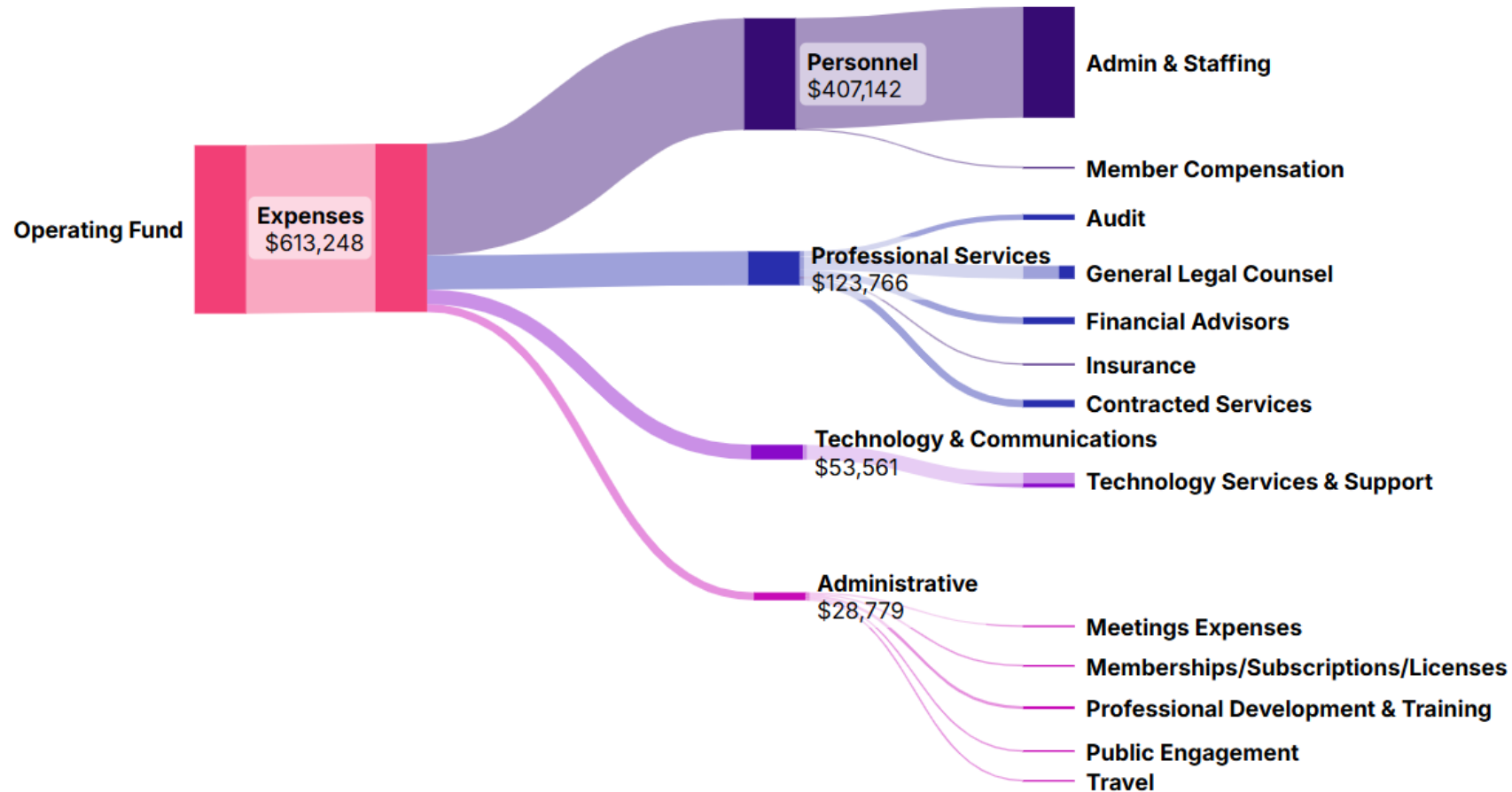
# Tax Collections and Distributions FY 2025

## Tax Collections and Distributions: Jun '24 - Mar '25



# Actual Operating Expenses YTD June 30, 2025

## Actual Operating Expenses YTD June 30, 2025



# Actual Operating Expenses YTD June 30, 2025

CATEGORY	FY 2026 Budget	FY 2025 Budget	FY25 Actuals	Variance to budget \$	Variance to budget %
<b>Personnel</b>	\$ 374,000	\$ 492,500	\$ 407,142	\$ (85,358)	-17%
Admin & Staffing	368,000	486,500	403,892	(82,608)	-17%
Member Compensation	6,000	6,000	3,250	(2,750)	-46%
<b>Professional Services</b>	\$ 488,000	\$ 200,582	\$ 123,766	\$ (76,816)	-38%
Audit	22,000	19,000	19,684	684	4%
General Legal Counsel	48,000	48,000	48,000	-	0%
Financial Advisors	82,000	20,000	25,608	5,608	28%
Insurance	5,000	3,582	3,582	-	0%
Contracted Services	331,000	110,000	26,892	(83,108)	-76%
<b>Technology &amp; Communications</b>	\$ 15,000	\$ 50,000	\$ 53,561	\$ 3,561	7%
Technology Services & Support	15,000	50,000	53,561	3,561	7%
<b>Administrative</b>	\$ 98,333	\$ 89,118	\$ 28,779	\$ (60,339)	-68%
Meetings Expenses	4,000	4,000	4,027	27	1%
Memberships/Subscriptions/Licenses	15,000	15,000	4,488	(10,512)	-70%
Office Expenses & Supplies	1,000	500		(500)	-100%
Professional Development & Training	10,000	10,000	10,244	244	2%
Public Engagement	30,000	30,000	5,461	(24,539)	-82%
Travel	10,000	10,000	4,560	(5,440)	-54%
Depreciation expense	8,333			-	
Contingency	20,000	19,618	-	(19,618)	-100%
				-	
<b>Total: Operating Only</b>	\$ 975,333	\$ 832,200	\$ 613,248	\$ (218,952)	-26%

Preliminary FY 2025 year end results  
(*unaudited*):

Overall operating expenses are **26% under budget**, primarily related to certain changes in assumptions after the budget was approved:

- Staffing - shifted hire date of Executive Assistant position
- Contracted services – shifted timing around additional services related to bond exploration
- Public engagement – Chesterfield’s direct support of video production and a social media campaign discussing CVTA projects

# Monthly Investment Report – June 2025

Investments at a glance (as of 6/30/2025):



## MONTHLY INVESTMENT REPORT

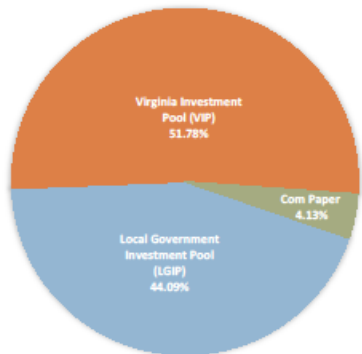
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### JUNE 2025

This investment report for June 2025 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.

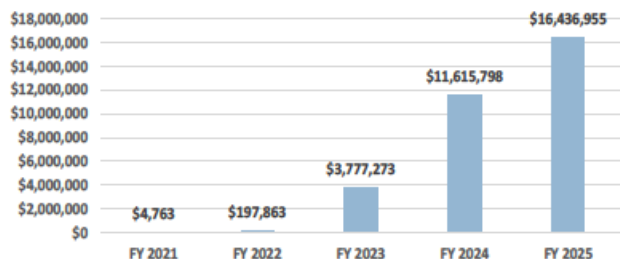
Investments at a glance (as of 6/30/2025)	
Total Book Value	\$355,222,690.01
Average Days to Maturity	8
Yield to Maturity 365 Day Equivalent	4.48%

### Investment Type Allocation



Portfolio Mix	Balance
Local Govt. Invest. Pool (LGIP)	\$156,630,268.97
Virginia Investment Pool (VIP)	\$183,909,400.21
Federal Agency Discount	\$0.00
Federal Agency Coupon	\$0.00
Corporate Bond	\$0.00
Commercial Paper	\$14,683,020.83
Certificate of Deposit	\$0.00
US Treasury Discount	\$0.00
<b>Total</b>	<b>\$355,222,690.01</b>

### Cumulative Interest Earnings FY2025



Interest earnings for fiscal year 2025 exceeded prior years as short term yields have remained higher than anticipated and investment balances increased. Currently, the fed expects two more rate cuts by the end of this year. Cash flow projections provided by the financial advisory committee determine how long funds may be invested.

### Benchmark Comparisons

The 91-Day Treasury Bill, 6-Month Treasury Bill and the Virginia Treasury Prime Liquidity are used as benchmarks for Central Virginia Transportation Authority's (CVTA) portfolio performance. The portfolio outperformed all of the yield benchmarks and two of the year over year benchmarks for the month of June.

YIELD BENCHMARKING			
	CURRENT YIELD	YEAR AGO	YoY CHANGE
Portfolio	4.48%	5.47%	-0.99% pts
91-day T-Bill	4.42%	5.51%	-1.09% pts
6-month T-Bill	4.30%	5.37%	-1.07% pts
Va. Treas. Prime Liq.	4.09%	4.74%	-0.65% 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			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	44.09%
Virginia Investment Pool Trust Fund (VIP)	N/A	100%	N/A	N/A	100%	N/A	51.78%
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	0.00%
Commercial Paper	270 Days	35%	A1/P1/F1/D1	270 Days	35%	A1/P1/F1/D1	4.13%
Certificate of Deposit	5 Years	100%	A1/P1/AA/Aa	5 Years	100%	A1/P1/AA/Aa	0.00%
U.S. Treasury Discount	No Limit	100%	N/A	5 Years	100%	N/A	0.00%

### Understanding Key Investment Terms

<b>Local Government Investment Pool (LGIP)</b>	A State-administered fund that enables governmental entities to realize the economies of large-scale investing and professional funds management.
<b>Virginia Investment Pool Trust Fund (VIP)</b>	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.
<b>Federal Agency Discount</b>	Fixed income government agency obligations priced below par and maturing in more than one year.
<b>Federal Agency Coupon</b>	Fixed income government agency obligations with a stated interest rate and maturing in more than one year.
<b>Corporate Bonds</b>	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.
<b>Commercial Paper</b>	"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.
<b>Certificate of Deposit</b>	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.
<b>U.S. Treasury Discount</b>	Fixed income government securities priced below par and maturing in less than one year.

- Interest earnings for fiscal year 2025 exceeded prior years as short term yields have remained higher than anticipated and investment balances increased.
- Currently, the fed expects two more rate cuts by the end of this year.
- The portfolio outperformed all of the yield benchmarks and two of the year over year benchmarks for the month of June.