Virginia Resources Authority
Audit Committee Meeting
Minutes of the Regular Meeting – DRAFT
Held September 14, 2026

The Audit Committee of the Board of Directors of the Virginia Resources Authority (VRA) met on Monday, September 14, 2026, 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: Mr. Dan Featherly, Committee Chair; Mr. Rodney Hathaway; Mr. Mike Swain; and Mr. Cecil R. Harris, Jr., Board Chairman. Dr. Charlette Woolridge was also present.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Mr. Peter D'Alema; Ms. Stephanie Jones; Ms. Catherine O'Brien; Mr. George Panos; Mr. James Vick; and Ms. Nola Zhang. Also present were Ms. Megan Gilliland, General Counsel, of Kaufman & Canoles, P.C., and Mr. Greg Miller and Mr. Max Pfaffenberger with CliftonLarsonAllen LLP.

Call to Order

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

Approval of Agenda

Mr. Swain made a motion to approve the agenda as presented. Mr. Hathaway seconded. The motion carried.

Public Comment

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

Presentation of FY2026 Audit

Chair Featherly called on Ms. O'Brien, Director of Finance, to introduce the external auditors. Ms. O'Brien introduced Mr. Miller and Mr. Pfaffenberger and turned the meeting over to them for a presentation. The auditors provided the required communications and noted they take a risk-based approach to the audit. Chair Featherly asked if the auditors used AI on the audit to which Mr. Miller said AI is not embedded in their data analytics which are strict script based. Mr. Miller continued that individuals may use Copilot and that the firm is working on embedding AI in the data analytics.

Mr. Miller said that, similar to last year, they are waiting on the Auditor of Public Accounts to issue its opinion over the Virginia Retirement System information. Also similar to last year, he said the federal Office of Management and Budget has not yet issued its guidance for the Single Audit. Mr. Miller said the VRA audit is a clean audit report. Chair Featherly asked if there were any adjustments to which Mr. Miller replied they did not propose any adjustments to management. Mr. Miller said that for next year's audit a new Governmental Accounting Standards Board (GASB) standard will be in effect for subsequent events. Mr. Crumlish reminded the Committee that the Auditor of Pubic Accounts procures the VRA auditor.

Executive Session with auditors to discuss the performance of staff during the annual audit

Chair Featherly read a motion, which the Board Chairman made and Mr. Hathaway seconded, to enter into a closed meeting in accordance with Section 2.2-3711(A)(1) of the Code of Virginia, as amended, for the purpose of discussion of the performance of specific public officers, employees or appointees of VRA in connection with the annual audit. 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. Ms. Gilliland read the following resolution which was made by Mr. Featherly and seconded by Mr. Hathaway:

> *Whereas, the Audit Committee of the Board of the Virginia Resources Authority has on September 14, 2026 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. Gilliland took a roll call vote of the Board members, with all members voting affirmatively. The closed session was duly certified.

FY2026 Financial Highlights

Chair Featherly called on Ms. O'Brien, Director of Finance, for a presentation. Ms. O'Brien gave an overview of financial highlights and said that the audit was unmodified with no changes. She said that VRA once again received the Government Finance Officers Association (GFOA) Certificate of Excellence and that the accounting staff also received an award. Ms. O'Brien said that the GFOA award says that VRA is 99% faster than other submitters to which the Board Chairman said that VRA is both fast and accurate. Ms. O'Brien acknowledged that Mr. Vick joined the accounting staff in March.

Ms. O'Brien continued by saying that VRA's financial position is very strong. She said that the GASB 103 implementation moved some items up and down on the financial statement presentation. Ms. O'Brien said that VRA completed 353 new loans and grants in fiscal year 2026. Chair Featherly asked what caused the change in other expenses to which Ms. O'Brien said it was related to contributions to other governments. Chair Featherly asked if next year would not be as drastic of a change, to which Ms. O'Brien said it depends because VRA does not control what the other contributions will be. Mr. Crumlish added that the extra funding from the Infrastructure Investment and Jobs Act has ended. Ms. O'Brien additionally told the Committee that the Direct Loan Program has been set out in the financial statements.

At the conclusion of the presentation, Mr. Featherly made a motion, to which Mr. Swain seconded, to recommend VRA Board acceptance for the fiscal year 2026 Annual Comprehensive Financial Report as presented, with the understanding that the auditor's opinion should be unmodified, pending release of APA's opinions on Virginia Retirement System financial information. The motion carried.

Review of Audit Committee Charter

Ms. O'Brien continued the presentation with the required annual review of the Audit Committee Charter, noting that no changes were being proposed.

ARMICS Update

Ms. O'Brien explained the review of the internal control environment that VRA performs annually, noting that the testing is very thorough. She said that Mr. Vick has performed walk-through interviews with all staff and next will come transaction testing.

Board Chairman Harris asked about the Auditor of Public Accounts timing of issuing an opinion on the Virginia Retirement System information to which the auditors and staff answered that they continue to check daily.

Old Business

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

New Business

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

Adjournment

Mr. Hathaway then made a motion, seconded by Mr. Swain, to adjourn the meeting. The motion carried and the meeting adjourned at 2:45 p.m.

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Board Secretary

APPROVED:

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Committee Chair

Virginia Resources Authority
Portfolio Risk Management Committee Meeting
Minutes of the Regular Meeting – DRAFT
Held September 14, 2026

The Portfolio Risk Management Committee of the Board of Directors of the Virginia Resources Authority (VRA) met on Monday, September 14, 2026, 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: Ms. Barbara Donnellan, Committee Chair; Mr. Michael Rolband, Director of the Department of Environmental Quality (DEQ); Ms. Maria Tedesco; and Mr. Cecil R. Harris, Jr., Board Chairman. Mr. Dwayne Roadcap with the Virginia Department of Health was absent. Board members Mr. Daniel Featherly and Dr. Charlette Woolridge were also present.

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 and Ms. Nola Zhang. Additional attendees were Mr. T.W. Bruno and Ms. Anne Curtis Saunders of McGuireWoods LLP; Ms. Karen Doran of DEQ; Ms. Megan Gilliland, General Counsel, of Kaufman & Canoles, P.C.; Mr. David Harrison, Ms. Melissa Harvey, Ms. Lola Perkins, and Ms. Carol Swindell of Surry County; and Mr. Kyle Laux, Mr. Ethan Johnson, Mr. Ty Wellford, Mr. Clay Littel, and Mr. Robert Rosales of Davenport & Company, LLC.

Call to Order

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

Approval of Agenda

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

Public Comment

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

Surry County Loan Application

Chair Donnellan called on Mr. Crumlish to describe the next agenda item. Mr. Crumlish highlighted the loan application received from Surry County for approximately $24 million plus cost of issuance. Mr. Crumlish called on the Surry County Interim County Administrator Mr.

Harrison for remarks. Mr. Harrison described the importance of the project to the County. The Committee members asked a series of questions which were answered by Mr. Harrison, Mr. Laux, Ms. Perkins, and Ms. Swindell. With a few items still under review, Mr. Crumlish suggested the Committee defer taking action. Chair Donnellan said that the Committee would table the topic for now and bring back to the Committee at a future date, if necessary. The Committee Chair said the Committee would take a five-minute recess. The Committee recessed from 3:34pm to 3:39pm.

Clean Water Revolving Loan Fund (CWRLF) and Drinking Water State Revolving Fund (DWSRF) Program Overview and Updates

Chair Donnellan called on Mr. Bergeron, Director of Financial Services and Investments, who provided an overview of the State Revolving Funds (SRFs). Mr. Bergeron said that fiscal year 2026 was a record year for CWRLF project closings. He discussed the Infrastructure Investment and Jobs Act (IIJA) and explained that the DWSRF received a greater amount of IIJA funding because of the money identified for Lead Service Line projects. Mr. Bergeron reminded the Committee that the DWSRF has been utilized primarily in underserved communities, particularly Southwest Virginia.

State Revolving Fund (SRF) Bonds

Mr. Bergeron noted that Alex Renew has the highest balance of the pledged portfolio and that the dollars can be managed to avoid Alex Renew becoming a material obligor.

FY2027 SRF Shelf Resolution

Mr. Bergeron described the FY2027 SRF bond shelf resolution. He said that it is unknown how quickly local governments will close loans on pending projects after expending the remainder of American Rescue Plan Act dollars for some projects as well as how quickly the borrowers will draw down funds after closing. Mr. Bergeron said that even if VRA does not issue bonds for the State Revolving Funds it is important to have the shelf resolution adopted for the ability it provides to reimburse the SRFs from bond proceeds if the need arises.

Director Rolband then moved to approve the VRA Board of the State Revolving Funds shelf resolution as presented by staff. Ms. Tedesco seconded. The motion carried.

Virginia Pooled Financing Program (VPFP) Presentation

Chair Donnellan called on Mr. D'Alema, Director of Program Management, for a presentation. Mr. D'Alema shared results of the VPFP summer pool, noting that the pool's bond pricing occurred right before an uptick in interest rates. He added there were noteworthy savings for the local government refunding borrowers.

Mr. D'Alema continued the presentation with sharing an update on the local loan portfolio which he said totaled $2.59 billion after the summer pool. He mentioned that both the City of Winchester and Western Virginia Water Authority increased their share of the portfolio after participating in the summer pool. Mr. D'Alema said that staff had concluded the local loan underwriting for the fall pool, and he shared the current applicant list.

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 Ms. Tedesco, seconded by Director Rolband, Chair Donnellan adjourned the meeting at 4:07 p.m.

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Board Secretary

APPROVED:

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Committee Chair

Virginia Resources Authority
Board Meeting
Minutes of the Regular Meeting – DRAFT
Held September 15, 2026

The Board of Directors of the Virginia Resources Authority (VRA) met on Tuesday, September 15, 2026, 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. Barbara Donnellan, Vice Chair; Mr. Dan Featherly; Mr. Rodney Hathaway; Mr. Scott Mayausky; Mr. Mike Rolband, Director of the Department of Environmental Quality (DEQ); State Treasurer David Richardson; Mr. Mike Swain, designee for the Director of the Department of Aviation; Ms. Maria Tedesco; and Dr. Charlette Woolridge. Mr. Dwayne Roadcap, designee for the State Health Commissioner, was absent.

VRA staff participants included: Mr. Shawn B. Crumlish, Executive Director and Board Secretary; Mr. Joe Bergeron; Ms. Lily Buysse; Ms. Angela Cotton; Mr. Peter D'Alema; Ms. Stephanie Jones; Mr. Tony Leone; Ms. Catherine O'Brien; Mr. George Panos; Mr. Will Strain; Mr. James Vick; and Ms. Nola Zhang. Additional attendees were Mr. T.W. Bruno and Ms. Anne Curtis Saunders of McGuireWoods LLP; Ms. Karen Doran of DEQ; Ms. Megan Gilliland, General Counsel, of Kaufman & Canoles, P.C.; Mr. Greg Miller and Mr. Max Pfaffenberger of CliftonLarsonAllen LLP; and Mr. Ty Wellford, Mr. Clay Littel, and Mr. Robert Rosales of Davenport & Company, LLC.

Call to Order

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

Approval of Agenda

Chairman Harris asked for a motion. Director Rolband made a motion, seconded by Ms. Tedesco, to approve the agenda as presented. The motion carried. The Chairman said that now that the agenda was adopted, he asked for a motion to move Item 7 to directly after public comment. Dr. Woolridge made the motion, Ms. Tedesco seconded, and the motion to advance Item 7 carried.

Public Comment

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

Annual Election of Vice-Chair

The Chairman then asked for nominations for the Vice Chair position, which must be elected annually per the VRA by-laws. Dr. Woolridge nominated Ms. Donnellan, who accepted the nomination. Dr. Woolridge made a motion, seconded by State Treasurer Richardson, to elect Ms. Donnellan as the Board's Vice-Chair. Ms. Donnellan abstained from the vote. The motion carried.

Customer Feedback Survey Results

Chairman Harris called on Mr. Morado, Vice President and Director of Community Research at ETC Institute, to give a presentation. Mr. Morado explained that ETC Institute specializes in surveys for governments, noting that in the last ten years they have worked with 1000+ communities, including cities in Virginia such as Virginia Beach, Norfolk, and Alexandria. He said that VRA engaged ETC Institute to complete a customer survey. Mr. Morado provided an overview of the purpose and methodology of the survey, which assessed borrowers' transaction experience from application through loan closing. He also explained the characteristics of the survey respondents, such as the percentages of local government employees, bond counsel, and financial advisor roles and the representation of counties, cities, towns, authorities, and VRA program participation.

To a question from Dr. Woolridge, Ms. Jones shared that 100 surveys were sent to borrowers of recently closed loans. Mr. Morado said that the response rate of 40 completed surveys was statistically significant and higher than citizen survey response rates. The Chairman asked if the survey asked respondents how VRA improved in service for the quarter of participants who so indicated. Mr. Morado said that the survey did not specifically ask that question, but the results could be cross tabulated to find indications. He said that all of the results were very positive to every question asked, including regarding communication, timeliness, and expertise of VRA staff. Mr. Morado said the ranked choice results indicate that the most important reason borrowers use VRA is for the competitive cost of funds and low fees, followed by ease of process.

Responding to a question from the Chairman, Mr. Morado said the challenge is to maintain the very high level of customer satisfaction evidenced in the survey. The Executive Director mentioned that the survey respondents commended the Director of Program Management and Director of Financial Services and Investments' teams as well as General Counsel by name for contributing to the positive borrowing experience. Chairman Harris expressed appreciation to the consultant for the report and said VRA may work with them again in the future.

Recognition of David Branscome

Chairman Harris welcomed the newest Board member and called on Mr. Hathaway for an introduction. Mr. Hathaway gave a few remarks during which he said it was his fourteenth year as County Administrator for New Kent County. He shared that he echoed the positive sentiment reflected by the survey respondents in that he has always had a positive experience working with VRA.

The Chairman said the packet included a resolution recognizing David Branscome's service on the VRA Board. Mr. Mayausky made a motion, seconded by Dr. Woolridge, to adopt the recognition resolution of David Branscome as presented. The motion carried.

Approval of Meeting Minutes

Mr. Swain made a motion to approve the following meeting minutes in a block:

- Personnel Committee Meeting held June 1, 2026
- Budget and Investment Committee Meeting held June 1, 2026
- Portfolio Risk Management Committee Meeting held June 1, 2026
- Board of Directors Meeting held June 2, 2026

Ms. Tedesco seconded. The motion carried.

Policies Governing Electronic Participation in Meetings

The Chairman called on General Counsel to review the policies governing electronic participation in meetings. Ms. Gilliland explained that the Board must adopt the policies annually to comply with the Virginia Freedom of Information Act. Dr. Woolridge made a motion to adopt the following policies as presented in a block:

- Policy Governing All-Virtual Public Meetings
- Policy Governing Electronic Participation in Meetings

Director Rolband seconded the motion. The motion carried. Dr. Woolridge left the meeting.

Report of the Executive Director

Chairman Harris called on Mr. Crumlish to present the Executive Director's Report. Mr. Crumlish said that the Accomack-Northampton Transportation District Commission (ANTDC) real estate transaction closed. Of the $9 million VRA recovered in the settlement, he said about $90,000 was used to reimburse VRA for expenses, including legal and appraisals, and the remainder was remitted to the Commonwealth. Vice Chair Donnellan commended staff for resolving the ANTDC matter.

Mr. Crumlish said that VRA had closed on the first loan of the Virginia Community Flood Preparedness Fund, which had, to date, executed only grant agreements. He also noted that the Joint Legislative Audit and Review Commission (JLARC) is conducting a routine audit of the Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund, which is part of JLARC's annual review of economic incentives.

Report of Audit Committee

Chairman Harris called on Committee Chair Featherly who asked the external auditors to give a summary of the audit. Mr. Miller, Principal on the audit, said that they were engaged to perform an audit of the financial statements and a compliance audit. He reminded the Board that the VRA audit is procured through the Auditor of Public Accounts. Mr. Miller explained the various responsibilities of the auditor versus governance and mentioned the implementation of Governmental Accounting Standards Board (GASB) Statement No. 103. He said the audit has a clean opinion with no material weaknesses, no noncompliance, and remarked that no audit adjustments were proposed to staff. Mr. Miller said they are waiting on the Auditor of Public Accounts (APA) to release the opinion over Virginia Retirement System data. He also said the federal Office of Management and Budget needs to release the 2026 compliance supplement for completion of the Single Audit. Mr. Miller expressed appreciation for Ms. O'Brien, Director of Finance, and team and said the VRA audit is always a smooth process. He said there is one final GASB implementation left currently, namely GASB 105 Subsequent Events, which becomes effective for next year's audit. Committee Chair Featherly thanked the auditors.

Committee Chair Featherly called on Ms. O'Brien who explained financial highlights of the fiscal year and the implementation of GASB 103. Ms. O'Brien emphasized that 99.1% of total net position is restricted for making loans and grants. She mentioned VRA has again received the Government Finance Officers Association Certificate of Achievement award as well as an award for the accounting staff. Ms. O'Brien shared high regards for the accounting staff and the excellent work that the accounting division does.

Committee Chair Featherly made a motion to recommend VRA Board acceptance for the fiscal year 2026 Annual Comprehensive Financial Report as presented, with the understanding that the auditor's opinion should be unmodified, pending release of APA's opinions on Virginia Retirement System financial information. State Treasurer Richardson seconded. The motion carried.

Report of Portfolio Risk Management Committee (PRMC), including discussion of Surry County Loan Application

Chairman Harris called on Committee Chair Donnellan for the Report of the PRMC. Committee Chair Donnellan mentioned that the Committee discussed the Surry County loan application at Monday's meeting and shared that the County withdrew the loan application.

Committee Chair Donnellan turned the meeting over to Mr. Bergeron, Director of Financial Services and Investments, who shared an overview and history of the Clean Water and Drinking Water State Revolving Funds (SRFs). Mr. Bergeron said that, in line with the survey results indicating VRA financing meets project timing needs, VRA never wants to hold up a project and therefore completes credit underwriting to meet projected closing schedules. He shared statistics on completed credit percentages and said that for those credits not completed, they are either in process or on hold due to pending applicant items, such as late financial audits.

Mr. Bergeron then described the FY2027 SRF bond shelf resolution. He said the resolution allows VRA to reimburse itself, which is why the Board should adopt the shelf resolution even if VRA does not issue SRF bonds.

Committee Chair Donnellan made a motion, seconded by Ms. Tedesco, to approve the FY2027 State Revolving Funds Bond shelf resolution as presented by staff. The motion carried.

Committee Chair Donnellan called on Mr. D'Alema for a presentation. Mr. D'Alema provided an overview of the Virginia Pooled Financing Program summer pool issuance and a review of the local loan portfolio. He also shared the current list of fall pool applicants. Committee Chair Donnellan concluded the PRMC Report. The Chairman expressed appreciation to the members of PRMC and to staff.

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. He said the next meetings of the Board were December 7 and 8. There was no other new business.

Adjournment

Vice Chair Donnellan made a motion, seconded by Ms. Tedesco, to adjourn the meeting. The motion carried and Chairman Harris adjourned the meeting at 9:55 a.m.

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Board Secretary

APPROVED:

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Chairman of the Board

Resolution Expressing Appreciation from the Board of Directors of the Virginia Resources Authority to David Branscome

September 15, 2026

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, the Virginia Transportation Infrastructure Bank was created during the 2011 Regular Session of the General Assembly with VRA named as the Manager of the Bank; and

WHEREAS, David Branscome was appointed to the VRA Board of Directors in June 2011 by Governor Robert McDonnell, subsequently reappointed in July 2015 by Governor Terence McAuliffe, and also appointed in July 2022 by Governor Glenn Youngkin; and

WHEREAS, David Branscome's experience in the transportation industry and as a business owner made him uniquely qualified for serving on and contributing to the Board of Directors; and

WHEREAS, during David Branscome's terms on the Board, VRA-managed programs provided $5 billion of infrastructure financing for more than 2,000 local government projects, representing half of the projects financed during VRA's 40-year history; and

***WHEREAS**,* David Branscome was an active Board member and participated in numerous committees over his terms, including the committees for compliance, legislative, portfolio risk management, and strategic planning; and

***WHEREAS**,* David Branscome's distinguished career and business acumen led to his appointment as Chair of the Board's Budget and Investment Committee where he provided oversight to the Authority's budgeting and cash management practices; and

***WHEREAS**,* David Branscome's consistent service on the VRA Board led to his appointment as Chair of the Audit Committee where he engaged with the external auditors to provide fiscal and ethical oversight of the Authority's operations; and

***WHEREAS**,* David Branscome's participation and insights helped 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 David Branscome 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 $300,000,000 IN STATE REVOLVING FUND REVENUE BONDS FOR THE PERIOD ENDING SEPTEMBER 30, 2027

September 15, 2026

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 $300,000,000 (the “2027 Bonds”) at one time or from time to time and to use the proceeds of the 2027 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 2027 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. The form of the model Supplemental Series Indenture shall be consistent with past supplemental indentures related to other series of Bonds (the “2027 Model Supplement”). As provided in the Master Indenture and the 2027 Model Supplement, the debt service payments on the 2027 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 2027 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 2027 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 2027 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 2027 Bonds. The Board authorizes the issuance and sale of the 2027 Bonds, pursuant to the following terms and conditions: (i) the original aggregate principal amount of the 2027 Bonds shall not exceed $300,000,000; (ii) no Series of the 2027 Bonds shall have a true interest cost in excess of 7.0%; and (iii) the final maturity of any of the 2027 Bonds of any Series shall be no later than December 31, 2060. It is hereby found and determined that the debt service payments on the 2027 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 2027 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 2027 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 2027 Bonds of the Series on VRA's behalf.

3. Approval of Supplemental Series Indentures. Each Series of 2027 Bonds shall be issued pursuant to the Master Indenture and a Supplemental Series Indenture. With respect to each Series of 2027 Bonds authorized under this Resolution, the Chairman and Executive Director, either 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 the Supplemental Series Indenture, which shall be in substantially the form of the 2027 Model Supplement, with such changes, insertions or omissions, including the establishment of additional reserve funds for all or any portion of the 2027 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 2027 Bonds. The Executive Director is authorized and directed to have the 2027 Bonds of each Series prepared in substantially the form attached to the 2027 Model Supplement submitted to this meeting, to have such 2027 Bonds executed pursuant to the terms of the Master Indenture and the related Supplemental Series Indenture, to deliver such 2027 Bonds to the Trustee for authentication, and to cause such 2027 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 2027 Bonds**. Each Series of 2027 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 2027 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 2027 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 2027 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 2027 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 2027 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 2027 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 2027 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 2027 Bonds.

9. **Credit Enhancement**. The Executive Director is authorized to procure bond insurance for all or any portion of the 2027 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 2027 Bonds, if required under federal

or Virginia law, (ii) seek the approval of the Governor of the issuance of 2027 Bonds, if required under federal or Virginia law, and (iii) execute and deliver on VRA's behalf simultaneously with the issuance of each Series of the 2027 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 2027 Bonds and include such covenants as may be necessary to qualify the interest on all or any portion of each Series of the 2027 Bonds for exemption from gross income for federal income tax purposes or any 2027 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 2027 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 2027 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 2027 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 2027 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 2027 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 2027 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 2027 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 2027 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 2027 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 2027 Bonds; provided that the aggregate principal amount of the Notes shall not exceed $300,000,000 (less the aggregate principal amount of any previously issued series of 2027 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 2027 Bonds and may be retired, in the discretion of the Board, from the proceeds of the corresponding Series of 2027 Bonds or by means of current revenues or other funds, provided that the maximum amount of the series of 2027 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 2027 Bonds, the Notes, the Obligations, including without limitation the 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 that 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 2027 Bonds and Notes pursuant to this Resolution shall terminate on September 30, 2027.