

**Virginia Resources Authority
Board Meeting
Minutes of the Regular Meeting
Held July 27, 2020**

The Board of Directors of the Virginia Resources Authority met on Monday, July 27, 2020 in the William G. O'Brien Boardroom, Bank of America Building, 19th Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia. A Web-Ex dial-in phone number was advertised and included as part of the meeting to provide access to the public in consideration of social distancing standards amid the COVID-19 pandemic.

The following Board members were physically assembled at the primary meeting location and acting throughout the meeting: Mr. Thomas L. Hasty, III; Ms. Janet Aylor; Ms. Cynthia Bailey; Ms. Jennifer Bowles; Ms. Barbara Donnellan; Mr. Mark Flynn; Mr. Dwayne Roadcap; and Ms. Valerie Thomson. The following Board members participated via the advertised Web-Ex dial-in phone number: Ms. Mary Bunting and Mr. Cecil R. Harris, Jr. Mr. Reginald E. Gordon was absent from the meeting. Also participating via WebEx were: Mr. Ty Wellford from Davenport & Company, LLC; Mr. Arthur Anderson from McGuireWoods LLP; and staff member Ms. Angeli Maistros. VRA staff present included: Ms. Stephanie Hamlett, Mr. Shawn Crumlish, Mr. Peter D'Alema, Mr. Curtis Doughtie, and Ms. Stephanie Jones.

Mr. Hasty served as Chair of the meeting and Ms. Hamlett as Secretary.

The Chair called the meeting to order at 11:00 a.m. Mr. Roadcap made a motion, seconded by Ms. Bowles, to approve the agenda as presented. Motion carried.

The Board considered the next item on the agenda, which was approval of the minutes. A motion was made by Ms. Aylor, seconded by Mr. Flynn, to approve as presented the minutes of the Emergency Meeting of the Board of Directors held on April 28, 2020, a meeting of the Portfolio Risk Management Committee held on March 9, 2020, and a regular meeting of the Board of Directors held on March 10, 2020. Motion carried.

Executive Director's Report

Ms. Hamlett, Executive Director, presented the Executive Director's Report to the Board as previously provided via BoardDocs. She shared an update on the status of Natural Bridge including the announcement that the adjacent hotel would become a Wyndham property and that Wyndham has already begun making investments into the hotel. She indicated there is budget language regarding ownership status of Natural Bridge that could be considered by the General Assembly in their Special Session. Ms. Hamlett shared that the Governor's Infrastructure Financing Conference would be held no earlier than December 2021 given concerns related to the pandemic. Lastly, she noted that September 14 and 15 were previously scheduled for Committee and Board meetings. In consultation with the Board Chair, a decision will be made to determine whether to combine those meetings into a single day meeting similar to the format of the July 27 meeting. The Board was asked to continue to hold those dates on their calendars.

FY2021 Budget

Mr. Hasty called on Mr. Doughtie, Director of Finance and Administration, to present the FY2021 budget. Mr. Doughtie provided an overview of the budget by highlighting revenues, expenses and a five-year projection. He also shared the organization chart, highlighting the promotion of Ms. Jones to Director of Compliance and Policy. Ms. Hamlett shared that there is a part-time position in the Financial Services Division that could possibly become a full-time position at some point. Aside from that position, there are no anticipated changes to staffing levels. Mr. Doughtie mentioned the level of reserves and their associated five-year projections. There was brief discussion about anticipated COVID-19 impacts to the budget, which staff indicated would be minimal based on conversations with local governments. A motion was made by Ms. Bowles and seconded by Mr. Flynn to adopt the FY2021 budget as presented. Motion carried.

FY2021 Shelf Resolutions

Mr. Hasty called on Mr. D'Alema, Director of Program Management. Mr. D'Alema noted that the Board meeting materials include information related to the spring and summer Virginia Pooled Financing Program (VPFP) issuances as well as the transaction for Goochland County. Next, he described the FY2021 shelf resolutions for the Board to consider for adoption. The shelf resolutions presented to the Board included one each for the Virginia Pooled Financing Program (VPFP), the Virginia Airports Revolving Fund (VARF), the VirginiaHELPS Conduit Borrower Program (VirginiaHELPS), and a refunding shelf resolution. There was brief discussion about VirginiaHELPS regarding the intended purpose of the program. It was noted that the program has not been utilized to date but was developed for cases of extreme local fiscal distress to provide capital market access. Ms. Donnellan made a motion and Ms. Bowles seconded the motion to approve the FY2021 shelf resolutions as presented. Motion carried.

VARF Series 2007 Defeasance

Mr. D'Alema described the proposed VARF defeasance that was approved by the Virginia Aviation Board. Ms. Donnellan made a motion to approve the use of existing, uncommitted VARF equity to defease and redeem the VARF Series 2007 bonds outstanding and reset the interest rates of the underlying airport borrower loans. Ms. Bowles seconded. Motion carried.

Clean Water State Revolving Fund Revenue Bonds Defeasances

Mr. Hasty called on Mr. Crumlish, Director of Financial Services. Mr. Crumlish described the Clean Water State Revolving Fund Revenue Bonds that are being considered for defeasance. Mr. Crumlish had already met with Ms. Thomson and related Department of Environmental Quality staff to discuss. Ms. Bowles made a motion and Mr. Flynn seconded the motion to defease and redeem the Series 2010A, 2016, and 2019 bonds outstanding with DEQ concurrence. Motion carried.

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Other Business and Public Comment

Mr. Hasty asked if there was any old business. Hearing none, he asked if there was any new business. Ms. Bowles took the opportunity to apologize for her lack of attendance at prior meetings due to work conflicts. Mr. Hasty asked if there was any comment from the public. There was no public comment.

Adjournment

Mr. Hasty asked to adjourn the meeting. Ms. Bowles made a motion that Mr. Flynn seconded. The motion carried and the meeting adjourned at 11:28 a.m.



Stephanie L. Hamlett, Executive Director
Board Secretary

APPROVED:

Mr. Thomas L. Hasty, III, Chairman of the Board

Virginia Resources Authority
FY2021 General Fund Budget - DRAFT

	FY2019 Audited Actuals	FY2020 Projected Actuals	FY2020 Adopted Budget	FY2021 Draft Budget	FY21 Budget vs. FY20 Budget		Notes
					Change (\$)	Change (%)	
Operating Revenues:							
Bond Program	3,469,330	3,265,000	3,230,000	3,189,000	(41,000)	-1.3%	Assumes new money of \$50MM each in FY21 Fall and Spring pool and \$20MM in Summer 20 pool.
Clean Water Admin Charge	751,953	810,000	816,200	1,057,700	241,500	29.6%	Per estimated cost allocation
Drinking Water Admin Charge	492,615	480,000	470,700	589,200	118,500	25.2%	Per estimated cost allocation
VTIB Admin Charge	44,918	36,000	118,300	61,800	(56,500)	-47.8%	Per estimated cost allocation
VARF Admin Charge	74,271	97,000	86,600	91,500	4,900	5.7%	Per estimated cost allocation
Dam Safety & Flood Prevention Admin Charge	52,570	31,000	58,700	48,800	(9,900)	-16.9%	Per estimated cost allocation
Tourism Development Financing Admin Charge	9,392	1,000	7,800	4,700	(3,100)	-39.7%	Per estimated cost allocation
Tobacco Region Revolving Fund Admin Charge	67,637	54,000	88,500	62,800	(25,700)	-29.0%	Per estimated cost allocation
Other Programs	5,625	5,700	-	-	-	0.0%	Brownfields fee based on appropriation
Total Operating Revenues	4,968,311	4,779,700	4,876,800	5,105,500	228,700	4.7%	
Non-Operating Revenues							
Investment Income	455,583	550,000	464,000	380,000	(84,000)	-18.1%	Reduction in earnings based on current interest rate environment
Other Income	-	35,948	-	-	-	0.0%	
Total Non-Operating Revenues	455,583	585,948	464,000	380,000	(84,000)	-18.1%	
Total Revenues	5,423,894	5,365,648	5,340,800	5,485,500	144,700	2.7%	
Operating Expenses:							
Personnel Services & Benefits	2,170,134	2,250,000	2,266,000	2,301,000	35,000	1.5%	Includes salaries and benefits for all current staff and conversion of one position from part-time to full-time
Other Services:							
Dues & Memberships	14,904	10,000	19,000	18,000	(1,000)	-5.3%	Reduce based on review of recent usage/needs
Publications & Subscriptions	19,687	25,500	24,000	25,000	1,000	4.2%	Consistent with prior years/projection
Staff Training & Education	54,724	22,000	70,000	65,000	(5,000)	-7.1%	Reduce based on review of recent usage/needs
Board of Directors Expenses	7,386	5,000	15,000	15,000	-	0.0%	Consistent with prior years/projection
Professional Services:							
Legal	144,259	150,000	325,000	425,000	100,000	30.8%	Provides for loan closing charges, general billings, and a contingency for unanticipated borrower issues. Increased due to AgBMP program demand and potential legal charges for Natural Bridge loan
Financial Advisory	20,285	30,000	85,000	110,000	25,000	29.4%	Ratings surveillance and non-transactional FA needs. Added \$30k for Drinking Water for anticipated leveraging and program modeling
Auditing	37,555	38,000	37,000	37,000	-	0.0%	Based on contract rates
Management Consulting	152	500	26,000	31,000	5,000	19.2%	Includes funds for completion of strategic plan
Finance & Accounting Services	14,884	4,500	8,000	8,000	-	0.0%	Consistent with prior years/projection
Contractual Services:							

Virginia Resources Authority
FY2021 General Fund Budget - DRAFT

	FY2019 Audited Actuals	FY2020 Projected Actuals	FY2020 Adopted Budget	FY2021 Draft Budget	FY21 Budget vs. FY20 Budget		Notes
					Change (\$)	Change (%)	
Information Technology Services	137,056	140,000	159,000	159,000	-	0.0%	Contracted IT services, software maintenance, required upgrades, internet/telecomm.
Arbitrage	83,950	82,000	78,000	94,000	16,000	20.5%	Continues arbitrage fee holiday for borrowers
Bank Service Charges	18,927	19,000	19,000	19,000	-	0.0%	Consistent with prior years/projection
Trustee Fees	287,786	175,000	270,000	280,000	10,000	3.7%	Continues trustee fee holiday for borrowers
Insurance	8,965	17,000	9,000	21,000	12,000	133.3%	Increase of \$12k for cyberinsurance policy
Community Services:							
Information and Education	59,489	35,000	68,000	68,000	-	0.0%	Borrower outreach costs such as media services and planned VRA conference/workshops
Conferences & Exhibits	18,809	10,000	25,000	25,000	-	0.0%	Exhibiting and conference sponsorships
Leases/Rentals:							
Office Space Rent	180,960	186,800	187,000	192,000	5,000	2.7%	Increase per lease agreement, expires Dec 2021
Office Services:							
Office Supplies	19,770	16,000	28,000	25,000	(3,000)	-10.7%	Reduce based on recent usage/needs
Postage & Delivery	3,279	3,000	4,000	4,000	-	0.0%	Consistent with prior years/projection
Office Equipment & Furniture	2,693	1,000	5,000	5,000	-	0.0%	Consistent with prior years/projection
Budget Contingency	-	-	74,000	75,000	1,000	1.4%	Lesser of 5% of non-personnel expenses or \$75k
Total Operating Expenses	3,305,654	3,220,300	3,801,000	4,002,000	201,000	5.3%	
Available for Transfer	2,118,240	2,145,348	1,539,800	1,483,500	(56,300)	-3.7%	Total revenue less operating expenses
Transfer to Technology Reserve	-	-	125,000	125,000	-	0.0%	No change to current funding level
Transfer to Portfolio Risk Management Reserve	2,118,240	2,145,348	1,539,800	1,483,500	(56,300)	-3.7%	Remaining transferred to PRM Reserve
Total Expenses and Transfers	5,423,894	5,365,648	5,465,800	5,610,500	144,700	2.6%	

Virginia Resources Authority
 Fiscal Year 2021 Budget
 Administrative Charge Allocations - Summary

DRAFT BUDGET WORKSHEET

		General Fund /								
		Bond Program	Clean Water	Drinking Water	VTIB	VARF (Airports)	Dam Safety	Tourism	Tobacco	Total
Personnel Services & Benefits	2,301,000	1,204,200	556,200	395,700	29,500	45,400	35,900	4,000	30,100	2,301,000
Other Services:										
Dues & Memberships	18,000	8,200	4,800	3,400	300	400	300	-	300	17,700
Publications & Subscriptions	25,000	11,900	6,700	4,700	400	600	400	-	400	25,100
Staff Training & Education	65,000	47,900	8,600	6,100	500	700	500	100	500	64,900
Board of Directors Expenses	15,000	7,100	4,000	2,800	200	300	300	-	200	14,900
Professional Services:										
Legal	425,000	57,000	240,000	65,000	25,000	9,800	3,300	-	25,000	425,100
Financial Advisory	110,000	39,000	30,000	30,000	-	11,000	-	-	-	110,000
Auditing	37,000	17,600	9,800	7,000	500	800	600	100	600	37,000
Management Consulting	31,000	31,000	-	-	-	-	-	-	-	31,000
Finance & Accounting Services	8,000	3,800	2,100	1,500	100	200	100	-	100	7,900
Contractual Services:										
Information Technology Services	159,000	65,400	56,600	26,300	1,700	3,800	3,200	200	1,800	159,000
Arbitrage	94,000	67,900	25,100	-	-	1,000	-	-	-	94,000
Bank Service Charges	19,000	19,000	-	-	-	-	-	-	-	19,000
Trustee Fees	280,000	220,000	48,000	-	-	12,000	-	-	-	280,000
Insurance	21,000	10,000	5,600	4,000	300	500	400	-	300	21,100
Community Services:										
Information and Education	68,000	68,000	-	-	-	-	-	-	-	68,000
Conferences & Exhibits	25,000	25,000	-	-	-	-	-	-	-	25,000
Leases/Rentals:										
Office Space Rent	192,000	91,200	51,100	36,300	2,700	4,200	3,200	300	2,900	191,900
Office Services:										
Office Supplies	25,000	11,900	6,700	4,700	400	600	400	-	400	25,100
Postage & Delivery	4,000	1,900	1,100	800	100	100	100	-	100	4,200
Office Equipment & Furniture	5,000	2,400	1,300	900	100	100	100	-	100	5,000
Budget Contingency	75,000	75,000	-	-	-	-	-	-	-	75,000
Total Operating Expenses	4,002,000	2,085,400	1,057,700	589,200	61,800	91,500	48,800	4,700	62,800	4,001,900
Prior Year Budget	-	2,154,200	816,200	470,700	118,300	86,600	58,700	7,800	88,500	3,801,000
Change \$		(68,800)	241,500	118,500	(56,500)	4,900	(9,900)	(3,100)	(25,700)	200,900
Change %		-3.2%	29.6%	25.2%	-47.8%	5.7%	-16.9%	-39.7%	-29.0%	5.3%
FY20 Estimated Allocation Rate		47.5%	26.6%	18.9%	1.4%	2.2%	1.7%	0.2%	1.5%	100%

Virginia Resources Authority
Budget Projection - FY2021-2025
DRAFT

Revenues	FY2021	FY2022	FY2023	FY2024	FY2025
VPPF Bond Administration Fees	3,189,000	3,052,800	3,016,100	2,978,700	2,936,800
Clean Water Administration Charge	1,057,700	1,095,500	1,134,700	1,175,300	1,217,400
Drinking Water Administration Charge	589,200	610,300	632,100	654,700	678,100
VTIB Administration Charge	61,800	64,000	66,300	68,700	71,200
VARF Admin Fees & Charge	91,500	94,800	98,200	101,700	105,300
Dam Safety & Flood Prevention Admin Charge	48,800	50,500	52,300	54,200	56,100
Tourism Development Financing Admin Charge	4,700	4,900	5,100	5,300	5,500
Tobacco Region Revolving Fund Admin Charge	62,800	65,000	67,300	69,700	72,200
Other Programs	-	-	-	-	-
Investment Income	380,000	381,000	382,000	383,000	384,000
Total Revenues	5,485,500	5,418,800	5,454,100	5,491,300	5,526,600
<i>Annual Growth</i>	<i>2.7%</i>	<i>-1.2%</i>	<i>0.7%</i>	<i>0.7%</i>	<i>0.6%</i>
Expenses					
Personnel Services & Benefits	2,301,000	2,393,000	2,488,700	2,588,200	2,691,700
General Expenses	538,000	554,100	570,700	587,800	605,400
Professional & Contractual	1,163,000	1,197,900	1,233,800	1,270,800	1,308,900
Total Expenses	4,002,000	4,145,000	4,293,200	4,446,800	4,606,000
<i>Annual Growth</i>	<i>5.3%</i>	<i>3.6%</i>	<i>3.6%</i>	<i>3.6%</i>	<i>3.6%</i>
Net Revenue	1,483,500	1,273,800	1,160,900	1,044,500	920,600
Projected Beginning Unrestricted Net Position	23,712,668	25,196,168	26,469,968	27,630,868	28,675,368
Projected Ending Unrestricted Net Position	25,196,168	26,469,968	27,630,868	28,675,368	29,595,968
	<i>6.3%</i>	<i>5.1%</i>	<i>4.4%</i>	<i>3.8%</i>	<i>3.2%</i>
Reserve Targets					
VRA General Fund Reserve	3,002,000	3,109,000	3,220,000	3,335,000	3,455,000
Technology Reserve	125,000	125,000	125,000	125,000	125,000
PRM Reserve (adjusted annually)	20,510,942	20,510,942	20,510,942	20,510,942	20,510,942
Total Targeted Reserves	23,637,942	23,744,942	23,855,942	23,970,942	24,090,942
<i>Reserve Target Overage (Shortfall)</i>	<i>1,558,226</i>	<i>2,725,026</i>	<i>3,774,926</i>	<i>4,704,426</i>	<i>5,505,026</i>

VIRGINIA RESOURCES AUTHORITY

- RESOLUTION -

AUTHORIZING THE ISSUANCE AND SALE OF BONDS TO REFUND OUTSTANDING BONDS

July 27, 2020

WHEREAS, the Virginia Resources Authority ("VRA") is a public body corporate and a political subdivision of the Commonwealth of Virginia (the "Commonwealth") created by the Virginia Resources Authority Act, Chapter 21, Title 62.1, Code of Virginia of 1950, as amended (the "Act"); and

WHEREAS, Section 62.1-205 of the Act authorizes VRA to issue refunding bonds to refund any bonds previously issued by VRA; and

WHEREAS, to further the purposes of the Act, the Board of Directors of VRA (the "Board") has determined to authorize VRA to issue bonds from time to time (the "Bonds") to refund, redeem and/or defease outstanding bonds of VRA issued in VRA's Virginia Pooled Financing Program, Pooled Loan Bond Program, Virginia Water Facilities Revolving Loan Fund Program, Virginia Airports Revolving Loan Fund leveraging program, the VirginiaHELPS Conduit Borrower Program, and the VirginiaSAVES Green Community Program (each a "Program") and otherwise by VRA to further the purposes of the Act; and

After careful consideration and to further the public purposes for which the Virginia Resources Authority was created, NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE VIRGINIA RESOURCES AUTHORITY THAT:

1. Authorization of Bonds. The Board determines that it is in the best interest of VRA to authorize the issuance of Bonds to refund, redeem and/or defease all or any of the outstanding bonds of VRA as may be selected by the Executive Director from time to time (the "Refunded Bonds") pursuant to the criteria set forth in this paragraph 1. The outstanding bonds selected by the Executive Director shall be referred to below as the "Refunded Bonds." The Board authorizes the issuance and sale of the Bonds pursuant to the following terms and conditions: (a) no series of the Bonds shall have a true interest cost in excess of 10%; (b) the final maturity any of the Bonds shall be no later than December 31, 2050; and (c) the Executive Director, following consultation with VRA's financial advisor (the "Financial Advisor"), shall have determined that the issuance of the Bonds will (i) produce debt service savings on a present value basis, (ii) provide cash flow relief for a Participant consistent with VRA's Restructuring Guidelines updated as of March 12, 2013, or (iii) provide cash flow relief necessary to address a critical financial situation faced by a borrower and, if applicable, promote the proper management of the moral obligation pledge of the Commonwealth. It is hereby found and determined that the debt service payments on the Bonds are not expected to be made, in whole or in part, directly or indirectly, from appropriations of the Commonwealth within the meaning of Section 2.2-2416(7) of the Code of Virginia of 1950, as amended.

2. Determination of Details of Bonds. VRA's Chairman, Vice Chairman, and Executive Director, any of whom may act, are authorized, subject to the limitations set forth in paragraph 1, to determine the details of the Bonds issued hereunder, including without limitation the aggregate principal amount, the maturity schedule, the interest rates, the redemption provisions, the sale date, the sale price and the reoffering prices. The Bonds may be issued and sold in one or more series from time to time as determined by the Chairman, Vice Chairman or Executive Director, any of whom may act.

3. Sale of Bonds. VRA's Chairman, Vice Chairman, and Executive Director, any of whom may act, are authorized to offer any Bonds in a public competitive sale and to solicit and consider, if determined to be desirable, proposals for a negotiated sale of any Bonds (including through a private placement with a bank or other financial institution) and to negotiate the terms of such sale. The Chairman, Vice Chairman, and Executive Director, any of whom may act, are authorized to execute and deliver a purchase contract or similar agreement reflecting such proposal.

4. Preliminary Official Statement. VRA authorizes the preparation of a Preliminary Official Statement, in such form as the Executive Director may approve, in connection with the public offering of any series of Bonds authorized hereunder. The Executive Director is authorized to deem final the Preliminary Official Statement as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule") and to approve distribution thereof. Distribution of the Preliminary Official Statement shall constitute conclusive evidence that it has been deemed final as of its date, except for the omission of such pricing and other information permitted to be omitted, for purposes of the Rule.

5. Official Statement. The Executive Director is authorized and directed in collaboration with the Financial Advisor, to complete the Preliminary Official Statement as an official statement in final form (the "Official Statement") for Bonds offered to the public to reflect the provisions of the executed purchase contract. The Executive Director is authorized to execute the Official Statement, which execution shall constitute conclusive evidence of approval of the Official Statement on behalf of VRA and that it has been deemed final within the meaning of the Rule. The Executive Director is authorized to prepare, execute, publish and distribute any other disclosure or sale documents as she deems necessary or appropriate to effect the sale of the Bonds.

6. Credit Enhancement. The Executive Director is authorized to procure bond insurance for all or any portion of the Bonds or a surety bond, liquidity facility or similar instrument to provide for the funding of all or any portion of the Capital Reserve Fund or any other reserve fund or account established under the Master Indenture, if she determines such procurement to be in the best interests of VRA.

7. Financing Documents. The Chairman, Vice-Chairman, or Executive Director, any of whom may act, are authorized and directed to prepare and execute any indentures, supplemental indentures, escrow agreements and any other documents necessary or desirable to effect the issuance of the particular series of Bonds and the refunding of the Refunded Bonds.

8. Execution and Delivery of Bonds. The Chairman, Vice Chairman, or the Executive Director, any of whom may act, are authorized and directed to have the Bonds prepared and to execute the Bonds in accordance with the respective supplemental indenture or other authorizing document executed in connection with the Bonds and/or the Refunded Bonds, to deliver them to the trustee for authentication if required and to cause the Bonds so executed and authenticated to be delivered to or for the account of the underwriters, private placement purchasers, or winning bidders upon payment of the purchase price therefor, all in accordance with the executed purchase contract or notice of sale, as appropriate.

9. Tax Matters. The Executive Director is authorized and directed to (i) conduct public hearings in connection with the issuance of any of the Bonds, if applicable, (ii) seek the approval of the Governor of the issuance of any of the Bonds, if applicable, and (iii) execute and deliver on VRA's behalf simultaneously with the issuance of the Bonds a Tax Regulatory Agreement and supplemental or similar agreements or certificates. The Tax Regulatory Agreement and such other agreements or certificates shall set forth the expected use of and investment of all or any portion of the proceeds of the Bonds and include such covenants as may be necessary to qualify the interest on all or any portion of the Bonds for exemption from gross income for federal income tax purposes or any Bonds for tax-advantaged status under the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations (the "Tax Code"), and to maintain such exemption or status. The Executive Director is further authorized to make on behalf of VRA such elections under the Tax Code with respect to the Bonds as she may deem to be in the best interests of VRA after consultation with VRA's Bond Counsel and Financial Advisor. The calculation of debt service savings for purposes of paragraph 1 hereof may take into account the net benefit expected to be received by VRA from the issuance of the Bonds with tax-advantaged status as determined by the Executive Director.

10. Authorization of Further Action. The Executive Director is authorized to execute and deliver financing agreements, amended financing agreements, bond sale agreements and any other documents or certificates in connection with each locality which previously issued local obligations securing any portion of the Refunded Bonds ("the "Local Obligations"), including any such amendments necessary or advisable in connection with the issuance of the Bonds, the refunding, redemption and defeasance of the Refunded Bonds or the incorporation of such Local Obligations into the applicable Program; provided, however that the provisions of such amendments may not (a) extend the final maturity of any Local Obligations and (b) the security for such Local Obligations may not be reduced unless approved by VRA's credit committee and / or Board of Directors, as applicable based on VRA's underwriting guidelines. The Executive Director and any VRA employee designated by the Executive Director (the "VRA Representative"), any of whom may act, are authorized to execute and deliver on VRA's behalf such other instruments, documents or certificates, and to do and perform such things and acts as he or she shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Master Indenture, the Bonds or the Refunded Bonds (and associated financing documents). Any of the foregoing previously done or performed by any VRA Representative is in all respects approved, ratified and confirmed.

11. Effective Date. Termination. This Resolution shall be effective on September 1, 2020. The authority to issue Bonds pursuant to this Resolution shall terminate on June 30, 2021 unless extended at the direction of VRA's Chairman for a period not to exceed

three months or as needed if there exists a declared state of emergency in the Commonwealth of Virginia as of June 30, 2021.

VIRGINIA RESOURCES AUTHORITY

-RESOLUTION-

**AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$40,000,000
IN AIRPORTS REVOLVING FUND BONDS FOR THE FISCAL YEAR ENDING
JUNE 30, 2021, THE LENDING OF THE PROCEEDS THEREOF TO FINANCE OR
REFINANCE AIRPORT PROJECTS, AND THE MAKING OF DIRECT LOANS FROM
THE VIRGINIA AIRPORTS REVOLVING FUND FOR AIRPORT PROJECTS**

July 27, 2020

WHEREAS, the Virginia Resources Authority ("VRA") is a public body corporate and a political subdivision of the Commonwealth of Virginia (the "Commonwealth") created by the Virginia Resources Authority Act, Chapter 21, Title 62.1, Code of Virginia of 1950, as amended (the "VRA Act"); and

WHEREAS, the VRA Act provides that VRA was created for the purpose of encouraging the investment of both public and private funds and to make loans, grants and credit enhancements available to any county, city, town, municipal corporation, authority, district, commission or political subdivision created by the General Assembly or pursuant to the Constitution and laws of the Commonwealth of Virginia or any combination of any two or more of the foregoing ("Obligors") to finance or refinance, among other facilities, qualified airport facilities ("Airport Projects"); and

WHEREAS, the VRA Act authorizes and empowers VRA, among other things, to borrow money and issue its bonds to provide funds to carry out VRA's purposes and powers, including making loans to Obligors to finance or refinance the cost of any Airport Project from the proceeds of such bonds ("Leveraged Loans"), and to pay all costs and expenses incurred in connection with the issuance of such bonds; and

WHEREAS, pursuant to Chapter 2.1, Title 5.1, Code of Virginia of 1950, as amended (the "VARF Act"), VRA may, among other things, at any time or from time to time transfer from the Virginia Airports Revolving Fund established under the VARF Act to banks or trust companies designated by VRA any or all of the assets of the Virginia Airports Revolving Fund to be held in trust as security for the payment of the principal of and premium, if any, and interest on any or all of the bonds of VRA; and

WHEREAS, VRA has prepared a Master Indenture of Trust dated as of January 1, 2001, as previously supplemented and amended (the "Master Indenture"), between VRA and U.S. Bank National Association, as successor trustee, under which VRA has provided for the issuance from time to time of bonds of VRA for the purpose of purchasing and acquiring obligations ("Local Obligations") of Obligors to finance and refinance the cost of Airport Projects, and for such other purposes as may be authorized under and pursuant to the VRA Act; and

WHEREAS, pursuant to the VARF Act, VRA may make direct loans ("Direct Loans") from the Virginia Airports Revolving Fund to Obligors to finance or refinance the cost of any Airport Project; and

WHEREAS, to further the purposes of the VARF Act and the VRA Act, the Board of Directors of VRA (the "Board") has determined to authorize VRA to make Direct Loans from the Virginia Airports Revolving Fund to Obligors to finance or refinance the cost of any Airport Project; and

WHEREAS, to further the purposes of the VRA Act, VRA has determined to authorize VRA to issue one or more Series of Bonds under the Master Indenture in an aggregate principal amount of up to \$40,000,000 net of refundings authorized under the VRA refunding shelf resolution dated July 27, 2020 (the "Bonds") at one time or from time to time during VRA's fiscal year ending June 30, 2021, and to use the proceeds of such Bonds to make Leveraged Loans to Obligors to finance or refinance Airport Projects and to pay the cost of issuance related to such Bonds; and

WHEREAS, the Master Indenture provides that, as a condition to the issuance and authentication of any Series of Bonds, VRA shall deliver to the Trustee a supplemental series indenture; and

WHEREAS, the Master Indenture provides for the establishment of a separate debt service reserve fund (a "Debt Service Reserve Fund") for each Series of Bonds issued thereunder; and

WHEREAS, the funding for the Debt Service Reserve Fund may be derived in whole or in part from amounts transferred from the Virginia Airports Revolving Fund; and

WHEREAS, debt service payments on the Bonds are expected to be made from revenues derived from the Local Obligations and the investment earnings on the Debt Service Reserve Fund established for the applicable Bonds and certain other funds and accounts established under the Master Indenture and any Supplemental Series Indenture as provided therein; and

WHEREAS, the foregoing arrangements will be reflected in the following documents, the forms of which are on file with VRA : (i) the Master Indenture; (ii) a model supplemental series indenture ("Supplemental Series Indenture"); and (iii) a model financing agreement ("Financing Agreement") to be used in making the Leveraged Loans and the Direct Loans; and

WHEREAS, unless otherwise defined, each capitalized term used in this Resolution shall have the meaning given it in the Master Indenture.

After careful consideration and to further the public purposes for which the Virginia Resources Authority was created, NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VIRGINIA RESOURCES AUTHORITY AS FOLLOWS:

1. Authorization of Bonds. The Board determines that it is in the best interest of VRA to authorize the issuance at one time or from time to time of one or more series

of Bonds under the Master Indenture to make Leveraged Loans to Obligor to finance or refinance Airport Projects and to pay the cost of issuance related to such Bonds. The Board authorizes the issuance and sale of the Bonds, pursuant to the following terms and conditions: (i) the original aggregate principal amount of the Bonds shall not exceed \$40,000,000, net of refundings authorized under the VRA refunding shelf resolution dated July 27, 2020; (ii) no Series of the Bonds shall have a true interest cost in excess of 10%; and (iii) the final maturity of any of the Bonds of any Series shall be no later than December 31, 2047. It is hereby found and determined that the debt service payments on the Bonds are not expected to be made, in whole or in part, directly or indirectly, from appropriations of the Commonwealth of Virginia within the meaning of Section 2.2-2416(7) of the Code of Virginia of 1950, as amended.

2. Details of the Bonds. Subject to the limitations outlined in paragraph 1 above, VRA's Chairman, Vice Chairman, and Executive Director, any of whom may act, are authorized to determine and approve the Bonds' final details, including without limitation, their series designation, dated date, original aggregate principal amount, interest rates, maturity dates, redemption provisions, sale prices and the principal amount of each maturity, the sale date, the sale price and the reoffering prices. The approval of the Chairman, Vice Chairman, and Executive Director, any of whom may act, of such details shall be evidenced conclusively by the execution and delivery of the Bonds on VRA's behalf.

3. Approval of Supplemental Series Indentures. Each Series of Bonds shall be issued pursuant to the Master Indenture and a Supplemental Series Indenture in substantially the same form as those on file with VRA, with such changes, insertions, or omissions as may be approved by VRA's Executive Director. With respect to each Series of Bonds authorized under this Resolution, the Chairman, Vice Chairman, and Executive Director, any of whom may act, are authorized to execute and deliver on VRA's behalf, and, if required, to affix and attest VRA's seal on a Supplemental Series Indenture in substantially the form of the Supplemental Series Indenture documents on file with VRA, with such changes, insertions or omissions as may be approved by the Chairman, Vice Chairman, and Executive Director, any of whom may act. Such approval shall be evidenced conclusively by the execution and delivery of each respective Supplemental Series Indenture on VRA's behalf.

4. Preparation, Execution, Authentication and Delivery of Bonds. The Executive Director is authorized and directed to have the Bonds of each Series prepared in substantially the forms on file with VRA with such changes, insertions, or omissions as may be approved by VRA's Executive Director, to have such Bonds executed pursuant to the terms of the Master Indenture and the related Supplemental Series Indenture, to deliver such Bonds to the Trustee for authentication, and to cause such Bonds so executed and authenticated to be delivered to or for the account of the initial purchasers thereof upon payment of the purchase price thereof as provided in the related Supplemental Series Indenture.

5. Sale of Bonds. At the election of the Executive Director, each Series of Bonds may be sold (i) in a negotiated sale to an underwriter or group of underwriters with demonstrated experience in underwriting municipal securities ("Underwriter") to be selected by the Executive Director in accordance with VRA's previously adopted underwriter selection procedures, (ii) in a private placement to a bank or other institutional investor, or (iii) at public bid to the bidder with the lowest true interest cost to VRA. With respect to each Series of Bonds,

the Executive Director is authorized to execute and deliver a bond purchase agreement or similar document with the Underwriter or private placement purchaser, or, if sold at public bid, other appropriate documents with the successful bidder (the "Bid Documents") providing for the sale and delivery of the Bonds upon terms and conditions to be approved by the Chairman, Vice Chairman, and Executive Director, any of whom may act, within the parameters set forth in paragraph 1 above.

6. Preliminary Official Statement. VRA authorizes the preparation of a preliminary official statement, in such form as the Executive Director may approve (a "Preliminary Official Statement"), in connection with the offering of each Series of Bonds authorized hereunder and sold in a public sale. The Executive Director is authorized to deem final each Preliminary Official Statement as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule") and to approve distribution thereof. Distribution of a Preliminary Official Statement shall constitute conclusive evidence that it has been deemed final as of its date, except for the omission of such pricing and other information permitted to be omitted, for purposes of the Rule.

7. Official Statement. After the public sale of a Series of the Bonds, the Executive Director is authorized and directed to complete the Preliminary Official Statement therefore as an official statement in final form (the "Official Statement") to reflect the final terms and details of the related Series of Bonds and the sale thereof. The Executive Director is authorized to execute each Official Statement, which execution shall constitute conclusive evidence of approval of the Official Statement on behalf of VRA and that it has been deemed final within the meaning of the Rule. The Executive Director is authorized to prepare, execute, publish and distribute any other disclosure or sale documents as the Executive Director deems necessary or appropriate to effect the sale of the Bonds.

8. Credit Enhancement. The Executive Director is authorized to procure bond insurance for all or any portion of the Bonds or a surety bond, liquidity facility or similar instrument to provide for the funding of all or any portion of a Debt Service Reserve Fund or any other reserve fund or account established pursuant to the Master Indenture, if the Executive Director determines such procurement to be in the best interests of VRA.

9. Tax Matters. The Executive Director is authorized and directed to (i) conduct public hearings in connection with the issuance of any of the Bonds, if applicable, (ii) seek the approval of the Governor of the issuance of any of the Bonds, if applicable, and (iii) execute and deliver on VRA's behalf simultaneously with the issuance of each Series of the Bonds a Tax Regulatory Agreement and/or similar agreements or certificates. The Tax Regulatory Agreement and/or similar agreements or certificates shall set forth the expected use of and investment of all or any portion of the proceeds of each Series of the Bonds and include such covenants as may be necessary to qualify the interest on all or any portion of each Series of the Bonds for exemption from gross income for federal income tax purposes or any Bonds of a Series for tax-advantaged status under the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations (the "Tax Code"), and to maintain such exemption or status. The Executive Director is further authorized to make on behalf of VRA such elections under the Tax Code with respect to any Series of the Bonds as she may deem to be in the best interests of VRA after consultation with VRA's bond counsel and financial advisor. The calculation of "true

interest cost” of any Bonds for the purpose of paragraph 1 hereof may take into account the net benefit expected to be received by VRA from the issuance of the Bonds with tax-advantaged status as determined by the Executive Director.

10. Investment of Proceeds. The investment of all monies deposited in any of the funds or accounts established by the Master Indenture and any Supplemental Series Indenture related to a Series of the Bonds will be governed by the sections of the Master Indenture and such Supplemental Series Indenture related to permitted investments. In addition, the Executive Director is authorized to contract with the Virginia State Non-Arbitrage Program and/or an arbitrage rebate consulting firm to provide investment and/or arbitrage compliance services with respect to the Bonds.

11. Authorization of Direct Loans. Notwithstanding anything contrary contained in this Resolution, VRA is authorized to make Direct Loans up to the uncommitted balance of the Virginia Airports Revolving Fund in lieu of making Leveraged Loans with the approval of the Virginia Aviation Board (the “Aviation Board”).

12. Terms and Conditions of Loans. The Board determines that it is in the best interest of VRA to authorize Leveraged Loans and Direct Loans to Obligors to finance or refinance the cost of any Airport Project; provided, however, that such Leveraged Loans and Direct Loans shall be subject to the following terms and conditions: (i) VRA shall have received from the Aviation Board written evidence of approval of the Airport Project by the Aviation Board in connection with such Leveraged Loan or Direct Loan, including the purpose and amount of such loan; (ii) the Leveraged Loan or Direct Loan shall be formally authorized and approved by the Obligor's governing body for at least the principal amount of the Leveraged Loan or Direct Loan; (iii) the Leveraged Loan or Direct Loan shall be evidenced and secured by a financing agreement or lease between the Obligor and VRA, containing such terms and conditions as may be authorized or approved by the Executive Director; (iv) the Obligor's Local Obligation evidencing the Leveraged Loan or Direct Loan shall be secured by (a) a pledge of the net revenues of the Obligor's airport facility operations or of any Airport Project, (b) a support agreement containing such terms and conditions as may be authorized or approved by the Executive Director and providing for the moral obligation of the Obligor or the participating jurisdiction of the Obligor to fund any deficiencies in debt service or debt coverage on the Leveraged Loan or Direct Loan arising from insufficiencies in revenues from the Obligor's airport facility operations and/or (c) a lease or such other security, including but not limited to a general obligation pledge or special fund revenue pledge if the Obligor is a county, city, or town, as deemed appropriate by the Executive Director; and (v) a Leveraged Loan or Direct Loan to any Obligor shall not exceed the costs of the related Airport Project. Without the need for additional approval by this Board, the Executive Director is authorized on behalf of VRA to solicit, accept and approve applications from local governments within the Commonwealth of Virginia to be potential Obligors through VRA's purchase or acquisition of their Local Obligations. The criteria for approving the purchase or acquisition of Local Obligations from Obligors shall in no event be less stringent than VRA's internal credit criteria previously approved by this Board.

13. Approval of Local Obligation Documents. The model Financing Agreement on file with VRA is hereby approved for use in providing for the purchase or

acquisition of Local Obligations related to the Bonds and the Leveraged Loans or the Direct Loans; provided, however, that the provisions therein may be altered to accommodate different terms agreed to by VRA and the various participating Obligor.

14. Interim Financing. Prior to the offering of any series of Bonds, if market or other conditions are such that the Chairman or Vice Chairman, in consultation with the Executive Director, determines that it is not advisable to enter into a long-term financing for all or any portion of the purchasing and acquiring of Local Obligations to finance or refinance the cost of any Airport Project, the Executive Director, without further approval of the Board as to documentation or otherwise, may execute, deliver and issue short-term notes of VRA ("Notes") at public or private sale in anticipation of the issuance of any or all series of Bonds; provided that the aggregate principal amount of the Notes shall not exceed \$40,000,000 (less the aggregate principal amount of any previously issued Series of Bonds), the term to maturity thereof shall not exceed five years and the true interest cost thereon shall not exceed 10% and the Notes shall be subject to such other terms and conditions contained in this Resolution to the extent not inconsistent with this paragraph 14. Any of the Notes may be extended or refinanced from time to time by or at the direction of the Executive Director, provided that no extension or refinancing matures later than five years from the date of the original issuance of such Note. The Executive Director is authorized and directed to affix the seal of VRA to such Notes and to attest the seal. The Notes may be secured in the same manner as the corresponding series of Bonds and may be retired, in the discretion of the Board, from the proceeds of the corresponding series of Bonds or by means of current revenues or other funds, provided that the maximum amount of the series of Bonds authorized will be reduced by the amount of Notes retired by means of such current revenues or other funds.

15. Authorization of Further Actions. The Executive Director and any VRA employee designated by the Executive Director (the "VRA Representative") is authorized to execute and deliver on VRA's behalf such other instruments, documents or certificates, and to do and perform such things and acts as he or she shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Master Indenture and any Supplemental Series Indenture related to the Bonds, Notes or the Direct Loans. Any of the foregoing previously done or performed by any VRA Representative is in all respects approved, ratified and confirmed.

16. Effective Date; Termination. This Resolution shall be effective on July 27, 2020. The authority to issue Bonds, Notes and make Direct Loans pursuant to this Resolution shall terminate on June 30, 2021 unless extended at the direction of VRA's Chairman for a period not to exceed three months or as needed if there exists a declared state of emergency in the Commonwealth of Virginia as of June 30, 2021.

VIRGINIA RESOURCES AUTHORITY

– RESOLUTION –

AUTHORIZING THE ISSUANCE OF UP TO \$50,000,000 IN BONDS TO FUND THE VIRGINIAHELPS CONDUIT BORROWER PROGRAM IN FISCAL YEAR 2021

July 27, 2020

WHEREAS, the Virginia Resources Authority (the "Authority") is a public body corporate and a political subdivision of the Commonwealth of Virginia (the "Commonwealth") created by the Virginia Resources Authority Act, Chapter 21, Title 62.1, Code of Virginia of 1950, as amended (the "Act"); and

WHEREAS, the Act provides that the Authority was created for the purpose of encouraging the investment of both public and private funds and to make loans, grants and credit enhancements available to local governments to finance or refinance the costs of the facilities or projects now or hereafter described in Section 62.1-199 of the Act (each a "Project" and, as a group, the "Projects"); and

WHEREAS, under the Act the Authority is authorized and empowered, among other things,

1. to borrow money and issue its bonds, notes, debentures, interim certificates, grants or revenue anticipation notes or any other evidences of indebtedness (collectively referred to hereinafter as the "Bonds") in amounts the Authority determines to be necessary or convenient to provide funds to carry out its purposes and powers and to pay all costs and expenses incurred in connection with the issuance of Bonds,

2. to refund any Bonds by the issuance of new Bonds, whether the Bonds to be refunded have or have not matured, whenever the Authority deems refunding expedient,

3. to secure Bonds issued by the Authority by a pledge of any local obligation owned by the Authority, any grant, contribution or guaranty from the United States of America, the Commonwealth or any corporation, association, institution or person, any other property or assets of or under the control of the Authority, or a pledge of any money, income or revenue of the Authority from any source,

4. to enter into a trust indenture pursuant to which the Authority may issue Bonds, and the trust indenture may contain provisions, which shall be part of the contract or contracts with the holders of such Bonds as to, among other things, the establishment of reserve funds, sinking funds and other funds and accounts and the regulation and disposition thereof, and

5. to purchase and acquire local obligations to finance or refinance the cost of any Project, using any funds of the Authority available for such a purpose; and

6. to require, as a condition to the purchase or acquisition of any local obligation, that the local government issuing the local obligation covenant to perform any of the acts enumerated in Section 62.1-216 of the Act, including producing sufficient revenue to pay the debt service on its local obligation and to create and maintain any required reserve, including any rate stabilization fund deemed necessary or appropriate by the Authority; and

WHEREAS, on June 13, 2017, the Authority authorized the establishment of a program called the "VirginiaHELPS Conduit Borrower Program" (the "Program") to aid local governments (including authorities with appropriate local government support) to gain access to financing in situations where other Authority programs are not an option due to credit concerns, pending litigation, or similar problems as determined by Authority staff, including the Credit Committee and the Executive Director; and

WHEREAS, under the Program the Authority will provide for the issuance from time to time of Bonds in a single-borrower conduit format to purchase and acquire local obligations to finance or refinance the cost of any Project, and for such other purposes as may be authorized under and pursuant to the Act, and have the other features described in the term sheet on file with the Authority; and

WHEREAS, the Bonds issued under the Program will be secured primarily by (i) revenues derived from the local obligations, and (ii) to the extent available, the "state-aid intercept" provision of Section 62.1-216.1 of the Act; provided, however, Bonds issued to fund the Program will not be secured by a "capital reserve fund" as described in Section 62.1-215 of the Act or otherwise be supported by the "moral obligation" of the Commonwealth; and

WHEREAS, to further the purposes of the Act and the Program, the Board has determined to authorize the Authority to issue Bonds at one time or from time to time in an aggregate principal amount of up to \$50,000,000 to fund the Program during the Authority's fiscal year ending June 30, 2021; and

After careful consideration and to further the public purposes for which the Authority was created, NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUTHORITY THAT:

1. It is hereby found and determined that (i) there continues to exist in the Commonwealth a critical need for additional sources of funding to finance the present and future needs of the Commonwealth for the Projects, particularly to enable local governments (including authorities with appropriate local government support) to gain access to financing in situations where other Authority programs are not an option as described in the Recitals, (ii) the Program will alleviate in part this need by encouraging the investment of both public and private funds in a manner that is cost-effective, promotes the efficient use of the Authority's capacity to issue Bonds and does not increase the risk of any adverse effect to the credit rating of either the Authority or the Commonwealth, principally because none of the Bonds issued under the Program will be secured by a "capital reserve fund" as described in Section 2.1-215 of the Act or otherwise have the "moral obligation" support of the Commonwealth, and (iii) the

establishment of the Program is in the public interest, will serve a public purpose and will promote the health, safety, welfare, convenience or prosperity of the people of the Commonwealth.

2. Authorization of the Bonds. There is hereby authorized the issuance at one time or from time to time of one or more series of conduit revenue bonds of the Authority to further the purposes of the Act and the Program. The Authority shall apply the proceeds of the issuance and sale of each series of the Bonds as described in the Recitals above. It is hereby found and determined that the debt service payments on the Bonds are not expected to be made, in whole or in part, directly or indirectly, from appropriations of the Commonwealth within the meaning of Section 2.2-2416(7) of the Code of Virginia of 1950, as amended.

3. Details of the Bonds. VRA's Chairman, Vice Chairman, and Executive Director (collectively, the "VRA Officers," but any of whom may act) are authorized to determine and approve the final details of each series of the Bonds, including without limitation, their series designations, dated date, original aggregate principal amount, interest rates, maturity dates, redemption provisions, sale prices, and the principal amount of each maturity; provided, however, that (i) the original aggregate principal amount of the Bonds shall not exceed \$50,000,000; (ii) no series of the Bonds shall have a true interest cost in excess of 13%; and (iii) the final maturity any of the Bonds of any series shall be no later than December 31, 2051. The approval of the VRA Officers of such details with respect to any series of Bonds shall be evidenced conclusively by the execution and delivery thereof on the Authority's behalf.

4. Authorization of Bond Documents. Each series of Bonds authorized under this Resolution shall be issued and secured pursuant to an indenture or similar instrument containing the provisions authorized under Section 62.1-209 of the Act and approved by the VRA Officers (a "Bond Document"); provided that such Bond Document (i) shall provide for each series of Bonds to be issued in a single-borrower conduit format and (ii) shall not establish any "capital reserve fund" for such Bonds within the meaning of Section 62.1-215 of the Act or otherwise pledge or provide for any "moral obligation" or other credit support from the Commonwealth. The approval of any Bond Document shall be evidenced conclusively by the execution and delivery thereof on the Authority's behalf.

5. Preparation, Execution, Authentication and Delivery of Bonds. The Executive Director is authorized and directed to have the Bonds of each series prepared in appropriate form, to have such Bonds executed pursuant to the terms of the related Bond Document, to deliver such Bonds to the appropriate trustee or other fiduciary for authentication if required, and to cause such Bonds so executed and authenticated to be delivered to or for the account of the initial purchasers thereof upon payment of the purchase price thereof as provided in the related Bond Document.

6. Sale of Bonds. At the election of the Executive Director, each series of Bonds may be sold (i) in a negotiated sale to an underwriter or group of underwriters with demonstrated experience in underwriting municipal securities ("Underwriter") to be

selected by the Executive Director in accordance with the Authority's previously adopted underwriter selection procedures, (ii) in a private placement to a bank or other institutional investor, or (iii) at public bid to the bidder with the lowest true interest cost to the Authority. With respect to the sale of a series of Bonds, the Executive Director is authorized to execute and deliver a bond purchase agreement or similar agreement with the Underwriter or private placement purchaser, or, if sold at public bid, other appropriate documents with the successful bidder (the "Bid Documents") providing for the sale and delivery of the Bonds upon terms and conditions to be approved by the VRA Officers within the parameters set forth in paragraph 3 above.

7. Preliminary Official Statement. The Board authorizes the preparation of a preliminary official statement, in such form as the Executive Director may approve (a "Preliminary Official Statement"), in connection with the offering of each series of Bonds authorized hereunder and sold in a public sale. The Executive Director is authorized to deem final each Preliminary Official Statement as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule") and to approve the distribution thereof. Distribution of a Preliminary Official Statement shall constitute conclusive evidence that it has been deemed final as of its date, except for the omission of such pricing and other information permitted to be omitted, for purposes of the Rule.

8. Official Statement. After a public sale of a series of the Bonds, the Executive Director is authorized and directed to complete the Preliminary Official Statement therefor as an official statement in final form (the "Official Statement") to reflect the final terms and details of the related series of Bonds and the sale thereof. The Executive Director is authorized to execute each Official Statement, which execution shall constitute conclusive evidence of approval of the Official Statement on behalf of VRA and that it has been deemed final within the meaning of the Rule. The Executive Director is authorized to prepare, execute, publish and distribute any other disclosure or sale documents as the Executive Director deems necessary or appropriate to effect the sale of the Bonds.

9. Credit Enhancement. The Executive Director is authorized to procure bond insurance for all or any portion of the Bonds or a surety bond, liquidity facility or similar instrument to provide for the funding of all or any portion of any reserve fund or account established pursuant to the related Bond Document, if the Executive Director determines such procurement to be in the best interests of the Authority.

10. Participating Local Governments. Without the need for additional approval by this Board, the Executive Director is authorized on behalf of the Authority to accept and approve applications from local governments to be participants in the Program. The criteria for approving an application shall include security and enhancements to ensure loan repayment including but not limited to rate and revenue coverage covenants, full faith and credit pledges where allowable, state-aid intercept, leasehold interests in collateral, commercial bank letters of credit and bond insurance.

11. Local Obligation Documents. Each local obligation purchased or acquired with the proceeds of series of Bonds authorized under this Resolution shall be purchased or acquired and secured pursuant to a loan or financing agreement, financing lease documents or a similar instrument containing the provisions authorized under Section 62.1-216 of the Act and approved by the VRA Officers. The approval of any such document shall be evidenced conclusively by the execution and delivery thereof on the Authority's behalf.

12. Tax Matters. The Executive Director is authorized and directed to (i) conduct public hearings in connection with the issuance of any of the Bonds, if applicable, (ii) seek the approval of the Governor of the issuance of any of the Bonds, if applicable, and (iii) execute and deliver on VRA's behalf simultaneously with the issuance of each Series of the Bonds a Tax Regulatory Agreement and/or similar agreements or certificates. The Tax Regulatory Agreement and/or similar agreements or certificates shall set forth the expected use of and investment of all or any portion of the proceeds of each Series of the Bonds and include such covenants as may be necessary to qualify the interest on all or any portion of each Series of the Bonds for exemption from gross income for federal income tax purposes or any Bonds of a Series for tax-advantaged status under the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations (the "Tax Code"), and to maintain such exemption or status. The Executive Director is further authorized to make on behalf of VRA such elections under the Tax Code with respect to any Series of the Bonds as she may deem to be in the best interests of VRA after consultation with VRA's bond counsel and financial advisor. The calculation of "true interest cost" of any Bonds for the purpose of paragraph 1 hereof may take into account the net benefit expected to be received by VRA from the issuance of the Bonds with tax-advantaged status as determined by the Executive Director.

13. Investment of Proceeds. The investment of all monies deposited in any of the funds or accounts related to a series of Bonds will be governed by the sections of the related Bond Document regarding permitted investments. In addition, the Executive Director is authorized to contract with the Virginia State Non-Arbitrage Program and/or an arbitrage rebate consulting firm to provide investment and/or arbitrage compliance services with respect to the Bonds.

14. Interim Financing. Prior to the offering of any series of Bonds, if market or other conditions are such that the VRA Officers determine that it is not advisable to enter into a long-term financing for all or any portion of the purchasing and acquiring of local obligations in the Program, the Executive Director, without further approval of the Board as to documentation or otherwise, may execute, deliver and issue short-term notes of the Authority ("Notes") at public or private sale in anticipation of the issuance of any or all series of Bonds; provided that the aggregate principal amount of the Notes shall not exceed \$50,000,000 (less the aggregate principal amount of any previously issued series of Bonds), the term to maturity thereof shall not exceed five years and the true interest cost thereon shall not exceed 10% and the Notes shall be subject to such other terms and conditions contained in this Resolution to the extent not inconsistent with this paragraph 14. Any of the Notes may be extended or refinanced

from time to time by or at the direction of the VRA Officers, provided that no extension or refinancing matures later than five years from the date of the original issuance of such Note. The VRA Officers are authorized to affix the seal of the Authority to such Notes and to attest the seal. The Notes may be secured in the same manner as the corresponding series of Bonds and may be retired, in the discretion of the VRA Officers, from the proceeds of the corresponding series of Bonds or by means of current revenues or other funds, provided that the maximum amount of the series of Bonds authorized will be reduced by the amount of Notes retired by means of such current revenues or other funds.

15. Authorization of Further Actions. The Executive Director and any Authority employee designated by the Executive Director (the "VRA Representative") is authorized to execute and deliver on the Authority's behalf such other instruments, documents or certificates, and to do and perform such things and acts as he or she shall deem necessary or appropriate to carry out the transactions authorized by this Resolution. Any of the foregoing previously done or performed by any VRA Representative is in all respects approved, ratified and confirmed.

16. Effective Date; Termination. This Resolution shall be effective immediately. The authority to issue Bonds pursuant to this Resolution shall terminate on June 30, 2021 unless extended at the direction of VRA's Chairman for a period not to exceed three months or as needed if there exists a declared state of emergency in the Commonwealth of Virginia as of June 30, 2021.

VIRGINIA RESOURCES AUTHORITY

- RESOLUTION -

AUTHORIZING THE ISSUANCE OF UP TO \$400,000,000 IN INFRASTRUCTURE AND STATE MORAL OBLIGATION REVENUE BONDS (VIRGINIA POOLED FINANCING PROGRAM) FOR THE FISCAL YEAR ENDING JUNE 30, 2021

July 27, 2020

WHEREAS, the Virginia Resources Authority ("VRA") is a public body corporate and a political subdivision of the Commonwealth of Virginia (the "Commonwealth") created by the Virginia Resources Authority Act, Chapter 21, Title 62.1, Code of Virginia of 1950, as amended (the "Act"); and

WHEREAS, the Act provides that VRA was created for the purpose of encouraging the investment of both public and private funds and making loans, grants and credit enhancements available to local governments to finance or refinance the costs of the facilities or projects now or hereafter described in Section 62.1-199 of the Act (each a "Project" and, as a group, the "Projects"); and

WHEREAS, the Act authorizes and empowers VRA, among other things, to borrow money and issue its bonds to provide funds to carry out VRA's purposes and powers and to pay all costs and expenses incurred in connection with the issuance of such bonds; and

WHEREAS, by a resolution adopted by the Board of Directors of VRA (the "Board") on November 13, 2003, VRA established the Virginia Pooled Financing Program (the "Program") and authorized the execution and delivery of a Master Indenture of Trust dated as of December 1, 2003, as previously supplemented and amended (the "Master Indenture"), between VRA and U.S. Bank National Association (as successor in interest to SunTrust Bank), as trustee (the "Trustee"), under which VRA has provided for the issuance from time to time of bonds of VRA for the purpose of purchasing and acquiring local obligations to finance or refinance the cost of any Project, and for such other purposes as may be authorized under and pursuant to the Act; and

WHEREAS, unless otherwise defined, each capitalized term used in this Resolution shall have the meaning given it in the Master Indenture; and

WHEREAS, the Program and the Master Indenture contemplate and authorize VRA's issuance of Infrastructure Revenue Bonds and State Moral Obligation Revenue Bonds and the use of the proceeds thereof to purchase and acquire Local Obligations, with (i) the Infrastructure Revenue Bonds to be secured primarily by revenues derived from the Local Obligations, and (ii) the State Moral Obligation Revenue Bonds to be secured primarily by (A) revenues derived from the Local Obligations (on a subordinate basis to the Infrastructure Revenue Bonds) and (B) a "capital reserve fund" with "moral obligation" support within the meaning of Section 62.1-215 of the Act to the extent provided under the Master Indenture; and

WHEREAS, to further the purposes of the Act and the Program, the Board has determined to authorize VRA to issue one or more Series of Bonds under the Master Indenture (the "Bonds") in an aggregate principal amount of up to \$400,000,000 net of refundings authorized under the VRA refunding shelf resolution dated and adopted July 27, 2020 (the "Refunding Shelf Resolution") at one time or from time to time during VRA's fiscal year ending June 30, 2021; and

WHEREAS, VRA will use the proceeds of the Bonds (i) to purchase and acquire Local Obligations issued or incurred by Localities to finance or refinance qualified Projects, (ii) to provide for any funding of the Capital Reserve Fund necessary or desirable to provide credit support for the Bonds issued as State Moral Obligation Revenue Bonds and any other State Moral Obligation Revenue Bonds heretofore or hereafter issued under the Master Indenture, and (iii) to pay the costs of issuance related to the Bonds; and

WHEREAS, the Master Indenture provides that, as a condition to the issuance and authentication of any Series of Bonds, VRA shall deliver to the Trustee a Supplemental Series Indenture which will contain, among other things, the specific payment and redemption provisions for the Bonds; and

WHEREAS, debt service payments on the Bonds are expected to be made from revenues derived from the Local Obligations and the investment earnings on certain funds and accounts established under the Master Indenture and the Supplemental Series Indentures as provided therein; and

WHEREAS, the foregoing arrangements will be reflected in the following documents, forms of which are on file with VRA: (i) the Master Indenture, (ii) a model Supplemental Series Indenture, to which forms of the Bonds are attached as exhibits, and (iii) model Local Bond Sale Agreement and Financing Agreements and Local Lease Acquisition and Financing Lease Agreements to be used in the acquisition of revenue Local Obligations, general obligation Local Obligations, "double-barreled" Local Obligations, special fund revenue Local Obligations, and lease Local Obligations (collectively, the "Local Obligation Documents"); and

After careful consideration and to further the public purposes for which the Virginia Resources Authority was created, NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE VIRGINIA RESOURCES AUTHORITY THAT:

1. Authorization of the Bonds. There is hereby authorized the issuance at one time or from time to time of one or more series of revenue bonds of VRA to be known as the Virginia Resources Authority Infrastructure and State Moral Obligation Revenue Bonds (Virginia Pooled Financing Program). Each Series of the Bonds shall bear appropriate Series designations and any Bonds to be issued as a single Series for purposes of the Master Indenture may, for purposes of the related Supplemental Series Indenture and federal tax law, be issued under two or more sub-designations. The Bonds shall be in substantially the forms attached as exhibits to the related Supplemental Series Indenture. VRA shall use the proceeds of the issuance and sale of each Series of the Bonds as described in the Recitals above and in accordance with the Master Indenture and the related Supplemental Series Indenture. It is

hereby found and determined that the debt service payments on the Bonds are not expected to be made, in whole or in part, directly or indirectly, from appropriations of the Commonwealth within the meaning of Section 2.2-2416(7) of the Code of Virginia of 1950, as amended.

2. Details of the Bonds. VRA's Chairman, Vice Chairman, and Executive Director, any of whom may act, are authorized to determine and approve the final details of each Series of the Bonds, including without limitation, their series designations, dated date, original aggregate principal amount, interest rates, maturity dates, redemption provisions, sale prices, the portions to be issued as Infrastructure Revenue Bonds and State Moral Obligation Revenue Bonds and the principal amount of each maturity; provided, however, that (i) the original aggregate principal amount of the Bonds shall not exceed \$400,000,000 net of refundings authorized under the Refunding Shelf Resolution; (ii) the proceeds derived from the sale of the Bonds of any Series that are issued as State Moral Obligation Revenue Bonds, excluding any proceeds derived from any Bonds issued for the purpose of funding the Capital Reserve Fund and proceeds related to the refunding of existing State Moral Obligation Revenue Bonds, shall not exceed 35% of proceeds derived from the sale of all of the Bonds of such Series; (iii) no Series of the Bonds shall have a true interest cost in excess of 10%; (iv) the final maturity any of the Bonds of any Series shall be no later than December 31, 2051. The approval of the Chairman, Vice Chairman, and Executive Director, any of whom may act, of such details with respect to any Series of Bonds shall be evidenced conclusively by the execution and delivery thereof on VRA's behalf.

3. Approval of Supplemental Series Indentures. Each Series of Bonds shall be issued pursuant to the Master Indenture and a Supplemental Series Indenture in substantially the same forms as previous Supplemental Series Indentures on file with VRA. With respect to each Series of bonds authorized under this Resolution, the Chairman, Vice Chairman, and Executive Director, any of whom may act, are authorized to execute and deliver on VRA's behalf, and, if required, to affix and attest VRA's seal on a Supplemental Series Indenture, with such changes, insertions or omissions as may be approved by the Chairman, Vice Chairman, or Executive Director. Such approval shall be evidenced conclusively by the execution and delivery of each respective Supplemental Series Indenture on VRA's behalf.

4. Preparation, Execution, Authentication and Delivery of Bonds. The Executive Director is authorized and directed to have the Bonds of each Series prepared in substantially the forms on file with VRA, to have such Bonds executed pursuant to the terms of the Master Indenture and the related Supplemental Series Indenture, to deliver such Bonds to the Trustee for authentication, and to cause such Bonds so executed and authenticated to be delivered to or for the account of the initial purchasers thereof upon payment of the purchase price thereof as provided in the related Supplemental Series Indenture.

5. Sale of Bonds. At the election of the Executive Director, each Series of Bonds may be sold (i) in a negotiated sale to an underwriter or group of underwriters with demonstrated experience in underwriting municipal securities ("Underwriter") to be selected by the Executive Director in accordance with VRA's previously adopted underwriter selection procedures, (ii) in a private placement to a bank or other institutional investor, or (iii) at public bid to the bidder with the lowest true interest cost to VRA. With respect to each Series of Bonds, the Executive Director is authorized to execute and deliver a bond purchase agreement or similar

agreement with the Underwriter or private placement purchaser, or, if sold at public bid, other appropriate documents with the successful bidder (the "Bid Documents") providing for the sale and delivery of the Bonds upon terms and conditions to be approved by the Chairman, Vice Chairman, or Executive Director within the parameters set forth in paragraph 2 above.

6. Preliminary Official Statement. VRA authorizes the preparation of a preliminary official statement, in such form as the Executive Director may approve (a "Preliminary Official Statement"), in connection with the offering of each Series of Bonds authorized hereunder and sold in a public sale. The Executive Director is authorized to deem final each Preliminary Official Statement as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule") and to approve the distribution thereof. Distribution of a Preliminary Official Statement shall constitute conclusive evidence that it has been deemed final as of its date, except for the omission of such pricing and other information permitted to be omitted, for purposes of the Rule.

7. Official Statement. After a public sale of a Series of the Bonds, the Executive Director is authorized and directed to complete the Preliminary Official Statement therefor as an official statement in final form (the "Official Statement") to reflect the final terms and details of the related Series of Bonds and the sale thereof. The Executive Director is authorized to execute each Official Statement, which execution shall constitute conclusive evidence of approval of the Official Statement on behalf of VRA and that it has been deemed final within the meaning of the Rule. The Executive Director is authorized to prepare, execute, publish and distribute any other disclosure or sale documents as the Executive Director deems necessary or appropriate to effect the sale of the Bonds.

8. Credit Enhancement. The Executive Director is authorized to procure bond insurance for all or any portion of the Bonds or a surety bond, liquidity facility or similar instrument to provide for the funding of all or any portion of the Capital Reserve Fund or any other reserve fund or account established pursuant to the Master Indenture, if the Executive Director determines such procurement to be in the best interests of VRA.

9. Participating Localities. Without the need for additional approval by this Board, the Executive Director is authorized on behalf of VRA to solicit, accept and approve applications from Local Governments to be participants in the Program through VRA's purchase or acquisition of their Local Obligations. The criteria for approving the purchase or acquisition of Local Obligations from participating Localities shall in no event be less stringent than VRA's internal credit criteria previously approved by this Board.

10. Approval of Local Obligation Documents. The Local Obligation Documents in forms on file with VRA are hereby approved for use in providing for the purchase or acquisition of Local Obligations related to the Bonds; provided, however, that the provisions therein may be altered to accommodate different terms agreed to by VRA and the various participating Localities.

11. Tax Matters. The Executive Director is authorized and directed to (i) conduct public hearings in connection with the issuance of Bonds, if applicable, (ii) seek the approval of the Governor of the issuance of any Series of Bonds, if applicable, and (iii) execute

and deliver on VRA's behalf simultaneously with the issuance of each Series of Bonds a Tax Regulatory Agreement and/or similar agreements or certificates. The Tax Regulatory Agreement and/or similar agreements or certificates shall set forth the expected use of and investment of all or any portion of the proceeds of each Series of the Bonds and include such covenants as may be necessary to qualify the interest on all or any portion of each Series of the Bonds for exemption from gross income for federal income tax purposes or the Bonds of any Series for tax-advantaged status under the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations (the "Tax Code"), and to maintain such exemption or status. The Executive Director is further authorized to make on behalf of VRA such elections under the Tax Code with respect to any Series of the Bonds as she may deem to be in the best interests of VRA after consultation with VRA's Bond Counsel and Financial Advisor. The calculation of true interest cost for purposes of paragraph 2 hereof may take into account the net benefit expected to be received by VRA from the issuance of the Bonds with tax-advantaged status as determined by the Executive Director.

12. Investment of Proceeds. The investment of all monies deposited in any of the funds or accounts established by the Master Indenture and any Supplemental Series Indenture related to a Series of the Bonds will be governed by the sections of the Master Indenture and such Supplemental Series Indenture related to permitted investments. In addition, the Executive Director is authorized to contract with the Virginia State Non-Arbitrage Program and/or an arbitrage rebate consulting firm to provide investment and/or arbitrage compliance services with respect to the Bonds.

13. Interim Financing. Prior to the offering of any Series of Bonds, if market or other conditions are such that the Chairman or Vice Chairman, in consultation with the Executive Director, determines that it is not advisable to enter into a long-term financing for all or any portion of the purchasing and acquiring of Local Obligations to finance or refinance the cost of any Project, the Executive Director, without further approval of the Board as to documentation or otherwise, may execute, deliver and issue short-term notes of VRA ("Notes") at public or private sale in anticipation of the issuance of any or all Series of Bonds; provided that the aggregate principal amount of the Notes shall not exceed \$400,000,000 (less the aggregate principal amount of any previously issued Series of Bonds), the term to maturity thereof shall not exceed five years and the true interest cost thereon shall not exceed 10% and the Notes shall be subject to such other terms and conditions contained in this Resolution to the extent not inconsistent with this paragraph 13. Any of the Notes may be extended or refinanced from time to time by or at the direction of the Executive Director, provided that no extension or refinancing matures later than five years from the date of the original issuance of such Note. The Executive Director is authorized and directed to affix the seal of VRA to such Notes and to attest the seal. The Notes may be secured in the same manner as the corresponding Series of Bonds and may be retired, in the discretion of the Board, from the proceeds of the corresponding Series of Bonds or by means of current revenues or other funds, provided that the maximum amount of the Series of Bonds authorized will be reduced by the amount of Notes retired by means of such current revenues or other funds.

14. Authorization of Further Actions. The Executive Director and any VRA employee designated by the Executive Director (the "VRA Representative") is authorized to execute and deliver on VRA's behalf such other instruments, documents or certificates, and to do

and perform such things and acts as he or she shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Master Indenture and any Supplemental Series Indenture related to the Bonds. Any of the foregoing previously done or performed by any VRA Representative is in all respects approved, ratified and confirmed.

15. Effective Date; Termination. This Resolution shall be effective immediately. The authority to issue Bonds pursuant to this Resolution shall terminate on June 30, 2021 unless extended at the direction of VRA's Chairman for a period not to exceed three months or as needed if there exists a declared state of emergency in the Commonwealth of Virginia as of June 30, 2021.