VIRGINIA PUBLIC BUILDING AUTHORITY

FINANCIAL STATEMENTS (Unaudited)

FOR THE YEAR ENDED JUNE 30, 2016

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This section of the Virginia Public Building Authority's (the Authority) annual financial report presents an analysis of the Authority's financial performance during the fiscal year that ended on June 30, 2016. This information should be considered in conjunction with the information contained in the financial statements.

Authority Activities and Highlights

The Authority is a political subdivision of the Commonwealth of Virginia (the Commonwealth) and was created under the Virginia Public Building Authority Act of 1981, Article 6, Chapter 22, Title 2.2, *Code of Virginia* of 1950, as amended. The Authority is authorized to issue bonds or notes to construct, improve, furnish, maintain, acquire, finance and refinance certain public facilities for the use of the Commonwealth, its agencies and instrumentalities; to finance or refinance capital projects that benefit the Commonwealth and any of its authorities, agencies, instrumentalities or regional or local authorities; and to finance or refinance reimbursements to localities or governmental entities of the Commonwealth's share of the capital costs for certain authorized projects. All projects financed by the Authority must first be authorized/approved by the General Assembly. The Authority serves exclusively as a financing entity with the sole function of issuing and managing debt. Debt service for all bonds issued by the Authority is secured by appropriations from the Commonwealth, as authorized by the General Assembly.

Overview of the Financial Statements

This discussion and analysis is an introduction to the Authority's basic financial statements, which are comprised of two components: 1) combined government-wide and fund financial statements, and 2) notes to the financial statements.

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities are two basic financial statements that report information about the Authority as a whole. The data is reported using the accrual basis of accounting, and provides insight as to whether or not the Authority's total financial position has improved as a result of the current year's activities.

The Statement of Net Position presents all of the Authority's assets and liabilities, with the difference between the two reported as "net position." Over time, increases and decreases in net position measure whether the Authority's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the change occur, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g. receipt or payments on long-term debt obligations).

Both statements report Governmental Activities backed by appropriations from the Commonwealth, as authorized by the General Assembly.

Fund Financial Statements

The fund financial statements provide detailed information about the Authority's major fund. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the Authority uses to keep track of specific sources of funding and spending for a particular purpose.

All of the Authority's activity is reported in Governmental Funds Financial Statements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements focus on near-term inflows and outflows of spendable resources. This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting. These statements provide a detailed short-term view of the Authority's finances that assists in determining whether there will be adequate financial resources available to meet the current needs of the Authority.

Because the focus of governmental funds financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental funds and the governmental activities. These reconciliations are presented in the adjustment column in each of the financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements.

Government-wide Financial Analysis of the Authority

The primary purpose of the Authority is to provide a vehicle for financing public facilities for the use of the Commonwealth and its agencies and instrumentalities, and to finance reimbursements of the Commonwealth's share of local or regional jails and juvenile detention facilities costs. The Department of the Treasury provides staff support for the Authority. Consequently, the only operating costs are those attributable to its financing programs, which are paid primarily from bond proceeds.

Statement of Net Position
(in millions)

	2016	2015
Current assets	$ 67	$ 297
Deferred Outflows of Resources	38	41
Current liabilities	255	239
Noncurrent liabilities	2,246	2,441
Total liabilities	2,501	2,680
Net position (deficit)	$ (2,396)	$ (2,342)

The Authority's net position decreased by 2.3% or $54 million in 2016. The decrease is due to several factors. Available cash decreased by $230 million (as a result of project disbursements with no new bond issuances), deferred outflows of resources decreased by $3 million (as a result of the current year amortization of the charge on refunding) and bond interest payable increased by $3 million (as a result of the underlying structure of the outstanding bonds). This activity is offset by a decrease in outstanding bonds payable by $160 million (as a result of bonds redeemed), and a decrease in outstanding bond premiums by $22 million (due to premium amortization).

Net position consistently maintains a deficit balance because the Authority includes the bonds payable liability in its financial statements without including the future appropriations expected from the Commonwealth. Future appropriations are not considered available and do not constitute a legally binding commitment and are therefore not eligible to be included in the financial statements. The General Assembly has never failed to appropriate funds to the Authority for payment of debt service on the Authority's bonds.

Changes in Net Position
(in millions)

Revenues:	2016	2015
Appropriation from the Commonwealth	$ 255	$ 275
Other revenue	9	8
Total revenues	264	283
Expenses:		
Interest on long-term debt	86	74
Disbursements for state and local projects	232	196
Total expenses	318	270
Changes in net assets	(54)	13
Net position (deficit), July 1	(2,342)	(2,355)
Net position (deficit), June 30	$ (2,396)	$ (2,342)

The Authority's revenues decreased by 6.7% or $19 million compared to last year while expenses increased by 17.8% or $48 million. The decrease in revenue is largely due to the decrease in the appropriation receipt from the Commonwealth of $20 million, which resulted from the smaller debt service requirement for the year. This activity is offset by a $1 million increase in other revenues (primarily receipt from the sale of an asset). The increase in expenses is attributable to a net increase in distributions for construction projects of $22 million, reimbursements made to localities for various regional jail projects of $17 million and interest on long term debt of $12 million. This activity is offset by a decrease in cost of issuance expenses of $2 million. The remaining variance is reflected in several smaller categories. The fluctuations in revenues and expenses are expected due to the nature of the Authority's operations.

Debt Administration

As a financing entity, the sole business of the Authority is debt administration. The Authority issues bonds to finance capital projects approved by the General Assembly of the Commonwealth of Virginia. All bonds are secured by amounts to be appropriated by the General Assembly.

The following is a summary of changes in long-term debt of the Authority at June 30, 2016:

Payable at July 1, 2015	$ 2,623,447,462
Bonds issued	-
Bonds redeemed	(160,470,000)
Net amortized premium on bonds sold	(21,564,333)
Payable at June 30, 2016	$ 2,441,413,129

The Authority's outstanding bonds are rated as follows:

Moody's Investors Service (Moody's)	Aa1
Standard and Poor's Rating Service (S&P)	AA+
Fitch Ratings, Inc. (Fitch)	AA+

Since the Authority's bonds are backed by state appropriations, the bond ratings are a direct reflection of the Commonwealth's triple-A rating from each of the three rating agencies.

Future Impact to Financial Position

In October 2016, the Authority issued $385 million of combined tax-exempt bonds consisting of $206 million of Public Facilities Revenue Bonds, Series 2016A and $179 million of Public Facilities Revenue Refunding Bonds, Series 2016B. The Authority also issued $147 million of bonds subject to alternative minimum tax, Public Facilities Revenue Bonds, Series 2016C (AMT). In addition, the Authority issued $14 million of taxable bonds, Public Facilities Revenue Bonds, Series 2016D (Taxable). The proceeds of the Series 2016 Bonds will be used to: (i) finance the acquisition, construction, improvement, rehabilitation, furnishing, and equipping of various public facilities for use by or on behalf of the Commonwealth and its agencies, (ii) finance the Commonwealth's payment of the cost of certain grants and of regional and local jail and juvenile detention facility projects, (iii) refund certain maturities of outstanding Public Facilities Revenue Bonds, and (iv) pay costs of issuing the 2016 Bonds.

VIRGINIA PUBLIC BUILDING AUTHORITY
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
(Unaudited)
As of June 30, 2016

	Special Revenue Fund	Adjustments	Statement of Net Position
ASSETS			
Current assets:			
Cash and cash equivalents	$ 63,924,083	$ -	$ 63,924,083
Due from the Federal Government	-	3,104,753	3,104,753
Interest receivable	41,820	-	41,820
Total assets	$ 63,965,903	3,104,753	67,070,656
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding		37,763,439	37,763,439
Total deferred outflows of resources		37,763,439	37,763,439
LIABILITIES			
Current liabilities:			
Bond interest payable	$ -	43,168,373	43,168,373
Due to state institutions	16,589,896	-	16,589,896
Bonds payable	-	177,020,000	177,020,000
Premium on bonds sold	-	18,355,437	18,355,437
Total current liabilities	16,589,896	238,543,810	255,133,706
Noncurrent liabilities:			
Bonds payable	-	2,079,970,000	2,079,970,000
Premium on bonds sold	-	166,067,692	166,067,692
Total noncurrent liabilities	-	2,246,037,692	2,246,037,692
Total liabilities	16,589,896	2,484,581,502	2,501,171,398
FUND BALANCE/NET POSITION:			
Fund balance:			
Restricted for construction projects	47,376,005	(47,376,005)	-
Restricted for debt service	2	(2)	-
Total fund balance	47,376,007	(47,376,007)	-
Total liabilities and fund balance	$ 63,965,903		
Net position (deficit):			
Unrestricted		(2,396,337,303)	(2,396,337,303)
Total net position (deficit)		$ (2,396,337,303)	$ (2,396,337,303)

The accompanying notes are an integral part of the financial statements.

VIRGINIA PUBLIC BUILDING AUTHORITY
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE (Unaudited)
For the Fiscal Year Ended June 30, 2016

	Special Revenue Fund	Adjustments	Statement of Activities
REVENUES:			
Interest on investments	$ 655,110	$ -	$ 655,110
Sale of Asset	972,690	-	972,690
Interest on Build America Bonds	7,431,419	16,657	7,448,076
Appropriations from the Commonwealth	254,557,379	-	254,557,379
Total revenues	263,616,598	16,657	263,633,255
EXPENDITURES/EXPENSES:			
Current:			
Legal and financial services	167,047	-	167,047
Disbursements to institutions	181,363,474	-	181,363,474
Disbursements to localities	50,722,882	-	50,722,882
Bond rating fees	55,000	-	55,000
Debt service:			
Principal retirement	160,470,000	(160,470,000)	-
Interest and fiscal charges	101,528,513	(15,693,000)	85,835,513
Total expenditures/expenses	494,306,916	(176,163,000)	318,143,916
Deficiency of revenues under expenditures	(230,690,318)	230,690,318	-
Change in net position	-	(54,510,661)	(54,510,661)
Fund balance/Net position (deficit), July 1, 2015	278,066,325	(2,619,892,967)	(2,341,826,642)
Fund balance/Net position (deficit), June 30, 2016	$ 47,376,007	$ (2,443,713,310)	$ (2,396,337,303)

The accompanying notes are an integral part of the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Authority was created in 1981 by §2.2-2260 et seq., of the *Code of Virginia*, and is authorized to issue bonds or notes to construct, improve, furnish, maintain, acquire, finance and refinance certain public facilities for the use of the Commonwealth, its agencies and instrumentalities; to finance or refinance capital projects that benefit the Commonwealth and any of its authorities, agencies, instrumentalities or regional or local authorities; and to finance or refinance reimbursements to localities or governmental entities of the Commonwealth's share of the capital costs for certain authorized projects. The Authority is authorized to undertake a project only upon approval of the General Assembly of the Commonwealth.

In 1997 the Authority created the 1997 Master Indenture of Trust (the 1997 Indenture). The 1997 Indenture utilizes a single payment agreement to provide for debt service payments. Debt service payments are subject to General Assembly appropriation. In addition, the 1997 Indenture provides for the issuance of commercial paper bond anticipation notes. All bonds currently outstanding have been issued under the 1997 Indenture and no obligations issued under the Authority's previous 1988 Indenture remain outstanding.

A separate report is prepared for the Commonwealth of Virginia, which includes all agencies, boards, commissions, and authorities over which the Commonwealth exercises or has the ability to exercise oversight authority. The Authority is a component unit of the Commonwealth of Virginia and is included in the basic financial statements of the Commonwealth.

The accounting and reporting policies of the Authority conform to generally accepted accounting principles (GAAP) applicable to governmental units as prescribed by the Governmental Accounting Standards Board (GASB), the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the Authority's more significant policies.

B. Measurement Focus and Basis of Accounting

The accompanying financial statements are presented using the accounting principles generally accepted in the United States of America as prescribed by the GASB. The accompanying government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned and expenditures are recognized when the related liability is incurred, regardless of the timing of related cash flows.

The accompanying governmental funds financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available to fund current operations. Expenditures are recognized when the related fund liability is incurred, except for principal and interest on long-term debt which is recognized when due.

The Authority uses the cash basis of accounting during the year and reports on the accrual and modified accrual basis for financial statement purposes at the end of the fiscal year.

C. Fund Accounting

The Special Revenue Fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Special Revenue Fund consists of bond proceeds, bond funds, and issuance expense funds. The fund was established in accordance with the provisions of the Trust Agreement entered into with the trustee for each bond indenture.

D. Adjustments

The adjustments column represents the recording of bonds payable liabilities on the Statement of Net Position and the related effect of these transactions on the Statement of Activities. Governmental fund statements do not reflect bonds payable. The non-current portion of bonds payable includes those payments that are not due and payable in the current period.

E. Bond Issuance Costs, Premiums, and Discounts

Costs associated with issuing debt are expensed in the year incurred. The original issue premium or discount, for each bond issuance, is also recorded in the year incurred unless it exceeds 1% of the amount of the bonds issued. In that case, the original issue premium or discount is deferred and amortized, on a straight-line basis, over the life of the outstanding debt.

F. Budget to Actual Statement

Due to the nature of activity accounted for by the Authority, a budget is not prepared. Therefore, a Statement of Revenues, Expenditures, and Changes in Balances – Budget to Actual is not included in the financial statements.

2. DETAILED NOTES ON ALL FUNDS

A. Cash and Cash Equivalents

Cash and cash equivalents of $63,924,083 are held by The Bank of New York Mellon, as trustee (successor to Signet Bank), under the 1997 Indenture. Cash is defined as demand deposits, time deposits and certificates of deposit in accordance with §2.2-4401 of the *Code of Virginia*. Cash equivalents represent deposits and short-term investments with original maturities of less than three months.

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act"). Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and depending upon that choice will pledge collateral that ranges in amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

In accordance with the Trust Subsidiary Act, §6.2-1057 of the *Code of Virginia*, cash held by the trustee while awaiting investment or distribution is not used by an affiliate bank of the trustee in the conduct of its business unless the affiliate bank delivers securities to the trust department as collateral that is at least equal to the market value of the trust funds held on deposit in excess of amounts insured by federal deposit insurance.

The 1997 Indenture authorizes the trustee, on behalf of the Authority, to invest in legal investments for public sinking funds and other public funds as outlined in §2.2-4500 and §2.2-4501 of the *Code of Virginia* which include repurchase agreements, certificates of deposit, commercial paper, bankers' acceptances, United States Government and agency securities, and money market funds.

Custodial credit risk for cash and cash equivalents is the risk that, in the event of a failure of the counterparty, the Authority will not be able to recover the value of the cash and cash equivalents or collateral securities that are in the possession of an outside party. The Trustee complies with the Trust Subsidiary Act, §6.2-1057 of the *Code of Virginia* with regard to the Authority's assets. The Authority's investments at June 30, 2016 were held in the Authority's name by the Authority's custodial banks; therefore, the Authority has no custodial credit risk.

The Authority's cash and cash equivalents at June 30, 2016 are presented below.

As of June 30, 2016

	Fair Value
Cash and cash equivalents:	
Cash	$ 2
State Non-Arbitrage Program [(1)]	56,160,025
Local Government Investment Pool [(2)]	7,764,056
	$ 63,924,083

(1) The Virginia State Non-Arbitrage Program® ("SNAP®") offers a professionally-managed money market mutual fund, which provides issuers with a temporary pooled investment vehicle for proceeds pending expenditure, and with record keeping, depository and arbitrage rebate calculation services. SNAP® is an external investment pool registered under the Investment Company Act of 1940. The SNAP® fund is rated AAAm by Standard and Poor's.

(2) The Local Government Investment Pool (LGIP) enables governmental entities to maximize their return on investments by providing for a State administered fund where monies can be commingled for investment purposes in order to realize the economies of large-scale investing and professional funds management. The LGIP is managed in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement No. 79. The LGIP is in compliance with all of the standards of GASB Statement No. 79 and elects to report its investments for financial reporting at amortized cost. Participants in the LGIP should also report their investments in the LGIP at amortized cost. The LGIP is rated 'AAAm' by Standard & Poor's rating service.

B. Long-Term Debt

Changes in Long-Term Debt - The following is a summary of changes in long-term debt of the Authority for the year ended June 30, 2016.

Payable at July 1, 2015	$ 2,623,447,462
Bonds issued	-
Bonds redeemed	(160,470,000)
Net amortized premium on bonds sold	(21,564,333)
Payable at June 30, 2016	$ 2,441,413,129

Annual Requirements to Amortize Long-Term Debt:

Year Ending June 30	Principal	Interest	Total
2017	$ 177,020,000	$ 99,496,204	$ 276,516,204
2018	160,770,000	91,320,746	252,090,746
2019	145,340,000	83,950,314	229,290,314
2020	146,580,000	77,056,674	223,636,674
2021	140,990,000	70,266,508	211,256,508
2022-2026	729,375,000	251,901,682	981,276,682
2027-2031	582,900,000	96,788,538	679,688,538
2032-2036	174,015,000	13,557,250	187,572,250
Add: unamortized premium	184,423,129		184,423,129
Total	$ 2,441,413,129	$ 784,337,916	$ 3,225,751,045

C. Defeasance of Debt

In prior years, the Authority defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included on the Authority's financial statements. At June 30, 2016, $369,525,000 of bonds outstanding is considered defeased for financial reporting purposes. The detail for those balances and the refinancing activities that resulted in the defeasance of the bonds is presented below.

Refunded State Building Revenue Bonds:	Refunded Amount:	Refunding Series:
Series 2006A (partial)	$ 18,410,000	2013B
Series 2006A (partial)	$ 25,985,000	2014C
Series 2006A (partial)	$ 3,930,000	2015B
Series 2006B (partial)	$ 54,115,000	2013B
Series 2006B (partial)	$ 57,420,000	2014C
Series 2007A (partial)	$ 116,170,000	2014C
Series 2008B (partial)	$ 93,495,000	2015B

In accordance with GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, the difference between the reacquisition price and the net carrying amount of the bonds defeased with refunding debt is amortized as a component of Interest on Bonds over the remaining life of the refunded debt.

D. Arbitrage Rebate

The Tax Reform Act of 1986 requires that governmental entities issuing tax-exempt debt subsequent to August 1986 calculate and rebate arbitrage earnings to the federal government. The U.S. Treasury has issued regulations on calculating the rebate amount and complying with the provisions of the Tax Reform Act of 1986. The Authority must comply with the rebate regulations in order for the Authority's bonds to maintain a tax-exempt status. The regulations require the excess of the aggregate amount earned on investments purchased with bond proceeds over the amount that would have been earned if the investments were invested at a rate equal to the bond yield to be rebated to the federal government.

Income earned on excess earnings is also subject to rebate. Rebate payments, if required, are due at least every five years over the life of the bonds. Some bonds of the Authority may be exempt from the rebate regulations if they meet statutory exceptions per the rebate requirements. The Authority may also elect, on or before the date of the bond issue, to pay a penalty in lieu of rebate if it does not meet certain expenditure tests. The Authority would retain any arbitrage earnings. The Authority, to date, has not elected penalty in lieu of rebate.

Rebate and penalty payments are calculated and paid by the Authority as required by law on bond issues that fall under the regulations and do not qualify for exceptions. As of their 5-year installment computation date, the combined 2010B-1 and 2010B-3 bonds and the 2010B-2 bonds had no arbitrage rebate liabilities due. In fiscal year 2016, no bonds were subject to a 10-year or 15-year installment computation. The 2010A-1 bonds were subject to a final rebate payment calculation, but no rebate payment was due. Therefore, no payments were made to the Internal Revenue Service.

E. Fund Balance

Generally accepted accounting principles direct that governmental funds recognize expenditures when the related liability is incurred while revenues are recognized when they become available. Due to the timing of the Authority's bond issuance, available resources at the close of the current year recognized by the Authority exceeded the expenditures recognized by the Authority at the close of the current period resulting in a surplus balance of $47,376,007.

F. Deficit Net Position

Generally accepted accounting principles direct that governmental funds recognize revenues in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. Authority bonds are secured by General Assembly appropriations. Because future appropriations are not considered available and do not constitute a legally binding commitment, the Authority ended the year with a net position deficit of

$2,396,337,303. The General Assembly has never failed to appropriate funds to the Authority for payment of debt service on the Authority's bonds.

G. Due from the Federal Government

The American Recovery and Reinvestment Act of 2009 permits the Authority to issue federally taxable bonds known as "Build America Bonds" to finance capital expenditures. Under the Build America Bonds program, instead of issuing federally tax-exempt bonds, the Authority can issue federally taxable Build America Bonds and elect to receive a subsidy payment from the federal government equal to 35% of each interest payment due semiannually on such taxable bonds. The Authority has issued two such series of bonds, beginning in fiscal year 2010 (Series 2010A-2 Bonds and Series 2010B-2 Bonds). Therefore, the Authority is accruing a receivable from the federal government for the subsidy payments which will be due on August 1, 2016. As a result of the Federal Sequestration, the actual August 1, 2016 payment was reduced by 6.8% and the corresponding accrual was adjusted to reflect this reduction. It should be noted that the subsidy payments have not been pledged to the payment of the Build America Bonds, and the subsidy payments are not full faith and credit obligations of the United States. As such, future debt service payments have been reflected in these financial statements at their gross amounts, without consideration of possible future subsidy payments.

H. Subsequent Events

In October 2016, the Authority issued $385 million of combined tax-exempt bonds consisting of $206 million of Public Facilities Revenue Bonds, Series 2016A and $179 million of Public Facilities Revenue Refunding Bonds, Series 2016B. The Authority also issued $147 million of bonds subject to alternative minimum tax, Public Facilities Revenue Bonds, Series 2016C (AMT). In addition, the Authority issued $14 million of taxable bonds, Public Facilities Revenue Bonds, Series 2016D (Taxable). The proceeds of the Series 2016 Bonds will be used to: (i) finance the acquisition, construction, improvement, rehabilitation, furnishing, and equipping of various public facilities for use by or on behalf of the Commonwealth and its agencies, (ii) finance the Commonwealth's payment of the cost of certain grants and of regional and local jail and juvenile detention facility projects, (iii) refund certain maturities of outstanding Public Facilities Revenue Bonds, and (iv) pay costs of issuing the 2016 Bonds.

I. Risk Management

The Authority is exposed to various risks of loss related to torts; theft or, damage to, and destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The Department of the Treasury participates in insurance plans maintained by the Commonwealth of Virginia on behalf of the Authority. The risk management insurance plans are administered by the Department of Treasury, Division of Risk Management. Risk management insurance includes property, general liability, medical malpractice, faithful performance of duty bond, automobile, and air and watercraft plans. The Department of Treasury pays premiums to this Department for its insurance coverage. Information relating to the Commonwealth's insurance plans is available at the statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

VIRGINIA PUBLIC BUILDING AUTHORITY
SUPPLEMENTARY INFORMATION
DETAIL OF LONG-TERM INDEBTEDNESS (Unaudited)
AS OF JUNE 30, 2016
(Dollars in Thousands)

Detail of Long-Term Indebtedness by Series

	Dated Date	True Interest Cost ("TIC")	Amount Issued	Outstanding July 1, 2015	Issued (Retired) During Year	Outstanding June 30, 2016	Original Maturity
Series 2005A Refunding	03/01/05	3.73%	47,305	4,050	(4,050)	-	08/01/18
Series 2005B Refunding	04/15/05	3.64%	135,675	13,585	(13,585)	-	08/01/19
Series 2005C	11/01/05	4.02%	165,810	16,115	(16,115)	-	08/01/22
Series 2005D	12/01/05	Variable	50,000	50,000	-	50,000	08/01/25
Series 2006A	08/24/06	4.15%	135,000	20,935	(10,205)	10,730	08/01/26
Series 2006B	11/30/06	4.07%	215,065	24,915	(12,145)	12,770	08/01/26
Series 2007A	10/10/07	4.25%	242,480	46,000	(14,575)	31,425	08/01/27
Series 2008B	12/11/08	4.90%	150,000	26,035	(6,070)	19,965	08/01/28
Series 2009A (Taxable)	04/22/09	5.61%	40,995	26,885	(3,195)	23,690	08/01/21
Series 2009B	06/03/09	3.66%	265,000	205,205	(13,435)	191,770	08/01/29
Series 2009C (Taxable)	06/03/09	4.70%	10,000	6,420	(795)	5,625	08/01/21
Series 2009D Refunding	06/03/09	2.81%	42,745	31,655	(4,850)	26,805	08/01/21
Series 2010A-1	02/24/10	1.21%	60,520	13,050	(13,050)	-	08/01/15
Series 2010A-2 (Taxable)	02/24/10	3.36%	256,710	256,710	-	256,710	08/01/30
Series 2010B-1	11/23/10	1.62%	87,510	48,980	(11,355)	37,625	08/01/18
Series 2010B-2 (Taxable)	11/23/10	3.40%	195,310	195,260	-	195,260	08/01/30
Series 2010B-3 Refunding	11/23/10	2.82%	50,780	49,750	(355)	49,395	08/01/22
Series 2011A	10/19/11	3.49%	280,000	253,100	(9,785)	243,315	08/01/31
Series 2011B (Taxable)	10/19/11	3.59%	18,500	16,355	(740)	15,615	08/01/31
Series 2012A Refunding	02/23/12	1.74%	72,415	72,415	-	72,415	08/01/24
Series 2013A	02/21/13	2.70%	143,400	138,960	(4,645)	134,315	08/01/33
Series 2013B Refunding	02/21/13	1.74%	72,370	72,370	-	72,370	08/01/23
Series 2014A	09/17/14	2.93%	132,875	132,875	(4,065)	128,810	08/01/34
Series 2014B (Taxable)	09/17/14	3.22%	29,735	29,735	(1,200)	28,535	08/01/34
Series 2014C Refunding	09/17/14	2.14%	298,390	298,390	(16,255)	282,135	08/01/27
Series 2015A	06/09/15	3.28%	232,980	232,980	-	232,980	08/01/35
Series 2015B Refunding	06/09/15	2.45%	134,730	134,730	-	134,730	08/01/28
Total			$ 3,566,300	$ 2,417,460	$ (160,470)	$ 2,256,990	

VIRGINIA PUBLIC BUILDING AUTHORITY
Richmond, Virginia

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As of June 30, 2016

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Sarah B. Williams, Vice Chairman

Carolyn L. Bishop

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