

Central Virginia Transportation Authority Finance Committee



September 18, 2020

Central Virginia Transportation Authority

Code of Virginia Section 33.2-3700 – 3713

Effective July 1, 2020

§ 33.2-3701. Central Virginia Transportation Fund.

A. There is hereby created in the state treasury a special nonreverting fund for Planning District 15 to be known as the Central Virginia Transportation Fund. The Fund shall be established on the books of the Comptroller. All revenues dedicated to the Fund pursuant to § 58.1-638 and Chapter 22.1 (§ 58.1-2291 et seq.) of Title 58.1 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. The moneys deposited in the Fund shall be used solely for **(i) transportation purposes benefiting the localities comprising Planning District 15 and (ii) administrative and operating expenses as specified in subsection B of § 33.2-3706.**

§ 33.2-3702. Central Virginia Transportation Authority created.

The Central Virginia Transportation Authority is hereby created as a body politic and as a political subdivision of the Commonwealth. The Authority shall embrace each county, city, and town located in Planning District 15, which is established pursuant to Chapter 42 (§ 15.2-4200 et seq.) of Title 15.2.

CVTA Legislation – Key Provisions

- Legislation creating the Authority and the Fund made certain amendments to the state tax laws to provide for new tax revenue collection and distribution (§ 58.1-603.1, -604.01, -604.1, -614, -2295, -2299.20):
 - Additional sales and use tax – 0.7 percent (effective October 1, 2020)
 - Additional tax of 7.6 cents per gallon on gasoline and gasohol
 - Additional tax of 7.7 cents per gallon on diesel fuel
- Moneys deposited shall be used solely for:
 - Transportation purposes benefiting Planning District 15/member jurisdictions
 - Administrative and operating expenses
- After administrative and operating expenses, revenues shall be allocated to transportation projects consistent with the legislation.
- **NOTE: Department of Taxation subtracts its administrative costs prior to making deposits into the Fund.** Va. Code §§ 581-2299.20(E).

CVTA Legislation – Key Provisions

CVTA Authority: Fund Distribution and Oversight

1. Prioritize and select regional transportation projects to be funded with **35%** of revenues retained by CVTA. Projects must benefit Planning District 15/member jurisdictions
2. Oversee **50%** of funding returned, proportionally, to each Planning District 15 locality to be used to improve mobility, which may include construction, maintenance, or expansion of roads, sidewalks, trails, mobility services, or transit located in the locality
3. Approve GRTC annual plan for projects funded by **15%** of fund revenues distributed to GRTC for transit and mobility services/projects.
4. Also, the CVTA can issue **bonds and finance debt** via future tax revenues to be received.
5. **NOTE: TAX REVENUES ARE SUBJECT TO APPROPRIATION TO THE FUND BY THE GENERAL ASSEMBLY VIA THE STATE BUDGET PROCESS.** *Constitution of Va., Art. X, Sect. 7.*

CVTA Governance Documents

- Legislation:
 - Virginia Acts of Assembly, Chapter 1235, enacting...
 - Code of Virginia §§ 33.2-3700 – 3713 and...
 - Certain Virginia Tax Code Provisions establishing taxes and revenue flow
- Bylaws – Draft proposed for adoption today.
 - Comply with CVTA Act. (Va. Code § 33.2-3708.A.4)
 - Meeting procedures, voting, CVTA officers, committees, amendment process.
- Guidance Documents – Draft proposed for adoption today.
 - Memorialize rules for meetings conducted by electronic communications means, in compliance with FOIA and recent legislation responding to Covid-19 and state of emergency declarations.
 - Allows for flexibility if applicable laws are amended.
- *Robert's Rules of Order, Newly Revised* – Standard parliamentary procedures.

CVTA BYLAWS: Finance Committee

Finance Committee is responsible for advising the Authority on all financial matters and overseeing financial activities undertaken by the Authority, including:

- a. Reviewing, commenting on, and recommending the annual budget and adjustments to the budget,
- b. Reviewing annual revenue estimates,
- c. Recommending the Authority's financial policies (e.g., bond, investment, procurement, risk management and small purchases) and making recommendations,
- d. Monitoring the Authority's compliance with fiscal policies and procedures,
- e. Reviewing GRTC's, or its successor's, expenditure of funds received through the Authority on a quarterly basis,
- f. Reviewing each locality's expenditure of funds received through the Authority on a quarterly basis,
- g. Reviewing financial statements, and
- h. Working with the Auditor of Public Accounts or its legally authorized representatives in performing the annual audit of financial accounts of the Authority.

CVTA Finance Committee: Requested Actions

Authority Board requested the Finance Committee:

1. Review and recommend a Draft FY21 Operating Budget for Authority approval
2. Initiate a Request for Proposals for certain services required by the Authority (Banking, Insurance, Finance Services)
3. Review and recommend a Draft Agreement for Revenue Transfers with the Virginia Department of Transportation

CVTA – FOIA and COIA

- **CVTA, Finance Committee, and all of its other committees and subcommittees are “public bodies”.** The Virginia Freedom of Information Act applies and covers both CVTA meetings and public records.
- State and Local Government Conflict of Interests Act applies to CVTA members and designees.
 - Statements of Personal Interests filed by local government body members and designees will suffice (Va. Code § 2.2-3118.1).