

**Virginia Resources Authority
Portfolio Risk Management Committee Meeting
Minutes of the Regular Meeting
Held September 12, 2022**

The Portfolio Risk Management Committee of the Board of Directors of the Virginia Resources Authority (VRA) met on Monday, September 12, 2022, in the O'Brien Boardroom, Bank of America Building, 19th Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

The following Board members were present and acting during the meeting: Ms. Barbara Donnellan, Committee Chair; Ms. Kelly Ward for State Health Commissioner Dr. Colin Greene; Director of the Department of Environmental Quality (DEQ) Mr. Michael Rolband; and Mr. Cecil R. Harris, Jr., Chairman. DEQ Board designee Ms. Karen Doran was also present.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Ms. Kim Adams; Mr. Joe Bergeron; Mr. Peter D'Alema; Mr. Curtis Doughtie; Ms. Stephanie Jones, and Ms. Catherine O'Brien. Additional attendees were Secretary of Finance Steve Cummings; Ms. Megan Gilliland of Kaufman & Canoles, P.C.; Mr. David Gustin of McGuireWoods LLP; Deputy Secretary of Finance John Markowitz; and Mr. Ty Wellford and Mr. Zach Lucanie both of Davenport & Company, LLC.

Call to Order

Chair Donnellan called the meeting to order at 1:01 p.m.

Chair Donnellan welcomed Secretary of Finance Steve Cummings and Deputy Secretary John Markowitz to the meeting who shared brief remarks including their backgrounds and general goals of the Administration.

Approval of Agenda

Chair Donnellan made a motion, seconded by Mr. Rolband, to approve the agenda as presented. The motion carried.

FY2023 SRF Shelf Resolution

Chair Donnellan turned the meeting over to Mr. Bergeron who described a bond resolution for the State Revolving Funds (SRFs). He said that the bond resolution would authorize up to \$350 million in financing for the Clean Water and Drinking Water programs to be obtained via public issuance of bonds or bank direct placement. Mr. Bergeron noted that the authorization amount is \$50 million greater than the amount in the prior year's bond resolution

given there are several large projects that have been approved by the agency partners. Mr. Bergeron also explained that the SRF shelf resolution is presented to the Board in September to allow for the agencies' solicitation of the applications.

Chair Donnellan made a motion to recommend approval by the VRA Board of the shelf resolution as presented by staff. Mr. Rolband seconded. The motion carried.

PRM Reserve Discussion

Mr. D'Alema then shared a presentation with information regarding the Unrestricted Net Asset Guidelines, which were adopted by the Board in 2013 and revised in 2017. Secretary Cummings expressed his interest in the topic as the Administration has been reviewing its own utilization of a record level of resources. The Secretary of Finance expressed his interest in the Board's management of reserves. Chair Donnellan noted that future meetings may consider possible updates to the guidelines that govern the reserve funds and welcomed the Secretary to join for future discussions.

VPFP Series 2022B Update

Mr. D'Alema shared information about the fall pooled bond transaction of the Virginia Pooled Financing Program (VPFP). The City of Portsmouth's application for \$25 million to finance water and sewer capital improvements was highlighted, given some recent headlines involving the city council. Mr. D'Alema explained that Portsmouth's water and sewer utility fund has a strong credit profile and complies with VRA's revenue-backed underwriting guidelines. Further, he noted that the loan does not require Board approval. Mr. D'Alema stated that it is likely that five loans will proceed in the transaction for approximately \$50 million in par issued.

VPFP Portfolio Update

Mr. D'Alema shared that the VPFP local borrower portfolio currently has \$2.54 billion in local government debt outstanding and other brief remarks regarding the composition of the portfolio.

Commonwealth MO Debt Capacity Update

Mr. D'Alema also made brief remarks regarding VRA's MO [Moral Obligation] debt capacity, noting that the Commonwealth's MO pledge currently enhances approximately \$930 million in VRA bonds as of June 30, 2022, well below the \$1.5 billion statutory authorization.

Old Business

Chair Donnellan asked if there was any old business to come before the Committee. There was none.

New Business


Chair Donnellan asked if there was any new business to come before the Committee. There was none.

Public Comment

Chair Donnellan asked if there were any comments from the public. There were none.

Adjournment

Chair Donnellan made a motion, seconded by Mr. Rolband, and adjourned the meeting at 1:49 p.m.



Shawn B. Crumlish, Executive Director
Board Secretary

APPROVED:



Barbara M. Donnellan, Committee Chair

**Virginia Resources Authority
Audit Committee Meeting
Minutes of the Regular Meeting
Held September 12, 2022**

The Audit Committee of the Board of Directors of the Virginia Resources Authority (VRA) met on Monday, September 12, 2022, in the O'Brien Boardroom, Bank of America Building, 19th Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

The following Committee members were present and acting during the meeting: Dr. Charlette Woolridge, Committee Chair; Mr. David Branscome; Ms. Mary Bunting; Ms. Kelly Ward for State Health Commissioner Dr. Colin Greene; and Mr. Cecil R. Harris, Jr., Chairman. Board member Ms. Barbara Donnellan was also present.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Mr. Peter D'Alema; Mr. Curtis Doughtie; Ms. Stephanie Jones; and Ms. Catherine O'Brien. Also present were Mr. Greg Bussink of CliftonLarsonAllen LLP; Ms. Megan Gilliland of Kaufman & Canoles, P.C.; and Mr. David Gustin of McGuireWoods LLP.

Call to Order

Chair Dr. Woolridge called the meeting to order at 2:00 p.m.

Approval of Agenda

Ms. Bunting made a motion to approve the agenda as presented. Ms. Ward seconded. The motion carried.

Presentation of FY2022 Audit

Chair Dr. Woolridge called on Mr. Doughtie to introduce the external auditor. Mr. Doughtie introduced Mr. Greg Bussink, a principal with CliftonLarsonAllen LLP, and thanked Mr. Bussink for his hard work on the audit.

Mr. Bussink shared the audit opinion on page nine of the Annual Comprehensive Financial Report (ACFR). He stated that the opinion was an unmodified opinion, which is the highest level of assurance that can be given by an auditor. Mr. Bussink shared required governance communications with the Committee as well as highlights throughout the audit report.

Executive Session with Auditors

Ms. Bunting then made a motion to enter into a closed meeting with the auditor in accordance with Section 2.2-3711(A)(1) of the Code of Virginia, as amended, for the purpose of discussion and consideration of the performance, compensation, and promotion of specific public officers, employees or appointees of VRA in connection with the annual audit. Dr. Woolridge seconded. The motion carried and the Committee entered into closed session.

The Committee then acted upon a motion to approve the resolution certifying the closed session. Mr. Doughtie read the following resolution:

Whereas, the Audit Committee of the Board of the Virginia Resources Authority (the "Authority") has on September 12, 2022 convened a closed session pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act;

Where, Section 2.2-3712 of the Code of Virginia requires a certification by the Audit Committee of the Board that such closed meeting was conducted in accordance with Virginia law;

Now, therefore, be it resolved that the Audit Committee of the Board of the Virginia Resources Authority does hereby certify that, to the best of each member's knowledge, (i) only the public business matters that were identified in the motion by which the closed session was convened and that were lawfully exempted by the Virginia Freedom of Information Act were discussed in the closed session to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed session were heard, discussed or considered by the Audit Committee of the Board.

Ms. Bunting made a motion and Ms. Ward seconded that the Committee approve the resolution. Mr. Doughtie then took a roll call vote of the Committee members with all members voting affirmative. The closed session was duly certified.

FY2022 Financial Highlights

Mr. Doughtie proceeded with a presentation of financial highlights from the audited fiscal year.

There was brief discussion about cyber security and cyber insurance to which Mr. Doughtie noted the progress made with respect to a recently completed cyber security audit.

At the conclusion of Mr. Doughtie's presentation, Ms. Ward made a motion, to which Ms. Bunting seconded, to recommend Board approval for the fiscal year 2022 ACFR as presented. The motion carried.

Review of Audit Committee Charter

Mr. Doughtie continued the presentation with a review of the Audit Committee Charter, noting there were no changes being proposed.

ARMICS Update

Mr. Doughtie then provided a brief overview of the Agency Risk Management and Internal Control Standards (ARMICS) process which VRA completes annually.

New Business


Chair Dr. Woolridge asked if there was any new business to come before the Committee. There was none.

Public Comment

Chair Dr. Woolridge asked if there were any comments from the public. There were none.

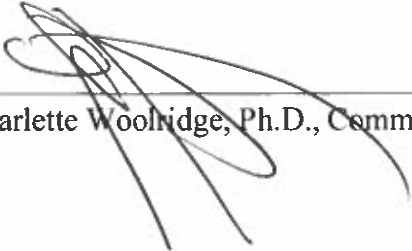
Adjournment

Upon request from the Chair, Ms. Ward made a motion, seconded by Dr. Woolridge, to adjourn the meeting. The motion carried and the meeting adjourned at 2:33 p.m.


Shawn B. Crumlish, Executive Director
Board Secretary

Minutes of the Audit Committee Meeting
September 12, 2022

APPROVED:



Charlette Woolridge, Ph.D., Committee Chair

**Virginia Resources Authority
Budget and Investment Committee Meeting
Minutes of the Regular Meeting
Held September 12, 2022**

The Budget and Investment Committee of the Board of Directors of the Virginia Resources Authority (VRA) met on Monday, September 12, 2022, in the O'Brien Boardroom, Bank of America Building, 19th Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

The following Board members were present and acting during the meeting: Mr. David Branscome, Committee Chair; Ms. Mary Bunting; Ms. Barbara Donnellan; Mr. Brad Jones for State Treasurer Mr. David Richardson; and Mr. Cecil R. Harris, Jr., Chairman. Ms. Cynthia Bailey was absent.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Mr. Joe Bergeron; Mr. Peter D'Alema; Mr. Curtis Doughtie; and Ms. Stephanie Jones. Additional attendees were Mr. Nelson Bush and Mr. David Calvert, both of PFM Asset Management (PFMAM); Ms. Megan Gilliland of Kaufman & Canoles, P.C. and Mr. Ty Wellford of Davenport & Company, LLC.

Call to Order

Chair Branscome called the meeting to order at 3:00 p.m.

Approval of Agenda

Chair Branscome asked for a motion to approve the agenda. Ms. Bunting made a motion, seconded by Ms. Donnellan, to approve the agenda as presented. The motion carried.

Presentation from VRA's Investment Advisor

Chair Branscome called on Mr. Bergeron who introduced VRA's external investment advisors from PFMAM. Mr. Bergeron welcomed Mr. Bush and Mr. Calvert to provide a presentation to the Board. The advisors shared macroeconomic factors affecting the portfolio and shared details on the recent investment performance.

After the conclusion of the advisors' remarks, Mr. Bergeron explained that staff would soon be distributing a request for proposals for investment advisory services, given that the current engagement has no more renewal options remaining under the contract.

Old Business

Chair Branscome asked if there was any old business to come before the Committee. There was none.

New Business


Chair Branscome asked if there was any new business to come before the Committee. There was none.

Public Comment

Chair Branscome asked if there were any comments from the public. There were none.

Adjournment

Upon Ms. Donnellan making a motion, Chair Branscome adjourned the meeting at 3:55 p.m.



Shawn B. Crumlish, Executive Director
Board Secretary

APPROVED:



David Branscome, Committee Chair

**Virginia Resources Authority
Compliance Committee Meeting
Minutes of the Regular Meeting
Held September 12, 2022**

The Compliance Committee of the Board of Directors of the Virginia Resources Authority (VRA) met on Monday, September 12, 2022, in the O'Brien Boardroom, Bank of America Building, 19th Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

The following Board members were present and acting during the meeting: Ms. Mary Bunting, Committee Chair; Director of the Department of Environmental Quality (DEQ) Mr. Michael Rolband; Dr. Charlette Woolridge; and Mr. Cecil R. Harris, Jr., Chairman. DEQ Board designee Ms. Karen Doran was also present. Mr. Bill Kittrell was absent.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Mr. Peter D'Alema; Mr. Curtis Doughtie; Ms. Stephanie Jones; Mr. Spencer Murray; and Ms. Catherine O'Brien. Ms. Megan Gilliland of Kaufman & Canoles, P.C. and Mr. Ty Wellford of Davenport & Company, LLC were also present.

Call to Order

Chair Bunting called the meeting to order at 4:00 p.m.

Approval of Agenda

Chair Bunting asked for a motion to approve the agenda. Dr. Woolridge made a motion, seconded by Mr. Rolband, to approve the agenda as presented. The motion carried.

Loan Monitoring and Compliance Database – Metric Recommendations

Chair Bunting turned the meeting over to Ms. Jones for a presentation. Ms. Jones shared the recommendations developed by staff based on prior Committee meeting discussions and other input. There was discussion about each recommendation and it was determined that Ms. Jones would revisit certain of the metric recommendations in a presentation to the Committee in December.


Public Comment

Chair Bunting asked if there were any comments from the public. There were none.

Minutes of the VRA Board Compliance Committee Meeting
September 12, 2022

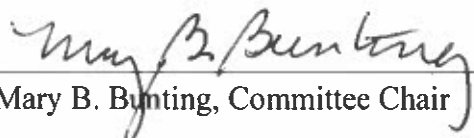
Adjournment

Upon a motion by Mr. Rolband and a second by Dr. Woolridge, Chair Bunting adjourned the meeting at 5:21 p.m.



Shawn B. Crumlish, Executive Director
Board Secretary

APPROVED:



Mary B. Bunting, Committee Chair

**Virginia Resources Authority
Board Meeting
Minutes of the Regular Meeting
Held September 13, 2022**

The Board of Directors of the Virginia Resources Authority (VRA) met on Tuesday, September 13, 2022, in the O'Brien Boardroom, Bank of America Building, 19th Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

The following Board members were present and acting during the meeting: Mr. Cecil R. Harris, Jr., Chairman; Ms. Cynthia Bailey; Mr. David Branscome; Ms. Mary Bunting; Mr. Vernon Carter for Director of the Department of Aviation Mr. Greg Campbell; Ms. Barbara Donnellan; Ms. Kelly Ward for State Health Commissioner Dr. Colin Greene; Mr. Brad Jones for State Treasurer Mr. David Richardson; Director of the Department of Environmental Quality (DEQ) Mr. Michael Rolband; and Dr. Charlette Woolridge. DEQ Board designee Ms. Karen Doran was also present. Mr. Bill Kittrell was absent.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Ms. Kim Adams; Mr. Joe Bergeron; Mr. Peter D'Alema; Mr. Curtis Doughtie; and Ms. Stephanie Jones. Additional attendees were Mr. Greg Bussink of CliftonLarsonAllen LLP; Ms. Megan Gilliland of Kaufman & Canoles, P.C.; Mr. David Gustin of McGuireWoods LLP and Mr. Ty Wellford and Mr. Zach Lucanie both of Davenport & Company, LLC.

Call to Order

Chairman Harris called the meeting to order at 9:00 a.m.

Chairman Harris welcomed Mr. David Branscome back to the VRA Board and thanked him for assuming the Budget and Investment Committee Chair role which he held when he was previously on the Board.

Approval of Agenda

Chairman Harris asked for a motion to approve the agenda. Ms. Donnellan made a motion, seconded by Ms. Bailey, to approve the agenda as presented. The motion carried.

Recognition of Thomas L. Hasty, III

Chairman Harris called on Ms. Jones to read a recognition resolution honoring the former Chairman. After the resolution was read, Ms. Donnellan made a motion and Ms. Bailey seconded to adopt the recognition resolution of Thomas L. Hasty, III as presented by staff. The

motion carried. Chairman Harris commended Mr. Hasty for his support of staff and his dedication to the Board.

Approval of Meeting Minutes

Chairman Harris asked if there was a motion to approve the following meeting minutes in a block:

- Personnel Committee Meeting held June 13, 2022
- Budget and Investment Committee Meeting held June 13, 2022
- Portfolio Risk Management Committee Meeting held June 13, 2022
- Compliance Committee Meeting held June 14, 2022
- Board of Directors Meeting held June 14, 2022

Ms. Bailey made the motion to which Ms. Donnellan seconded. The motion to approve the minutes in a block carried.

Election of Vice-Chair

Chairman Harris designated the meeting as the Annual Meeting at which the Board elects a Vice-Chair. He asked the Board for a nomination. Ms. Bunting nominated Ms. Donnellan and made a motion to the elect her as the Board's Vice-Chair. Dr. Woolridge seconded. The motion carried.

Report of the Executive Director

Chairman Harris called on the Executive Director to give his report. Mr. Crumlish gave particular attention to The Nature Conservancy project featured in the recent issue of National Geographic magazine. The project financed in 2020 through the Clean Water Revolving Loan Fund, he said, is just one of many examples of the purpose behind the work that VRA does. Mr. Crumlish acknowledged the work of VRA's partner agencies, such as DEQ. Referencing a subsequent article in the National Geographic magazine, he also highlighted VRA's involvement alongside DEQ in Agricultural Best Management Practices, commonly known as AgBMP. Chairman Harris thanked the Executive Director for his report.

Revisions to Policy Governing Electronic Participation in Meetings

Chairman Harris called on Ms. Gilliland, General Counsel, to explain revisions to the VRA Board's existing electronic meetings policy. Ms. Gilliland explained that the BoardDocs

materials include a redline version of the existing policy as well as an additional new policy for all-virtual meetings. Upon Ms. Gilliland explaining the revisions that conform the VRA Board's meeting policies to the updated statute, Ms. Bunting made a motion and Mr. Rolband seconded to adopt the Policy Governing All-Virtual Public Meetings and the updated Policy Governing Electronic Participation in Meetings as presented by General Counsel. The motion carried.

Report of Audit Committee

Chairman Harris called on Chair Dr. Woolridge for the Report of the Audit Committee. Chair Woolridge called on the external auditor Mr. Bussink to address the Board. Mr. Bussink shared required governance communications with the Board and highlighted that VRA received a clean, unmodified opinion, saying that this was the highest form of assurance that can be given.

Upon conclusion of the auditor's remarks, Mr. Rolband made a motion and Ms. Ward seconded to approve the fiscal year 2022 ACFR [Annual Comprehensive Financial Report] as presented. The motion carried.

Report of Portfolio Risk Management Committee

Chairman Harris called on Chair Donnellan who turned the meeting over to Mr. Bergeron to explain a bond authorization resolution. Mr. Bergeron shared that the State Revolving Funds shelf resolution is considered by the Board in September due to the timing of the agencies' application solicitation periods. He said the recommended resolution authorizes up to \$350 million for the Clean Water Revolving Loan Fund and Drinking Water State Revolving Fund (collectively, the State Revolving Funds [SRFs]) that is permitted to be financed by either public issuance or bank direct placement.

The FY2023 shelf resolution recommended by the Committee for Board approval is the following:

- **AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$350,000,000 IN STATE REVOLVING FUND REVENUE BONDS FOR THE PERIOD ENDING SEPTEMBER 30, 2023**

On behalf of PRMC, Chair Donnellan made a motion to approve the FY2023 SRF shelf resolution as presented by staff. Mr. Rolband seconded. The motion carried.

Chair Donnellan then called on Mr. D'Alema for a summary of the other information discussed with the Committee. Mr. D'Alema summarized the existing Unrestricted Net Asset Guidelines and stated that the Board may consider possible updates to the Guidelines at a future

meeting. Chairman Harris referenced the Secretary and Deputy Secretary of Finance who both attended the Committee meeting and said that their interest and support is to VRA's advantage.

Mr. Bussink left the meeting at 9:38 a.m.

Report of Budget and Investment Committee

Chairman Harris called on Chair Branscome for the Report of the Budget and Investment Committee. Chair Branscome said that the Committee received a lengthy report from the investment advisors and called on Mr. Bergeron for a summary. Mr. Bergeron summarized that the advisors discussed macroeconomic factors influencing the portfolio and shared the recent investment performance. He also shared that VRA submitted the Investment Policy, newly revised by the Board at its June meeting, to the Government Investment Officers Association (GIOA) for certification. Mr. Bergeron said that GIOA has certified the Policy as meeting industry best practices and that the organization will recognize VRA at its national conference in March. Finally, he informed the Board of an upcoming procurement for investment advisory services, given the current contract's expiration at the end of the year. The Chairman confirmed that the incumbent is eligible for selection to which Mr. Bergeron affirmed.

Report of Compliance Committee

Chairman Harris next called on Chair Bunting to give the Compliance Committee Report. Chair Bunting summarized the discussion regarding the Loan Monitoring and Compliance Database metrics. Chair Bunting called on Ms. Jones who said that staff will continue research regarding the metrics in advance of the planned December Committee meeting.

Old Business

Chairman Harris asked if there was any old business to come before the Board. There was none.

New Business


Chairman Harris asked if there was any new business to come before the Board. There was none.

Public Comment

Chairman Harris asked if there were any comments from the public. There were none.

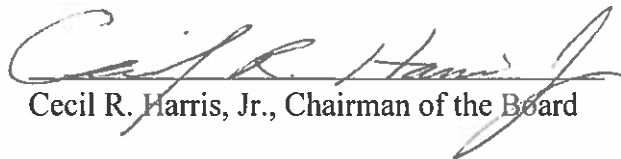
Adjournment

Upon a motion by Dr. Woolridge and seconded by Mr. Branscome, Chairman Harris adjourned the meeting at 9:43 a.m.



Shawn B. Crumlish, Executive Director
Board Secretary

APPROVED:


Cecil R. Harris, Jr., Chairman of the Board



**Resolution Expressing Appreciation and Thanks from the Board of Directors
of the Virginia Resources Authority to
Thomas L. Hasty, III**

September 13, 2022

WHEREAS, the Virginia Resources Authority is a public body corporate and a political subdivision of the Commonwealth established to encourage the investment of public and private funds and to make loans, grants, and credit enhancements available to local governments for public projects; and

WHEREAS, these duties are exercised by a Board of Directors whose members are appointed by the Governor and confirmed by the General Assembly; and

WHEREAS, Thomas L. Hasty, III was appointed in July 2006 by Governor Timothy Kaine and was reappointed in 2010, 2014 and 2018 by Governors Robert McDonnell, Terence McAuliffe, and Ralph Northam, respectively; and

WHEREAS, during Thomas L. Hasty, III's tenure on the Board, VRA-managed programs provided over \$8 billion of infrastructure financing for approximately 2,000 local government projects; and

WHEREAS, Thomas L. Hasty, III's distinguished banking career and proven track record in executive leadership led to his appointment as Chairman of the Board's Personnel Committee where he provided oversight to the Authority's human resource management; and

WHEREAS, in 2008, Thomas L. Hasty, III and other Board members observed that changing market conditions along with circumstances and events relating to borrowers required the establishment of a Portfolio Risk Management Committee that would focus its attention on loan underwriting guidelines, monitoring and compliance; and

WHEREAS, Thomas L. Hasty, III's broad experience in risk management and credit analysis was evident in his engaged participation as a long-time member of the Budget and Portfolio Risk Management Committees and by his success in achieving for the Authority improved processes and sustainable results; and

WHEREAS, these improved processes include a comprehensive risk-management system, the adoption of industry best management practices, and technology upgrades that have enhanced the program effectiveness and efficiency of the Authority currently and for years to come; and

WHEREAS, Thomas L. Hasty, III's contributions to the Board led his peers to elect him as Vice Chair effective July 2016; and

WHEREAS, Governor Terence McAuliffe recognized Thomas L. Hasty, III as a leader on the Board and designated him Chairman effective July 2017; and

WHEREAS, as Chairman, Thomas L. Hasty, III provided expert guidance and leadership to help VRA successfully navigate a period of record program growth; now

THEREFORE, BE IT RESOLVED that the Board of Directors of the Virginia Resources Authority commends Thomas L. Hasty, III for his dedication to and hard work on behalf of the Virginia Resources Authority and the Commonwealth of Virginia; and

BE IT FURTHER RESOLVED, that the Board of Directors and staff of the Virginia Resources Authority thank him for his service to this body and to the Commonwealth.

VIRGINIA RESOURCES AUTHORITY

-RESOLUTION-

AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$350,000,000 IN STATE REVOLVING FUND REVENUE BONDS FOR THE PERIOD ENDING SEPTEMBER 30, 2023

September 13, 2022

A. The Federal Water Quality Act of 1987, which amended the Clean Water Act of 1972 (the “Clean Water Act”), provides for the establishment of state revolving fund loan programs. The funds in these state revolving fund loan programs are to be used to provide financial assistance to various entities in connection with the construction of systems for the storage, treatment, recycling and reclamation of sewage, and certain other qualified water pollution control projects. The Clean Water Act requires, as a condition for the receipt of certain federal financial assistance, that each state establish a state revolving loan fund to receive grant proceeds. Under the Clean Water Act, states are also currently required to provide state matching funds equal to twenty percent of each federal capitalization grant.

B. The Federal Safe Drinking Water Act Amendments of 1996, which amended the Safe Drinking Water Act (the “Drinking Water Act”), also provide for the establishment of state revolving fund loan programs. The funds in these state revolving fund loan programs are to be used to provide financial assistance to various entities in connection with the construction of qualified drinking water projects. The Drinking Water Act requires, as a condition for the receipt of certain federal financial assistance, that each state establish a state revolving loan fund to receive capitalization grant proceeds. Under the Drinking Water Act, states are also currently required to provide state matching funds equal to twenty percent of each federal capitalization grant.

C. The 1986 Virginia General Assembly created the Virginia Water Facilities Revolving Fund (the “Clean Water RLF”) pursuant to Chapter 22, Title 62.1, Code of Virginia of 1950, as amended (the “VWFRF Act”), to provide a long-term renewing source of funding for water quality improvements in the Commonwealth of Virginia (the “Commonwealth”).

D. The 1987 Virginia General Assembly created the Virginia Water Supply Revolving Fund (the “Drinking Water RLF”) pursuant to Chapter 23, Title 62.1, Code of Virginia of 1950, as amended (the “VWSRF Act”), to provide a long-term renewing source of funding for drinking water improvements in the Commonwealth.

E. Section 62.1-225 of the VWFRF Act and Section 62.1-234 of the VWSRF Act provide that the Clean Water RLF and the Drinking Water RLF are separate, permanent, and perpetual funds, each of which is dedicated with limited exceptions to the making of loans to local governments and other eligible entities (“Participants”) for qualifying clean water projects (“Clean Water Projects”) and drinking water projects (“Drinking Water Projects” and, together with Clean Water Projects, “Projects”). Both the Clean Water RLF and the Drinking Water RLF are administered and managed by the Virginia Resources Authority (“VRA”), which is a public body corporate and a political subdivision of 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, together with the VWFRF Act and the VWSRF Act, the “Virginia Acts”), subject to the right of the State Water Control Board (in the case of the Clean Water RLF) and the Board of Health (in the case of the Drinking Water RLF), following consultation with VRA, to direct the distribution of loans to particular Participants and to establish the interest rates and repayment terms of such loans.

F. The programs for the application of the assets of the Clean Water RLF (the “Clean Water Program”) and the Drinking Water RLF (the “Drinking Water Program”) established by VRA, the State Water Control Board and the Board of Health, respectively, satisfy the criteria of the Clean Water Act and the Drinking Water Act and entitle the Commonwealth to receive the above-described capitalization grants to finance Projects. In addition, federal law allows for the cross-collateralization of the assets of the Clean Water Program and Drinking Water Program.

G. The Virginia Acts authorize and empower 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 Participants to finance or refinance the cost of any Projects from the proceeds of such bonds, and to pay all costs and expenses incurred in connection with the issuance of such bonds and to pledge all or any part of the assets of or under the control of VRA, including obligations in the Clean Water RLF and the Drinking Water RLF, to secure the payment of the bonds of VRA.

H. VRA has entered into a Second Amended and Restated Master Indenture of Trust dated as of September 1, 2020, as previously supplemented and amended (the “Master Indenture”), between VRA and U.S. Bank National Association, as trustee (the “Trustee”), under which VRA has provided for the issuance from time to time of bonds of VRA (as more particularly described in the Master Indenture, the “Bonds”) for the purpose of purchasing and acquiring obligations (“Obligations”) of certain Participants to finance and refinance certain Projects (including for purposes of evidencing the provision of the state matching funds for the federal capitalization grants), and for such other purposes as may be authorized under and pursuant to the Virginia Acts.

I. To further the purposes of the Virginia Acts, VRA has determined to issue one or more Series of Bonds under the Master Indenture in an aggregate principal amount of up to \$350,000,000 (the “2023 Bonds”) at one time or from time to time and to use the proceeds of the 2023 Bonds to purchase or acquire Obligations (including to evidence the provision of the state matching funds for the federal capitalization grants (the “state match”)) to finance certain Projects and to pay the cost of issuance of the 2023 Bonds.

J. 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 Supplemental Series Indenture shall set forth the terms of such Series. As provided in the Master Indenture and the form of the model Supplemental Series Indenture presented to this meeting (the “2023 Model Supplement”), the debt service payments on the 2023 Bonds are expected to be made from revenues derived from Pledged Obligations (as defined in the Master Indenture) and the investment earnings on a Reserve Fund, if any, (as defined in the Master Indenture and to be funded as described in the 2023 Model Supplement) and certain other funds and accounts established pursuant to the Master Indenture.

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 VRA was created, NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF VRA AS FOLLOWS:

1. Authorization of 2023 Bonds. The Board of Directors of VRA (the “Board”) determines that it is in the best interest of VRA to authorize the issuance of the 2023 Bonds at one time or from time to time in one or more Series under the Master Indenture to purchase or acquire Obligations to finance or refinance Projects (including to evidence the state match), and to pay the cost of issuance of the 2023 Bonds. The Board authorizes the issuance and sale of the 2023 Bonds, pursuant to the following terms and conditions: (i) the original aggregate principal amount of the 2023 Bonds shall not exceed \$350,000,000; (ii) no Series of the 2023 Bonds shall have a true interest cost in excess of 7.0%; and (iii) the final maturity any of the 2022 Bonds of any Series shall be no later than December 31, 2056. It is hereby found and determined that the debt service payments on the 2023 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 2023 Bonds. Subject to the limitations outlined in paragraph 1 above, VRA's Chairman and Executive Director, either of whom may act, are authorized to determine and approve the final details of the 2023 Bonds of each Series, 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 and Executive Director of such details shall be evidenced conclusively by their execution and delivery of the 2023 Bonds of the Series on VRA's behalf.

3. Approval of Supplemental Series Indentures. Each Series of 2023 Bonds shall be issued pursuant to the Master Indenture and a Supplemental Series. With respect to each Series of 2023 Bonds authorized under this Resolution, the Chairman and Executive Director, either whom may act, are authorized to execute and deliver on VRA's behalf, and, if required, to affix and attest VRA's seal on the Supplemental Series Indenture, which shall be in substantially the form of the 2023 Model Supplement, with such changes, insertions or omissions, including the establishment of additional reserve funds for all or any portion of the 2023 Bonds, as may be approved by the Chairman and 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 2023 Bonds. The Executive Director is authorized and directed to have the 2023 Bonds of each Series prepared in substantially the form attached to the 2023 Model Supplement submitted to this meeting, to have such 2023 Bonds executed pursuant to the terms of the Master Indenture and the related Supplemental Series Indenture, to deliver such 2023 Bonds to the Trustee for authentication, and to cause such 2023 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 2023 Bonds. Each Series of 2023 Bonds may be sold to an underwriter or group of underwriters with demonstrated experience in underwriting municipal securities (“Underwriters”) to be selected by the Executive Director in accordance with VRA's previously adopted underwriter selection procedures or, if the Executive Director so elects, by competitive bidding to the qualified bidder with the lowest true interest cost to VRA. With respect to each Series of 2023 Bonds, the Executive Director is authorized to execute and deliver a bond purchase agreement with the Underwriters, or, if sold by competitive bidding, other appropriate documents with the successful bidder (the “Bid Documents”) providing for the sale and delivery of the 2023 Bonds upon terms and conditions to be approved by the Chairman and Executive Director within the parameters set forth in paragraph 1 above.

6. Direct Placement of 2023 Bonds. VRA’s Chairman and Executive Director, either of whom may act, are authorized to solicit and consider, if determined to be desirable, proposals for the sale of any 2023 Bonds through a direct placement with a bank or other financial institution and to negotiate the terms of such sale within the parameters set forth in paragraph 1 above. The Chairman and Executive Director, either of whom may act, are authorized to execute and deliver a purchase contract or agreement reflecting such proposal.

7. 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 a public offering of any Series of 2023 Bonds authorized hereunder. 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.

8. Official Statement. Upon the public sale of any Series of the 2023 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 2023 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 2023 Bonds.

9. Credit Enhancement. The Executive Director is authorized to procure bond insurance for all or any portion of the 2023 Bonds or a surety bond, liquidity facility or similar instrument to provide for the funding of all or any portion of the 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.

10. Tax Matters. The Executive Director is authorized and directed to (i) conduct public hearings in connection with the issuance of 2023 Bonds, if applicable, (ii) seek

the approval of the Governor of the issuance of 2023 Bonds, if applicable, and (iii) execute and deliver on VRA's behalf simultaneously with the issuance of each Series of the 2023 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 2023 Bonds and include such covenants as may be necessary to qualify the interest on all or any portion of each Series of the 2023 Bonds for exemption from gross income for federal income tax purposes or any 2023 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 2023 Bonds as he may deem to be in the best interests of VRA after consultation with VRA's bond counsel. The calculation of "true interest cost" of any 2022 Bonds or Notes (as defined in paragraph 13 below) for purposes of paragraphs 1 and 13 hereof may take into account the net benefit expected to be received by VRA from the issuance of 2023 Bonds with tax-advantaged status in any reasonable manner approved by the Executive Director. This Resolution is intended to be a declaration of "official intent" within the meaning of Treasury Regulations Section 1.150-2 evidencing VRA's intent to use proceeds of the 2023 Bonds to reimburse original expenditures from the Clean Water RLF and Drinking Water RLF and the related administrative fee funds to purchase or acquire Obligations (including to evidence the state match) and to pay the cost of issuance of the 2023 Bonds.

11. Investment of Proceeds. Notwithstanding anything to the contrary contained in VRA's Investment Policy, 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 2023 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 2023 Bonds.

12. Approval of Obligation Documents. The model Financing Agreement previously submitted to the Board is hereby approved for use in providing for the purchase or acquisition of Obligations related to the 2023 Bonds; provided, however, that the provisions therein may be altered to accommodate different terms agreed to by VRA and the various Participants.

13. Interim Financing. Prior to the offering of any Series of 2023 Bonds, if market or other conditions are such that the 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 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 2023 Bonds; provided that the aggregate principal amount of the Notes shall not exceed \$350,000,000 (less the aggregate principal amount of any previously issued series of 2023 Bonds), the term to maturity thereof shall not exceed five years and the true interest cost thereon shall not exceed 7.0% 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 2023 Bonds and may be retired, in the discretion of the Board, from the proceeds of the corresponding Series of 2023 Bonds or by means of current revenues or other funds, provided that the maximum amount of the series of 2023 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. Each officer of VRA 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 2023 Bonds, the Notes, the Obligations, including without limitation making of amendments to the Master Indenture that the Chairman and Executive Director may deem necessary or advisable to facilitate the administration of the Master Indenture and/or the operations of the Clean Water Program and the Drinking Water Program and have no material adverse effect on the owners of the Bonds outstanding under the Master Indenture. Any of the foregoing previously done or performed by any officer of VRA is in all respects approved, ratified and confirmed.

15. Effective Date; Termination. This Resolution shall be immediately effective. The authority to issue 2023 Bonds and Notes pursuant to this Resolution shall terminate on September 30, 2023.