

**Virginia Resources Authority  
Budget and Investment Committee Meeting  
Minutes of the Regular Meeting – DRAFT  
Held March 9, 2026**

The Budget and Investment Committee of the Board of Directors of the Virginia Resources Authority (VRA) met on Monday, March 9, 2026, in the O'Brien Boardroom, Bank of America Building, 19<sup>th</sup> Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

The following Committee members were present and acting during the meeting: State Treasurer David Richardson, Committee Chair; Mr. Scott Mayausky; Mr. Greg Campbell, Director of the Department of Aviation; and Mr. Cecil R. Harris, Jr., Board Chairman.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Mr. Joe Bergeron; Mr. Peter D'Alema; Ms. Stephanie Jones; Ms. Catherine O'Brien; Mr. Will Strain and Ms. Nola Zhang. Additional attendees were Mr. David Calvert and Mr. Scott Fleming of PFM Asset Management; Ms. Megan Gilliland, General Counsel, of Kaufman & Canoles, P.C.; and Ms. Meghan Mayfield of Department of Environmental Quality.

#### **Call to Order**

Chair Richardson called the meeting to order at 1:00 p.m.

#### **Approval of Agenda**

Board Chairman Harris made a motion to approve the agenda as presented. Director Campbell seconded. The motion carried.

#### **Public Comment**

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

#### **Cash Equivalents and Investments Presentation**

Chair Richardson called on Mr. Bergeron, Director of Financial Services and Investments, for a presentation. Mr. Bergeron introduced the Investment Advisors. He provided the status of the VRA investment portfolio, including dollars invested in the Local Government Investment Pool (LGIP).

Chair Richardson asked what the sources of funds for programs were and whether they were grants. Mr. Bergeron replied that the Clean Water and Drinking Water State Revolving

Funds receive federal capitalization grants and that the Community Flood Preparedness Fund receives auction proceeds from the Regional Greenhouse Gas Initiative and appropriations. Mr. Bergeron noted that each of the external investment managers outperformed their benchmarks in 2025. Chair Richardson complimented the presentation and the investment strategy.

### **Presentation by Investment Advisors**

Chair Richardson called on the Investment Advisors for a presentation. Mr. Fleming provided an economic outlook presentation and Mr. Calvert shared the performance of the VRA program investments under their management.

There was discussion among the Committee members and the Investment Advisors about the Federal Reserve (the Fed). Board Chairman Harris asked which of the Fed's mandates will win out since the mandates are in conflict, to which the Investment Advisors replied that they could not predict. The Board Chairman remarked that some of what the Fed has been criticized for is that their indicators are backward looking. Mr. Fleming said that incoming Fed Chair Warsh has emphasized the importance of leading indicators. Mr. Mayausky asked if there is changing methodology regarding employment information disseminated by the Bureau of Labor Statistics. Mr. Bergeron replied that the methodology has not changed to date. Mr. Fleming agreed and added that there is a desire to change how data is collected.

The Investment Advisors affirmed that the Investment Policy changes made effective in October 2024 have had the intended effect. Chair Richardson asked whether the Investment Advisors would recommend any strategy changes to which Mr. Calvert replied no. Mr. Calvert added that the current benchmark is going to be a hard benchmark to outperform. Chair Richardson thanked the Investment Advisors.

### **Old Business**

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

### **New Business**

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

**Adjournment**

Upon an affirmative vote on a motion by Board Chairman Harris, seconded by Mr. Mayausky, Chair Richardson adjourned the meeting at 1:51 p.m.

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Board Secretary

APPROVED:

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Committee Chair

**Virginia Resources Authority  
Compliance Committee Meeting  
Minutes of the Regular Meeting DRAFT  
Held March 9, 2026**

The Compliance Committee of the Board of Directors of the Virginia Resources Authority (VRA) met on Monday, March 9, 2026, in the O'Brien Boardroom, Bank of America Building, 19<sup>th</sup> Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

The following Committee members were present and acting during the meeting: Ms. Maria Tedesco, Committee Chair; Mr. Scott Mayausky; and Mr. Cecil R. Harris, Jr., Board Chairman. Mr. David Branscome and Dr. Charlette Woolridge were absent.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Mr. Joe Bergeron; Ms. Lily Buysse; Mr. Peter D'Alema; Ms. Stephanie Jones; and Ms. Catherine O'Brien. Ms. Megan Gilliland, General Counsel, of Kaufman & Canoles, P.C. and Ms. Meghan Mayfield, Department of Environmental Quality designee, were also present.

#### **Call to Order**

Committee Chair Tedesco called the meeting to order at 2:02 p.m.

#### **Approval of Agenda**

Board Chairman Harris made a motion to approve the agenda as presented, which was seconded by Mr. Mayausky. The motion carried.

#### **Public Comment**

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

#### **Loan Monitoring and Compliance Database Presentation**

Committee Chair Tedesco turned the meeting over to Ms. Jones, Director of Compliance and Policy, for the presentation on the Loan Monitoring and Compliance Database (LMCD). Ms. Jones began the presentation with a summary of the LMCD's purpose and reminded the Committee that the metrics were updated in 2022. She noted that the Database reflected loans outstanding as of February 17, 2026.

During the portfolio analysis by program, Committee Chair Tedesco asked about VRA’s risk tolerance for the percentage of weak borrowers in the portfolio. Mr. D’Alema, Director of Program Management, stated that each program has its own risk tolerance. He said, for example, the Drinking Water program lends to higher risk localities by design, but historically less than 10% of the dollar volume in the overall portfolio has been represented by borrowers that fall within the ‘weak’ category under the Database. Ms. Jones agreed. She reminded the Committee that one of the goals of the 2022 metrics update was to more effectively identify weak borrowers, which has resulted in an anticipated smaller adequate category compared to prior years. She also explained that loans pledged to the bonds in the State Revolving Funds are generally stronger than the non-pledged loans because VRA selects certain loans - typically larger dollar amounts made to stronger borrowers - to be pledged to bonds.

During the VirginiaSAVES program overview, Ms. Jones explained that Warren County, the largest borrower in the program, moved into the weak category for delays in audit submissions. Ms. Jones reviewed the Direct Loan Program (DLP), noting the Board’s resolution authorizing the use of certain unrestricted net assets for the funding of DLP and disaster recovery loans. She clarified that the balances shown in the presentation reflect outstanding loan balances only and not undisbursed amounts. Committee Chair Tedesco asked how borrowers might move into the weak category. Ms. Jones explained that borrowers more than one year behind in audit submissions are automatically considered weak. She added that declining debt service coverage and liquidity are also common drivers of borrowers moving from strong to weak. Ms. Jones provided an overview of new-to-VRA borrowers, explaining that these borrowers have either never borrowed through VRA or are returning borrowers whose prior VRA loans fully matured – often considered VRA success stories.

Turning to the portfolio analysis by borrower type, Board Chairman Harris observed that the analysis for city borrowers has changed over the years, noting that more cities had previously been considered adequate which are now considered strong. He commented that cities face unique challenges but have mitigating financial factors that were not fully captured in earlier metrics but are now reflected in the updated metrics. Ms. Jones agreed, noting that metrics such as unemployment and fiscal stress are now only considered if a city does not have a strong available fund balance.

During the borrower concentration section, she noted that the percentage of borrowers representing more than half of VRA’s outstanding balances has remained fairly consistent over time. Board Chairman Harris asked whether Hampton Roads Sanitation District (HRSD) engages in other borrowing besides through VRA. Mr. Crumlish replied that HRSD issues its own bonds (rated AA+) and has a large allocation from the federal WIFIA [Water Infrastructure Finance and Innovation Act] program – approximately \$1 billion over a ten-year period. He noted that WIFIA complements the State Revolving Funds and is administered by the EPA. Mr.

Crumlish also reminded the Committee that the Board previously authorized HRSD to represent up to 30% of VRA's Clean Water Revolving Loan Fund program concentration, which he said is reasonable given HRSD's size and number of connections. He also commented on HRSD's unique structure as a component unit of the Commonwealth.

Ms. Jones then reviewed borrowers whose risk increased over the past year, noting that the PowerPoint slide was added in response to discussion at the March 2025 Committee meeting. Board Chairman Harris thanked Ms. Jones for the addition and asked whether borrowers on this list receive extra attention. Ms. Jones explained that it depends on the circumstances and whether the borrower is violating its loan covenants and used the example of a borrower which violated its rate covenant being required to obtain a consultant's report. She added that while no specific action is required solely because a borrower weakens, VRA monitors such borrowers more closely.

Ms. Jones then provided an update on the Town of Tangier. She noted that the Town was mentioned in the most recent interim report to the Board and that the Auditor of Public Accounts identified Tangier as fiscally distressed in April 2025. Mr. Crumlish provided additional context, explaining that Tangier is a remote island in the Chesapeake Bay with a declining population and that VRA closed its only loan with the Town in 2010, with a final maturity date of 2040. He described the Town's water and wastewater challenges and explained that the Modification Agreement recently extended to (but not yet executed with) the Town maintains the same maturity date and loan amount but provides short-term cash flow relief to allow the Town time to improve its situation. Mr. Crumlish emphasized that the VRA loan is a small component of the Town's broader challenges. Committee Chair Tedesco asked about transportation to and from the island, and Mr. Crumlish replied that access is by plane or boat. There was discussion about the possibility of HRSD assuming responsibility for the Town of Tangier's water and wastewater systems to help address the Town's challenges.

Mr. Crumlish reiterated that the LMCD serves as a snapshot and is not used to make credit decisions. Board Chairman Harris asked whether there were other borrowers aside from Tangier on VRA's informal watchlist. Ms. Jones responded that the New River Water Company, Inc. and the Town of Tangier are the primary borrowers on the list. Mr. Crumlish emphasized that VRA discloses credit concerns as they arise on loans with bonds outstanding. Mr. D'Alema added that VRA previously disclosed concerns about the Rapidan Service Authority, Greene County and the City of Petersburg, but those disclosures have not been included in recent years because the situations were resolved. Board Chairman Harris asked how VRA determines what to disclose to investors, and Mr. D'Alema explained that disclosures are often prompted by issues VRA anticipates investors asking about, such as news articles or weakened credit profiles. Ms. Gilliland noted that failing to disclose borrower-relevant news items that investors inquire about can raise concerns.

Ms. Jones then discussed the Agricultural Best Management Practices (AgBMP) program, noting that the program is not included in the LMCD because the borrowers are not local governments and the loans are generally smaller than those in other VRA programs. She reported that five legacy AgBMP loans are currently in payment default and that three additional loans are delinquent, two of which were made to the same borrower. Board Chairman Harris asked whether AgBMP loans are collateralized. Ms. Jones replied that some are, but not all. Mr. Crumlish added that AgBMP loans are generally low-dollar loans intended to help implement practices that improve the Chesapeake Bay. He explained that many AgBMP loans serve as interim financing for Commonwealth grants, and because projects must be completed before reimbursement, farmers could face cash-flow challenges without the program. He noted that all AgBMP loans require a personal guarantee and that loans above \$100,000 include a property lien.

Ms. Jones then turned to the Tobacco Region Revolving Fund, noting that these loans are also not included in the LMCD. She updated the Committee on the program's three outstanding borrowers, highlighting Back of the Dragon Properties 1, LLC and Dragon Fire LLC, whose loan had been in forbearance until March 31, 2025, but has since resumed payments without issue. Ms. Jones concluded the presentation and asked if there were any further questions. There were none.

### **Old Business**

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

### **New Business**

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

### **Adjournment**

Committee Chair Tedesco adjourned the meeting at 2:40 p.m.

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Board Secretary

Minutes of the VRA Board Compliance Committee Meeting – DRAFT  
March 9, 2026

APPROVED:

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Committee Chair

**Virginia Resources Authority  
Board of Directors Meeting  
Minutes of the Regular Meeting – DRAFT  
Held March 9, 2026**

The Portfolio Risk Management Committee of the Board of Directors of the Virginia Resources Authority (VRA) met on Monday, March 9, 2026, in the O'Brien Boardroom, Bank of America Building, 19<sup>th</sup> Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

The following Committee members were present and acting during the meeting: Ms. Barbara Donnellan, Committee Chair; Mr. Anthony Hess, designee for the Virginia Department of Health; Mr. Michael Rolband, Director of the Department of Environmental Quality (DEQ); Ms. Maria Tedesco; and Mr. Cecil R. Harris, Jr., Board Chairman.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Mr. Joe Bergeron; Mr. Peter D'Alema; Ms. Stephanie Jones; Mr. Tony Leone; Mr. Spencer Murray; Ms. Catherine O'Brien; Mr. Will Strain and Ms. Nola Zhang. Additional attendees were Ms. Gracie Caplice of Davenport & Company, LLC; Ms. Megan Gilliland, General Counsel, of Kaufman & Canoles, P.C.; Ms. Meghan Mayfield of DEQ; and Ms. Anne Curtis Saunders of McGuireWoods LLP.

#### **Call to Order**

Chair Donnellan called the meeting to order at 3:03 p.m.

#### **Approval of Agenda**

Director Rolband made a motion to approve the agenda as presented. Board Chairman Harris seconded. The motion carried.

#### **Public Comment**

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

#### **Portfolio Risk Management Presentation**

Chair Donnellan called on Mr. D'Alema, Director of Program Management, for a presentation. Mr. D'Alema provided an update on the status of the spring pool in the Virginia Pooled Financing Program. Ms. Tedesco asked whether there is a target for the pools to which Mr. D'Alema said that VRA has not established volume targets.

There was some discussion about the Massanutten Water and Sewer Authority applicant to the spring pool. To a question from Director Rolband, Mr. D’Alema affirmed that Massanutten is a separate entity from Wintergreen. Board Chairman Harris asked why Massanutten Water and Sewer Authority is separate from Rockingham County since the County owns the system. Mr. D’Alema replied that the system is not interconnected and so the County wants to operate it separately and discretely. The Committee complimented Mr. D’Alema on his presentation.

**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.

**Adjournment**

Upon an affirmative vote on a motion by Director Rolband, seconded by Ms. Tedesco, Chair Donnellan adjourned the meeting at 3:20 p.m.

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Board Secretary

APPROVED:

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Committee Chair

**Virginia Resources Authority  
Board of Directors Meeting  
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The Board of Directors of the Virginia Resources Authority (VRA) met on Monday, March 10, 2026, in the O'Brien Boardroom, Bank of America Building, 19<sup>th</sup> Floor, Suite 1920, 1111 E. Main Street, Richmond, Virginia.

The following Board members were present and acting during the meeting: Ms. Barbara Donnellan; Mr. Dan Featherly; Mr. Anthony Hess, designee for the Virginia Department of Health; Mr. Scott Mayausky; State Treasurer David Richardson; Mr. Michael Rolband, Director of the Department of Environmental Quality (DEQ); Dr. Charlette Woolridge; and Mr. Cecil R. Harris, Jr., Board Chairman. Mr. David Branscome; Mr. Greg Campbell, Director of the Department of Aviation; and Ms. Maria Tedesco were absent.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Mr. Joe Bergeron; Ms. Lily Buysse; Mr. Peter D'Alema; Ms. Stephanie Jones; Mr. Tony Leone; Mr. Spencer Murray; Ms. Catherine O'Brien; Mr. Ethan Snyder; Mr. Will Strain; Mr. James Vick and Ms. Nola Zhang. Additional attendees were Ms. Gracie Caplice of Davenport & Company, LLC; Ms. Megan Gilliland, General Counsel, of Kaufman & Canoles, P.C.; Ms. Meghan Mayfield of DEQ; and Ms. Anne Curtis Saunders of McGuireWoods LLP.

#### **Call to Order**

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

#### **Approval of Agenda**

Director Rolband made a motion to approve the agenda as presented. Ms. Donnellan seconded. The motion carried.

#### **Public Comment**

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

#### **Approval of Meeting Minutes**

Director Rolband made a motion to approve the meeting minutes from December 23, 2025. Mr. Featherly seconded. The motion carried.

## **Executive Director’s Report**

Chairman Harris called on Mr. Crumlish for the Executive Director’s Report. Mr. Crumlish welcomed new accounting team member Mr. James Vick. He also congratulated Ms. Saunders on being named partner. Mr. Crumlish highlighted Washington County Service Authority which closed a Disaster Recovery Program loan for their system that was damaged in Hurricane Helene. He confirmed that there have been a few other Direct Loan Program loans closed in response to a question from Ms. Donnellan.

Mr. Crumlish shared with the Board that *The Bond Buyer* recently featured a story about Vermont’s infrastructure bond bank and mentioned that VRA “pioneered the structure” utilized by Vermont. Furthermore, the Indiana Finance Authority recently sent a thank you letter to Mr. D’Alema, Director of Program Management, for assistance in program structuring over the years. Mr. Crumlish said that Mr. D’Alema has also assisted other infrastructure banks with program structuring. Ms. Donnellan thanked Mr. D’Alema for his assistance efforts.

Mr. Crumlish said that VRA’s Single Audit was completed recently following the federal guidelines being released. He said there were no issues identified in the Single Audit.

Mr. Crumlish shared that the Navy is likely within 120 days of purchasing the property related to the VRA Board’s resolution in December 2025 regarding the Accomack-Northampton Transportation District Commission’s outstanding loan.

## **Committee Reports**

### **Report of Budget and Investment Committee**

Committee Chair Richardson called on Mr. Bergeron, Director of Financial Services and Investments, for a presentation. Mr. Crumlish confirmed that Department of Conservation and Recreation is the state agency responsible for the Community Flood Preparedness Fund in response to a question from Director Rolband.

### **Report of Compliance Committee**

Chairman Harris called on Ms. Jones, Director of Compliance and Policy, for a presentation. There was some Board discussion about the status of the Town of Tangier’s loan through the Drinking Water State Revolving Fund.

**Report of Portfolio Risk Management Committee**

Committee Chair Donnellan called on Mr. D’Alema for a presentation. Mr. D’Alema provided an update on the status of the Virginia Pooled Financing Program. He shared a list of applicants and refunding candidates in the current spring pool.

**Old Business**

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

**New Business**

Chairman Harris called on Ms. Jones for a legislative summary of the 2026 General Assembly Regular Session pertaining to VRA programs and operations.

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

**Adjournment**

Upon an affirmative vote on a motion by Ms. Donnellan, seconded by Director Rolband, Chairman Harris adjourned the meeting at 9:46 a.m.

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Board Secretary

APPROVED:

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Board Chairman